### DRAFT 1

### SUBSTITUTE FOR

## HOUSE BILL NO. 4269

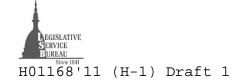
A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2012; to provide for the expenditure of those appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

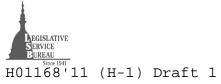
1 PART 1

2 LINE-ITEM APPROPRIATIONS

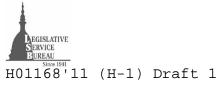
3 Sec. 101. Subject to the conditions set forth in this act, the



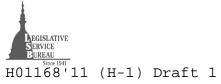
1	amounts listed in this part are appropriated for the department of
2	community health for the fiscal year ending September 30, 2012,
3	from the funds indicated in this part. The following is a summary
4	of the appropriations in this part:
5	DEPARTMENT OF COMMUNITY HEALTH
6	APPROPRIATION SUMMARY
7	Full-time equated unclassified positions 6.0
8	Full-time equated classified positions 4,024.0
9	Average population893.0
10	GROSS APPROPRIATION \$ 13,922,657,100
11	Interdepartmental grant revenues:
12	Total interdepartmental grants and intradepartmental
13	transfers
14	ADJUSTED GROSS APPROPRIATION \$ 13,918,128,400
15	Federal revenues:
16	Total federal revenues
17	Special revenue funds:
18	Total local revenues
19	Total private revenues
20	Merit award trust fund
21	Total other state restricted revenues
22	State general fund/general purpose \$ 2,675,575,200
23	Sec. 102. DEPARTMENTWIDE ADMINISTRATION
24	Full-time equated unclassified positions 6.0
25	Full-time equated classified positions 175.2
26	Director and other unclassified6.0 FTE positions \$ 583,900
27	Departmental administration and management165.2 FTE



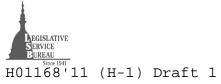
1	positions	22,667,000
2	Worker's compensation program	8,772,300
3	Rent and building occupancy	10,628,100
4	Developmental disabilities council and projects10.0	
5	FTE positions	2,855,700
6	GROSS APPROPRIATION \$	45,507,000
7	Appropriated from:	
8	Federal revenues:	
9	Total federal revenues	14,092,400
10	Special revenue funds:	
11	Total private revenues	35,100
12	Total other state restricted revenues	2,502,900
13	State general fund/general purpose \$	28,876,600
14	Sec. 103. MENTAL HEALTH/SUBSTANCE ABUSE SERVICES	
15	ADMINISTRATION AND SPECIAL PROJECTS	
16	Full-time equated classified positions 111.5	
17		
18	Mental health/substance abuse program administration	
то	Mental health/substance abuse program administration 110.5 FTE positions\$	17,386,800
19		17,386,800
	110.5 FTE positions\$	
19	110.5 FTE positions\$  Gambling addiction1.0 FTE position	3,000,000
19 20	110.5 FTE positions\$  Gambling addiction1.0 FTE position	3,000,000
19 20 21	110.5 FTE positions	3,000,000 194,400 1,777,200
19 20 21 22	110.5 FTE positions	3,000,000 194,400 1,777,200 2,697,200
19 20 21 22 23	110.5 FTE positions	3,000,000 194,400 1,777,200 2,697,200 19,470,500
19 20 21 22 23 24	110.5 FTE positions	3,000,000 194,400 1,777,200 2,697,200 19,470,500 9,306,800



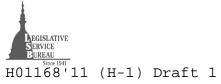
1	Total federal revenues		37,101,600
2	Special revenue funds:		
3	Total private revenues		390,000
4	Total other state restricted revenues		3,000,000
5	State general fund/general purpose	\$	13,341,300
6	Sec. 104. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE		
7	SERVICES PROGRAMS		
8	Full-time equated classified positions 9.5		
9	Medicaid mental health services	\$	2,055,796,700
10	Community mental health non-Medicaid services		273,908,100
11	Medicaid adult benefits waiver		32,056,100
12	Medicaid substance abuse services		42,410,600
13	CMHSP, purchase of state services contracts		134,021,400
14	Civil service charges		1,499,300
15	Federal mental health block grant2.5 FTE positions .		15,397,500
16	Community substance abuse prevention, education, and		
17	treatment programs		77,170,600
18	Children's waiver home care program		18,944,800
19	Nursing home PAS/ARR-OBRA7.0 FTE positions		12,179,300
20	Children with serious emotional disturbance waiver	_	8,188,000
21	GROSS APPROPRIATION	\$	2,671,572,400
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	Interdepartmental grant from the department of human		
25	services		2,769,000
26	Federal revenues:		
27	Total federal revenues		1,515,519,600



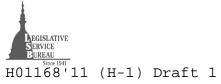
1	Special revenue funds:	
2	Total local revenues	25,228,900
3	Total other state restricted revenues	22,314,900
4	State general fund/general purpose	\$ 1,105,740,000
5	Sec. 105. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
6	MENTAL HEALTH SERVICES	
7	Total average population893.0	
8	Full-time equated classified positions 2,194.2	
9	Caro regional mental health center - psychiatric	
10	hospital - adult468.3 FTE positions	\$ 56,706,900
11	Average population	
12	Kalamazoo psychiatric hospital - adult483.1 FTE	
13	positions	54,704,100
14	Average population	
15	Walter P. Reuther psychiatric hospital - adult433.3	
16	FTE positions	52,222,600
17	Average population	
18	Hawthorn center - psychiatric hospital - children and	
19	adolescents230.9 FTE positions	27,063,900
20	Average population	
21	Center for forensic psychiatry578.6 FTE positions	66,703,200
22	Average population	
23	Revenue recapture	750,000
24	IDEA, federal special education	120,000
25	Special maintenance	332,500
26	Purchase of medical services for residents of	
27	hospitals and centers	445,600



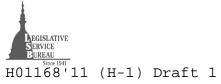
1	Gifts and bequests for patient living and treatment		
2	environment	_	1,000,000
3	GROSS APPROPRIATION	\$	260,048,800
4	Appropriated from:		
5	Interdepartmental grant revenues:		
6	Federal revenues:		
7	Total federal revenues		29,897,500
8	Special revenue funds:		
9	CMHSP, purchase of state services contracts		134,021,400
10	Other local revenues		17,477,700
11	Total private revenues		1,000,000
12	Total other state restricted revenues		15,934,200
13	State general fund/general purpose	\$	61,718,000
14	Sec. 106. PUBLIC HEALTH ADMINISTRATION		
15	Full-time equated classified positions 91.7		
16	Public health administration7.3 FTE positions	\$	1,557,200
17	Minority health grants and contracts3.0 FTE		
18	positions		612,700
19	Promotion of healthy behaviors		975,900
20	Vital records and health statistics81.4 FTE		
21	positions	_	9,442,800
22	GROSS APPROPRIATION	\$	12,588,600
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	Interdepartmental grant from the department of human		
26	services		1,171,500
27	Federal revenues:		



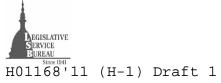
1	Total federal revenues	4,887,900
2	Special revenue funds:	
3	Total private revenues	300,000
4	Total other state restricted revenues	4,974,700
5	State general fund/general purpose \$	1,254,500
6	Sec. 107. HEALTH POLICY, REGULATION, AND	
7	PROFESSIONS	
8	Full-time equated classified positions 456.6	
9	Health systems administration199.6 FTE positions \$	21,630,100
10	Emergency medical services program state staff23.0	
11	FTE positions	4,850,300
12	Radiological health administration21.4 FTE positions	3,179,700
13	Emergency medical services grants and services	660,000
14	Health professions163.0 FTE positions	26,945,900
15	Health policy and regulation30.2 FTE positions	3,756,600
16	Nurse scholarship, education, and research program	
17	3.0 FTE positions	1,744,200
18	Certificate of need program administration14.0 FTE	
19	positions	2,071,100
20	Rural health services1.0 FTE position	1,410,300
21	Michigan essential health provider	872,700
22	Primary care services1.4 FTE positions	2,886,900
23	GROSS APPROPRIATION \$	70,007,800
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	Interdepartmental grant from the department of	
27	treasury, Michigan state hospital finance authority.	116,300



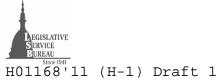
1	Federal revenues:	
2	Total federal revenues	24,813,200
3	Special revenue funds:	
4	Total local revenues	100,000
5	Total private revenues	455,000
6	Total other state restricted revenues	36,563,900
7	State general fund/general purpose	\$ 7,959,400
8	Sec. 108. INFECTIOUS DISEASE CONTROL	
9	Full-time equated classified positions 50.7	
10	AIDS prevention, testing, and care programs12.7 FTE	
11	positions	\$ 59,449,300
12	Immunization local agreements	11,975,200
13	Immunization program management and field support	
14	15.0 FTE positions	1,786,300
15	Pediatric AIDS prevention and control1.0 FTE	
16	position	1,231,400
17	Sexually transmitted disease control local agreements	3,360,700
18	Sexually transmitted disease control management and	
19	field support22.0 FTE positions	 3,743,300
20	GROSS APPROPRIATION	\$ 81,546,200
21	Appropriated from:	
22	Federal revenues:	
23	Total federal revenues	43,541,200
24	Special revenue funds:	
25	Total private revenues	27,707,700
26	Total other state restricted revenues	7,470,600
27	State general fund/general purpose	\$ 2,826,700



1	Sec. 109. LABORATORY SERVICES	
2	Full-time equated classified positions 111.0	
3	Laboratory services111.0 FTE positions	\$ 17,183,900
4	GROSS APPROPRIATION	\$ 17,183,900
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	Interdepartmental grant from the department of	
8	environmental quality	471,900
9	Federal revenues:	
10	Total federal revenues	2,092,300
11	Special revenue funds:	
12	Total other state restricted revenues	8,267,600
13	State general fund/general purpose	\$ 6,352,100
14	Sec. 110. EPIDEMIOLOGY	
15	Full-time equated classified positions 126.7	
16	AIDS surveillance and prevention program	\$ 2,254,100
17	Asthma prevention and control2.6 FTE positions	856,900
18	Bioterrorism preparedness66.6 FTE positions	49,286,900
19	Epidemiology administration40.0 FTE positions	8,202,000
20	Lead abatement program7.0 FTE positions	2,647,700
21	Newborn screening follow-up and treatment services	
22	10.5 FTE positions	5,337,800
23	Tuberculosis control and prevention	 867,000
24	GROSS APPROPRIATION	\$ 69,452,400
25	Appropriated from:	
26	Federal revenues:	
27	Total federal revenues	61,271,300



1	Special revenue funds:		
2	Total private revenues		25,000
3	Total other state restricted revenues		6,367,900
4	State general fund/general purpose	\$	1,788,200
5	Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS		
6	Full-time equated classified positions 2.0		
7	Essential local public health services	\$	35,689,500
8	Implementation of 1993 PA 133, MCL 333.17015		20,000
9	Local health services2.0 FTE positions		500,000
10	Medicaid outreach cost reimbursement to local health		
11	departments	_	9,000,000
12	GROSS APPROPRIATION	\$	45,209,500
13	Appropriated from:		
14	Federal revenues:		
15	Total federal revenues		9,500,000
16	Special revenue funds:		
17	Total local revenues		5,150,000
18	State general fund/general purpose	\$	30,559,500
19	Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND		
20	HEALTH PROMOTION		
21	Full-time equated classified positions 75.5		
22	Cancer prevention and control program12.0 FTE		
23	positions	\$	14,298,200
24	Chronic disease control and health promotion		
25	administration33.4 FTE positions		5,950,100
26	Diabetes and kidney program12.2 FTE positions		2,582,800
27	Public health traffic safety coordination1.0 FTE		



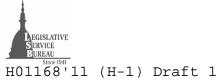
1	position	87,500
2	Smoking prevention program14.0 FTE positions	2,075,000
3	Violence prevention2.9 FTE positions	2,123,200
4	GROSS APPROPRIATION \$	27,116,800
5	Appropriated from:	
6	Federal revenues:	
7	Total federal revenues	23,884,200
8	Special revenue funds:	
9	Total private revenues	61,600
10	Total other state restricted revenues	1,454,900
11	State general fund/general purpose \$	1,716,100
12	Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH	
13	SERVICES	
14	Full-time equated classified positions 55.1	
15	Childhood lead program6.0 FTE positions \$	1,598,400
16	Dental programs3.0 FTE positions	992,000
17	Dental program for persons with developmental	
18	disabilities	151,000
19	Family, maternal, and children's health services	
20	administration43.6 FTE positions	6,047,700
21	Family planning local agreements	9,085,700
22	Local MCH services	7,018,100
23	Pregnancy prevention program	602,100
24	Prenatal care outreach and service delivery support	200
25	Special projects2.5 FTE positions	8,397,800
26	Sudden infant death syndrome program	321,300
27	GROSS APPROPRIATION \$	34,214,300



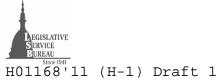
1	Appropriated from:		
2	Federal revenues:		
3	Total federal revenues		30,552,600
4	Special revenue funds:		
5	Total local revenues		75,000
6	State general fund/general purpose	\$	3,586,700
7	Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND		
8	NUTRITION PROGRAM		
9	Full-time equated classified positions 45.0		
10	Women, infants, and children program administration		
11	and special projects45.0 FTE positions	\$	13,825,200
12	Women, infants, and children program local agreements		
13	and food costs	_	254,200,800
14	GROSS APPROPRIATION	\$	268,026,000
15	Appropriated from:		
16	Federal revenues:		
17	Total federal revenues		209,412,200
18	Special revenue funds:		
19	Total private revenues		58,613,800
20	State general fund/general purpose	\$	0
21	Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES		
22	Full-time equated classified positions 47.8		
23	Children's special health care services		
24	administration45.0 FTE positions	\$	5,245,700
25	Bequests for care and services2.8 FTE positions		1,511,400
26	Outreach and advocacy		3,773,500
27	Nonemergency medical transportation		2,679,300



1	Medical care and treatment	281,971,300
2	GROSS APPROPRIATION \$	295,181,200
3	Appropriated from:	
4	Federal revenues:	
5	Total federal revenues	166,222,000
6	Special revenue funds:	
7	Total private revenues	996,800
8	Total other state restricted revenues	3,843,600
9	State general fund/general purpose \$	124,118,800
10	Sec. 116. CRIME VICTIM SERVICES COMMISSION	
11	Full-time equated classified positions 13.0	
12	Grants administration services13.0 FTE positions \$	1,811,300
13	Justice assistance grants	19,106,100
14	Crime victim rights services grants	16,570,000
15	GROSS APPROPRIATION \$	37,487,400
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues	23,467,200
19	Special revenue funds:	
20	Total other state restricted revenues	14,020,200
21	State general fund/general purpose \$	0
22	Sec. 117. OFFICE OF SERVICES TO THE AGING	
23	Full-time equated classified positions 43.5	
24	Office of services to aging administration43.5 FTE	
25	positions \$	6,408,800
26	Community services	33,479,400
27	Nutrition services	33,848,500



1	Employment assistance		3,792,500
2	Respite care program	_	5,868,700
3	GROSS APPROPRIATION	\$	83,397,900
4	Appropriated from:		
5	Federal revenues:		
6	Total federal revenues		57,159,200
7	Special revenue funds:		
8	Total private revenues		677,500
9	Merit award trust fund		4,468,700
10	Total other state restricted revenues		1,400,000
11	State general fund/general purpose	\$	19,692,500
12	Sec. 118. MEDICAL SERVICES ADMINISTRATION		
13	Full-time equated classified positions 415.0		
14	Medical services administration415.0 FTE positions.	\$	65,057,000
15	Facility inspection contract		132,800
16	MIChild administration	_	4,327,800
17	GROSS APPROPRIATION	\$	69,517,600
18	Appropriated from:		
19	Federal revenues:		
20	Total federal revenues		47,476,900
21	Special revenue funds:		
22	Total local revenues		105,900
23	Total private revenues		100,000
24	Total other state restricted revenues		110,100
25	State general fund/general purpose	\$	21,724,700
26	Sec. 119. MEDICAL SERVICES		
27	Hospital services and therapy	\$	1,239,794,200



1	Hospital disproportionate share payments	45,000,000
2	Physician services	290,369,500
3	Medicare premium payments	409,169,400
4	Pharmaceutical services	318,717,500
5	Home health services	6,791,100
6	Hospice services	144,637,700
7	Transportation	15,009,800
8	Auxiliary medical services	6,252,100
9	Dental services	158,500,800
10	Ambulance services	9,271,600
11	Long-term care services	1,717,160,900
12	Medicaid home- and community-based services waiver	205,940,500
13	Adult home help services	289,032,800
14	Personal care services	14,421,500
15	Program of all-inclusive care for the elderly	30,707,800
16	Health plan services	3,933,146,800
17	MIChild program	51,753,100
18	Plan first family planning waiver	13,089,200
19	Medicaid adult benefits waiver	105,877,700
20	Special indigent care payments	88,518,500
21	Federal Medicare pharmaceutical program	185,599,300
22	Maternal and child health	20,279,500
23	Subtotal basic medical services program	9,299,041,300
24	School-based services	91,296,500
25	Special Medicaid reimbursement	329,823,200
26	Subtotal special medical services payments	421,119,700
27	GROSS APPROPRIATION	\$ 9,720,161,000



1	Appropriated from:		
2	Federal revenues:		
3	Total federal revenues		6,401,465,100
4	Special revenue funds:		
5	Total local revenues		66,070,000
6	Total private revenues		6,332,200
7	Merit award trust fund		82,275,800
8	Total other state restricted revenues		1,932,885,800
9	State general fund/general purpose	\$	1,231,132,100
10	Sec. 120. INFORMATION TECHNOLOGY		
11	Information technology services and projects	\$	34,881,700
12	Michigan Medicaid information system	_	25,723,700
13	GROSS APPROPRIATION	\$	60,605,400
14	Appropriated from:		
15	Federal revenues:		
16	Total federal revenues		44,191,200
17	Special revenue funds:		
18	Total other state restricted revenues		3,226,200
19	State general fund/general purpose	\$	13,188,000

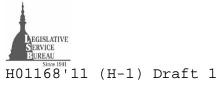
21 ANTICIPATED LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2012-2013
22 Sec. 151. Subject to the conditions set forth in this act, the
23 amounts listed in this part are anticipated to be appropriated for
24 the department of community health for the fiscal year ending
25 September 30, 2013, from the funds indicated in this part. The

PART 1A

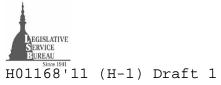


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1	following is a summary of the anticipated appropriations in this
2	part:
3	DEPARTMENT OF COMMUNITY HEALTH
4	APPROPRIATION SUMMARY
5	Full-time equated unclassified positions 6.0
6	Full-time equated classified positions 4,024.0
7	Average population893.0
8	GROSS APPROPRIATION \$ 14,370,554,100
9	Interdepartmental grant revenues:
10	Total interdepartmental grants and intradepartmental
11	transfers
12	ADJUSTED GROSS APPROPRIATION \$ 14,366,025,400
13	Federal revenues:
14	Total federal revenues
15	Special revenue funds:
16	Total local revenues
17	Total private revenues
18	Merit award trust fund
19	Total other state restricted revenues
20	State general fund/general purpose \$ 2,904,904,000
21	Sec. 152. DEPARTMENTWIDE ADMINISTRATION
22	Full-time equated unclassified positions 6.0
23	Full-time equated classified positions 175.2
24	Director and other unclassified6.0 FTE positions \$ 583,900
25	Departmental administration and management165.2 FTE
26	positions
27	Worker's compensation program



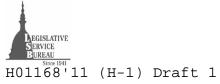
1	Rent and building occupancy	10,628,100
2	Developmental disabilities council and projects10.0	
3	FTE positions	2,855,700
4	Active and retiree insurance and pension adjustment	13,031,100
5	GROSS APPROPRIATION \$	58,538,100
6	Appropriated from:	
7	Federal revenues:	
8	Total federal revenues	17,801,600
9	Special revenue funds:	
10	Total local revenues	447,800
11	Total private revenues	35,100
12	Total other state restricted revenues	3,757,100
13	State general fund/general purpose \$	36,496,500
14	Sec. 153. MENTAL HEALTH/SUBSTANCE ABUSE SERVICES	
15	ADMINISTRATION AND SPECIAL PROJECTS	
16	Full-time equated classified positions 111.5	
17	Mental health/substance abuse program administration	
18	110.5 FTE positions\$	17,386,800
19	Gambling addiction1.0 FTE position	3,000,000
20	Protection and advocacy services support	194,400
21	Community residential and support services	1,777,200
21	Community residential and support services  Federal and other special projects	1,777,200 2,697,200
22	Federal and other special projects	2,697,200
22 23	Federal and other special projects  Family support subsidy	2,697,200 19,470,500
22 23 24	Federal and other special projects  Family support subsidy  Housing and support services	2,697,200 19,470,500 9,306,800



1	Total federal revenues		37,101,600
2	Special revenue funds:		
3	Total private revenues		390,000
4	Total other state restricted revenues		3,000,000
5	State general fund/general purpose	\$	13,341,300
6	Sec. 154. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE		
7	SERVICES PROGRAMS		
8	Full-time equated classified positions 9.5		
9	Medicaid mental health services	\$	2,113,486,700
10	Community mental health non-Medicaid services		273,908,100
11	Medicaid adult benefits waiver		32,056,100
12	Medicaid substance abuse services		43,817,700
13	CMHSP, purchase of state services contracts		134,418,900
14	Civil service charges		1,499,300
15	Federal mental health block grant2.5 FTE positions .		15,397,500
16	Community substance abuse prevention, education, and		
17	treatment programs		77,170,600
18	Children's waiver home care program		18,944,800
19	Nursing home PAS/ARR-OBRA7.0 FTE positions		12,179,300
20	Children with serious emotional disturbance waiver	_	8,188,000
21	GROSS APPROPRIATION	\$	2,731,067,000
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	Interdepartmental grant from the department of human		
25	services		2,769,000
26	Federal revenues:		
27	Total federal revenues		1,531,119,000



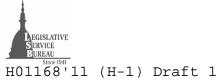
1	Special revenue funds:	
2	Total local revenues	25,228,900
3	Total other state restricted revenues	22,314,900
4	State general fund/general purpose	\$ 1,149,635,200
5	Sec. 155. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
6	MENTAL HEALTH SERVICES	
7	Total average population	
8	Full-time equated classified positions 2,194.2	
9	Caro regional mental health center - psychiatric	
10	hospital - adult468.3 FTE positions	\$ 56,706,900
11	Average population	
12	Kalamazoo psychiatric hospital - adult483.1 FTE	
13	positions	54,704,100
14	Average population	
15	Walter P. Reuther psychiatric hospital - adult433.3	
16	FTE positions	52,222,600
17	Average population	
18	Hawthorn center - psychiatric hospital - children and	
19	adolescents230.9 FTE positions	27,063,900
20	Average population	
21	Center for forensic psychiatry578.6 FTE positions	66,703,200
22	Average population	
23	Revenue recapture	750,000
24	IDEA, federal special education	120,000
25	Special maintenance	332,500
26	Purchase of medical services for residents of	
27	hospitals and centers	445,600



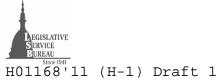
1	Gifts and bequests for patient living and treatment	
2	environment	 1,000,000
3	GROSS APPROPRIATION	\$ 260,048,800
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	Federal revenues:	
7	Total federal revenues	29,500,000
8	Special revenue funds:	
9	CMHSP, purchase of state services contracts	134,418,900
10	Other local revenues	17,477,700
11	Total private revenues	1,000,000
12	Total other state restricted revenues	15,934,200
13	State general fund/general purpose	\$ 61,718,000
14	Sec. 156. PUBLIC HEALTH ADMINISTRATION	
15	Full-time equated classified positions 91.7	
16	Public health administration7.3 FTE positions	\$ 1,557,200
17	Minority health grants and contracts3.0 FTE	
18	positions	612,700
19	Promotion of healthy behaviors	975,900
20	Vital records and health statistics81.4 FTE	
21	positions	 9,442,800
22	GROSS APPROPRIATION	\$ 12,588,600
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	Interdepartmental grant from the department of human	
26	services	1,171,500
27	Federal revenues:	



1	Total federal revenues	4,887,900
2	Special revenue funds:	
3	Total private revenues	300,000
4	Total other state restricted revenues	4,974,700
5	State general fund/general purpose \$	1,254,500
6	Sec. 157. HEALTH POLICY, REGULATION, AND	
7	PROFESSIONS	
8	Full-time equated classified positions 456.6	
9	Health systems administration199.6 FTE positions \$	21,630,100
10	Emergency medical services program state staff23.0	
11	FTE positions	4,850,300
12	Radiological health administration21.4 FTE positions	3,179,700
13	Emergency medical services grants and services	660,000
14	Health professions163.0 FTE positions	26,945,900
15	Health policy and regulation30.2 FTE positions	3,756,600
16	Nurse scholarship, education, and research program	
17	3.0 FTE positions	1,744,200
18	Certificate of need program administration14.0 FTE	
19	positions	2,071,100
20	Rural health services1.0 FTE position	1,410,300
21	Michigan essential health provider	872,700
22	Primary care services1.4 FTE positions	2,886,900
23	GROSS APPROPRIATION \$	70,007,800
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	Interdepartmental grant from the department of	
27	treasury, Michigan state hospital finance authority.	116,300



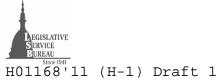
1	Federal revenues:	
2	Total federal revenues	24,813,200
3	Special revenue funds:	
4	Total local revenues	100,000
5	Total private revenues	455,000
6	Total other state restricted revenues	36,563,900
7	State general fund/general purpose	\$ 7,959,400
8	Sec. 158. INFECTIOUS DISEASE CONTROL	
9	Full-time equated classified positions 50.7	
10	AIDS prevention, testing, and care programs12.7 FTE	
11	positions	\$ 59,449,300
12	Immunization local agreements	11,975,200
13	Immunization program management and field support	
14	15.0 FTE positions	1,786,300
15	Pediatric AIDS prevention and control1.0 FTE	
16	position	1,231,400
17	Sexually transmitted disease control local agreements	3,360,700
18	Sexually transmitted disease control management and	
19	field support22.0 FTE positions	 3,743,300
20	GROSS APPROPRIATION	\$ 81,546,200
21	Appropriated from:	
22	Federal revenues:	
23	Total federal revenues	43,541,200
24	Special revenue funds:	
25	Total private revenues	27,707,700
26	Total other state restricted revenues	7,470,600
27	State general fund/general purpose	\$ 2,826,700



1	Sec. 159. LABORATORY SERVICES	
2	Full-time equated classified positions 111.0	
3	Laboratory services111.0 FTE positions	\$ 17,183,900
4	GROSS APPROPRIATION	\$ 17,183,900
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	Interdepartmental grant from the department of	
8	environmental quality	471,900
9	Federal revenues:	
10	Total federal revenues	2,092,300
11	Special revenue funds:	
12	Total other state restricted revenues	8,267,600
13	State general fund/general purpose	\$ 6,352,100
14	Sec. 160. EPIDEMIOLOGY	
15	Full-time equated classified positions 126.7	
16	AIDS surveillance and prevention program	\$ 2,254,100
17	Asthma prevention and control2.6 FTE positions	856,900
18	Bioterrorism preparedness66.6 FTE positions	49,286,900
19	Epidemiology administration40.0 FTE positions	8,202,000
20	Lead abatement program7.0 FTE positions	2,647,700
21	Newborn screening follow-up and treatment services	
22	10.5 FTE positions	5,337,800
23	Tuberculosis control and prevention	 867,000
24	GROSS APPROPRIATION	\$ 69,452,400
25	Appropriated from:	
26	Federal revenues:	
27	Total federal revenues	61,271,300



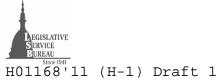
1	Special revenue funds:		
2	Total private revenues		25,000
3	Total other state restricted revenues		6,367,900
4	State general fund/general purpose	\$	1,788,200
5	Sec. 161. LOCAL HEALTH ADMINISTRATION AND GRANTS		
6	Full-time equated classified positions 2.0		
7	Essential local public health services	\$	35,689,500
8	Implementation of 1993 PA 133, MCL 333.17015		20,000
9	Local health services2.0 FTE positions		500,000
10	Medicaid outreach cost reimbursement to local health		
11	departments	_	9,000,000
12	GROSS APPROPRIATION	\$	45,209,500
13	Appropriated from:		
14	Federal revenues:		
15	Total federal revenues		9,500,000
16	Special revenue funds:		
17	Total local revenues		5,150,000
18	State general fund/general purpose	\$	30,559,500
19	Sec. 162. CHRONIC DISEASE AND INJURY PREVENTION AND		
20	HEALTH PROMOTION		
21	Full-time equated classified positions 75.5		
22	Cancer prevention and control program12.0 FTE		
23	positions	\$	14,298,200
24	Chronic disease control and health promotion		
25	administration33.4 FTE positions		5,950,100
26	Diabetes and kidney program12.2 FTE positions		2,582,800
27	Public health traffic safety coordination1.0 FTE		



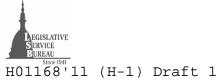
1	position	87,500
2	Smoking prevention program14.0 FTE positions	2,075,000
3	Violence prevention2.9 FTE positions	2,123,200
4	GROSS APPROPRIATION \$	27,116,800
5	Appropriated from:	
6	Federal revenues:	
7	Total federal revenues	23,884,200
8	Special revenue funds:	
9	Total private revenues	61,600
10	Total other state restricted revenues	1,454,900
11	State general fund/general purpose \$	1,716,100
12	Sec. 163. FAMILY, MATERNAL, AND CHILDREN'S HEALTH	
13	SERVICES	
14	Full-time equated classified positions 55.1	
15	Childhood lead program6.0 FTE positions \$	1,598,400
16	Dental programs3.0 FTE positions	992,000
17	Dental program for persons with developmental	
18	disabilities	151,000
19	Family, maternal, and children's health services	
20	administration43.6 FTE positions	6,047,700
21	Family planning local agreements	9,085,700
22	Local MCH services	7,018,100
23	Pregnancy prevention program	602,100
24	Prenatal care outreach and service delivery support	200
25	Special projects2.5 FTE positions	8,397,800
26	Sudden infant death syndrome program	321,300
27	GROSS APPROPRIATION \$	34,214,300



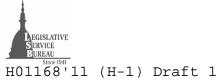
1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues	552,600
4	Special revenue funds:	
5	Total local revenues	75,000
6	State general fund/general purpose \$ 3,	586,700
7	Sec. 164. WOMEN, INFANTS, AND CHILDREN FOOD AND	
8	NUTRITION PROGRAM	
9	Full-time equated classified positions 45.0	
10	Women, infants, and children program administration	
11	and special projects45.0 FTE positions\$ 13,	825,200
12	Women, infants, and children program local agreements	
13	and food costs254,	200,800
14	GROSS APPROPRIATION \$ 268,	026,000
15	Appropriated from:	
16	Federal revenues:	
17	Total federal revenues 209,	412,200
18	Special revenue funds:	
19	Total private revenues 58,	613,800
20	State general fund/general purpose \$	0
21	Sec. 165. CHILDREN'S SPECIAL HEALTH CARE SERVICES	
22	Full-time equated classified positions 47.8	
23	Children's special health care services	
24	administration45.0 FTE positions\$ 5,	245,700
25	Bequests for care and services2.8 FTE positions 1,	511,400
26	Outreach and advocacy	773,500
27	Nonemergency medical transportation 2,	679,300



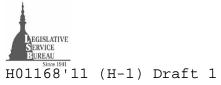
1	Medical care and treatment	290,910,900
2	GROSS APPROPRIATION \$	304,120,800
3	Appropriated from:	
4	Federal revenues:	
5	Total federal revenues	168,901,900
6	Special revenue funds:	
7	Total private revenues	996,800
8	Total other state restricted revenues	3,843,600
9	State general fund/general purpose \$	130,378,500
10	Sec. 166. CRIME VICTIM SERVICES COMMISSION	
11	Full-time equated classified positions 13.0	
12	Grants administration services13.0 FTE positions \$	1,811,300
13	Justice assistance grants	19,106,100
14	Crime victim rights services grants	16,570,000
15	GROSS APPROPRIATION \$	37,487,400
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues	23,467,200
19	Special revenue funds:	
20	Total other state restricted revenues	14,020,200
21	State general fund/general purpose \$	0
22	Sec. 167. OFFICE OF SERVICES TO THE AGING	
23	Full-time equated classified positions 43.5	
24	Office of services to aging administration43.5 FTE	
25	positions\$	6,408,800
26	Community services	33,479,400
27	Nutrition services	33,848,500



1	Employment assistance		3,792,500
2	Respite care program	_	5,868,700
3	GROSS APPROPRIATION	\$	83,397,900
4	Appropriated from:		
5	Federal revenues:		
6	Total federal revenues		57,159,200
7	Special revenue funds:		
8	Total private revenues		677,500
9	Merit award trust fund		4,468,700
10	Total other state restricted revenues		1,400,000
11	State general fund/general purpose	\$	19,692,500
12	Sec. 168. MEDICAL SERVICES ADMINISTRATION		
13	Full-time equated classified positions 415.0		
14	Medical services administration415.0 FTE positions.	\$	65,057,000
15	Facility inspection contract		132,800
16	MIChild administration	_	4,327,800
17	GROSS APPROPRIATION	\$	69,517,600
18	Appropriated from:		
19	Federal revenues:		
20	Total federal revenues		47,476,900
21	Special revenue funds:		
22	Total local revenues		105,900
23	Total private revenues		100,000
24	Total other state restricted revenues		110,100
25	State general fund/general purpose	\$	21,724,700
26	Sec. 169. MEDICAL SERVICES		
27	Hospital services and therapy	\$	1,248,139,300



1	Hospital disproportionate share payments	45,000,000
2	Physician services	324,189,500
3	Medicare premium payments	440,325,400
4	Pharmaceutical services	344,042,400
5	Home health services	7,478,500
6	Hospice services	162,498,200
7	Transportation	16,042,100
8	Auxiliary medical services	7,021,700
9	Dental services	168,033,800
10	Ambulance services	10,034,700
11	Long-term care services	1,765,283,200
12	Medicaid home- and community-based services waiver	205,940,500
13	Adult home help services	313,298,900
14	Personal care services	14,855,600
15	Program of all-inclusive care for the elderly	30,707,800
16	Health plan services	4,097,464,100
17	MIChild program	51,753,100
18	Plan first family planning waiver	13,089,200
19	Medicaid adult benefits waiver	105,877,700
20	Special indigent care payments	88,518,500
21	Federal Medicare pharmaceutical program	185,599,300
22	Maternal and child health	20,279,500
23	Subtotal basic medical services program	9,665,473,000
24	School-based services	91,296,500
25	Special Medicaid reimbursement	329,823,200
26	Subtotal special medical services payments	421,119,700
27	GROSS APPROPRIATION	\$ 10,086,592,700



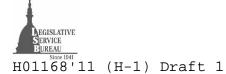
1	Appropriated from:		
2	Federal revenues:		
3	Total federal revenues		6,598,293,800
4	Special revenue funds:		
5	Total local revenues		67,026,000
6	Total private revenues		6,332,200
7	Merit award trust fund		82,275,800
8	Total other state restricted revenues		1,929,978,800
9	State general fund/general purpose	\$	1,402,686,100
10	Sec. 170. INFORMATION TECHNOLOGY		
11	Information technology services and projects	\$	34,881,700
12	Michigan Medicaid information system	_	25,723,700
13	GROSS APPROPRIATION	\$	60,605,400
14	Appropriated from:		
15	Federal revenues:		
16	Total federal revenues		44,191,200
17	Special revenue funds:		
18	Total other state restricted revenues		3,226,200
19	State general fund/general purpose	\$	13,188,000

**20** PART 2

21 PROVISIONS CONCERNING APPROPRIATIONS

# 22 GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2011-2012 is \$4,826,657,200.00 and



1	state spending from state resources to be paid to local units of
2	government for fiscal year 2011-2012 is \$1,368,231,700.00. The
3	itemized statement below identifies appropriations from which
4	spending to local units of government will occur:
5	DEPARTMENT OF COMMUNITY HEALTH
6	MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION
7	AND SPECIAL PROJECTS
8	Community residential and support services \$ 258,500
9	Housing and support services 599,800
10	COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS
11	Community substance abuse prevention, education, and
12	treatment programs \$ 13,923,900
13	Medicaid mental health services
14	Community mental health non-Medicaid services 273,908,100
15	Medicaid adult benefits waiver
16	Medicaid substance abuse services
17	Children's waiver home care program 5,906,800
18	Nursing home PASARR
19	HEALTH POLICY, REGULATION, AND PROFESSIONS
20	Primary care services \$ 88,900
21	INFECTIOUS DISEASE CONTROL
22	AIDS prevention, testing, and care programs \$ 1,000,000
23	Sexually transmitted disease control local agreements 175,200
24	LABORATORY SERVICES
25	Laboratory services \$ 13,700
26	LOCAL HEALTH ADMINISTRATION AND GRANTS
27	Implementation of 1993 PA 133, MCL 333.17015 \$ 8,000



1	Essential local public health services	30,539,500
2	CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION	
3	Cancer prevention and control program \$	450,000
4	Chronic disease control and health promotion	
5	administration	75,000
6	Diabetes and kidney program	54,500
7	FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES	
8	Childhood lead program \$	51,100
9	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
10	Medical care and treatment \$	1,409,900
11	Outreach and advocacy	1,237,500
12	MEDICAL SERVICES	
13	Dental services \$	2,536,000
14	Long-term care services	285,952,300
15	Transportation	2,971,900
16	Medicaid adult benefits waiver	6,246,800
17	Hospital services and therapy	4,965,500
18	Physician services	3,774,800
19	OFFICE OF SERVICES TO THE AGING	
20	Community services \$	10,398,500
21	Nutrition services	7,205,300
22	Respite care program	5,384,800
23	CRIME VICTIM SERVICES COMMISSION	
24	Crime victim rights services grants \$	10,300,000
25	TOTAL OF PAYMENTS TO LOCAL UNITS	
26	OF GOVERNMENT \$	1,368,231,700
27	Sec. 202. (1) The appropriations authorized under this	act are



- 1 subject to the management and budget act, 1984 PA 431, MCL 18.1101
- **2** to 18.1594.
- 3 (2) Funds for which the state is acting as the custodian or
- 4 agent are not subject to annual appropriation.
- **5** Sec. 203. As used in this act:
- 6 (a) "AIDS" means acquired immunodeficiency syndrome.
- 7 (b) "CMHSP" means a community mental health services program
- 8 as that term is defined in section 100a of the mental health code,
- 9 1974 PA 258, MCL 330.1100a.
- 10 (c) "Current fiscal year" means the fiscal year ending
- 11 September 30, 2012.
- 12 (d) "Department" means the department of community health.
- (e) "Director" means the director of the department.
- 14 (f) "DSH" means disproportionate share hospital.
- 15 (g) "EPSDT" means early and periodic screening, diagnosis, and
- 16 treatment.
- 17 (h) "Federal health care reform legislation" means the patient
- 18 protection and affordable care act, Public Law 111-148, and the
- 19 health care and education reconciliation act of 2010, Public Law
- 20 111-152.
- 21 (i) "Federal poverty level" means the poverty guidelines
- 22 published annually in the federal register by the United States
- 23 department of health and human services under its authority to
- 24 revise the poverty line under 42 USC 9902.
- 25 (j) "GME" means graduate medical education.
- 26 (k) "Health plan" means, at a minimum, an organization that
- 27 meets the criteria for delivering the comprehensive package of



- 1 services under the department's comprehensive health plan.
- 2 (1) "HEDIS" means healthcare effectiveness data and information
- 3 set.
- 4 (m) "HIV" means human immunodeficiency virus.
- 5 (n) "HMO" means health maintenance organization.
- 6 (o) "IDEA" means the individuals with disabilities education
- 7 act, 20 USC 1400 to 1482.
- 8 (p) "MCH" means maternal and child health.
- **9** (q) "MIChild" means the program described in section 1670.
- 10 (r) "PASARR" means the preadmission screening and annual
- 11 resident review required under the omnibus budget reconciliation
- 12 act of 1987, section 1919(e)(7) of the social security act, and 42
- **13** USC 1396r.
- 14 (s) "PIHP" means a specialty prepaid inpatient health plan for
- 15 Medicaid mental health services, services to individuals with
- 16 developmental disabilities, and substance abuse services. Specialty
- 17 prepaid inpatient health plans are described in section 232b of the
- 18 mental health code, 1974 PA 258, MCL 330.1232b.
- 19 (t) "Title XVIII" and "Medicare" mean title XVIII of the
- 20 social security act, 42 USC 1395 to 1395kkk.
- 21 (u) "Title XIX" and "Medicaid" mean title XIX of the social
- 22 security act, 42 USC 1396 to 1396w-5.
- (v) "Title XX" means title XX of the social security act, 42
- 24 USC 1397 to 1397m-5.
- 25 Sec. 204. The civil service commission shall bill departments
- 26 and agencies at the end of the first fiscal quarter for the 1%
- 27 charge authorized by section 5 of article XI of the state



- 1 constitution of 1963. Payments shall be made for the total amount
- 2 of the billing by the end of the second fiscal quarter.
- 3 Sec. 205. (1) A hiring freeze is imposed on the state
- 4 classified civil service. State departments and agencies are
- 5 prohibited from hiring any new full-time state classified civil
- 6 service employees and prohibited from filling any vacant state
- 7 classified civil service positions. This hiring freeze does not
- 8 apply to internal transfers of classified employees from 1 position
- 9 to another within a department.
- 10 (2) The state budget director may grant exceptions to this
- 11 hiring freeze when the state budget director believes that the
- 12 hiring freeze will result in rendering a state department or agency
- 13 unable to deliver basic services, cause loss of revenue to the
- 14 state, result in the inability of the state to receive federal
- 15 funds, or necessitate additional expenditures that exceed any
- 16 savings from maintaining a vacancy. The state budget director shall
- 17 report quarterly to the chairpersons of the senate and house
- 18 standing committees on appropriations the number of exceptions to
- 19 the hiring freeze approved during the previous quarter and the
- 20 reasons to justify the exception.
- 21 Sec. 206. (1) In addition to the funds appropriated in part 1,
- there is appropriated an amount not to exceed \$200,000,000.00 for
- 23 federal contingency funds. These funds are not available for
- 24 expenditure until they have been transferred to another line item
- 25 in this act under section 393(2) of the management and budget act,
- 26 1984 PA 431, MCL 18.1393.
- 27 (2) In addition to the funds appropriated in part 1, there is



- 1 appropriated an amount not to exceed \$40,000,000.00 for state
- 2 restricted contingency funds. These funds are not available for
- 3 expenditure until they have been transferred to another line item
- 4 in this act under section 393(2) of the management and budget act,
- 5 1984 PA 431, MCL 18.1393.
- **6** (3) In addition to the funds appropriated in part 1, there is
- 7 appropriated an amount not to exceed \$20,000,000.00 for local
- 8 contingency funds. These funds are not available for expenditure
- 9 until they have been transferred to another line item in this act
- 10 under section 393(2) of the management and budget act, 1984 PA 431,
- **11** MCL 18.1393.
- 12 (4) In addition to the funds appropriated in part 1, there is
- appropriated an amount not to exceed \$20,000,000.00 for private
- 14 contingency funds. These funds are not available for expenditure
- 15 until they have been transferred to another line item in this act
- 16 under section 393(2) of the management and budget act, 1984 PA 431,
- **17** MCL 18.1393.
- 18 Sec. 208. Unless otherwise specified, the departments shall
- 19 use the Internet to fulfill the reporting requirements of this act.
- 20 This requirement may include transmission of reports via electronic
- 21 mail to the recipients identified for each reporting requirement,
- 22 or it may include placement of reports on the Internet or Intranet
- 23 site.
- 24 Sec. 209. Funds appropriated in part 1 shall not be used for
- 25 the purchase of foreign goods or services, or both, if
- 26 competitively priced and of comparable quality American goods or
- 27 services, or both, are available. Preference shall be given to



- 1 goods or services, or both, manufactured or provided by Michigan
- 2 businesses if they are competitively priced and of comparable
- 3 quality. In addition, preference shall be given to goods or
- 4 services, or both, that are manufactured or provided by Michigan
- 5 businesses owned and operated by veterans if they are competitively
- 6 priced and of comparable quality.
- 7 Sec. 210. The director shall take all reasonable steps to
- 8 ensure that businesses in deprived and depressed communities
- 9 compete for and perform contracts to provide services or supplies,
- 10 or both. The director shall strongly encourage firms with which the
- 11 department contracts to subcontract with certified businesses in
- 12 depressed and deprived communities for services, supplies, or both.
- Sec. 211. (1) If the revenue collected by the department from
- 14 fees and collections exceeds the amount appropriated in part 1, the
- 15 revenue may be carried forward with the approval of the state
- 16 budget director into the subsequent fiscal year. The revenue
- 17 carried forward under this section shall be used as the first
- 18 source of funds in the subsequent fiscal year.
- 19 (2) The department shall provide a report to the senate and
- 20 house appropriations subcommittees on community health and the
- 21 senate and house fiscal agencies on the balance of each of the
- 22 restricted funds administered by the department as of September 30
- 23 of the current fiscal year.
- 24 Sec. 212. (1) On or before February 1 of the current fiscal
- 25 year, the department shall report to the house and senate
- 26 appropriations subcommittees on community health, the house and
- 27 senate fiscal agencies, and the state budget director on the



- 1 detailed name and amounts of federal, restricted, private, and
- 2 local sources of revenue that support the appropriations in each of
- 3 the line items in part 1 of this act.
- 4 (2) Upon the release of the next fiscal year executive budget
- 5 recommendation, the department shall report to the same parties in
- 6 subsection (1) on the amounts and detailed sources of federal,
- 7 restricted, private, and local revenue proposed to support the
- 8 total funds appropriated in each of the line items in part 1 of the
- 9 next fiscal year executive budget proposal.
- 10 Sec. 213. The state departments, agencies, and commissions
- 11 receiving tobacco tax funds and healthy Michigan funds from part 1
- 12 shall report by April 1 of the current fiscal year to the senate
- 13 and house appropriations committees, the senate and house fiscal
- 14 agencies, and the state budget director on the following:
- 15 (a) Detailed spending plan by appropriation line item
- 16 including description of programs and a summary of organizations
- 17 receiving these funds.
- 18 (b) Description of allocations or bid processes including need
- 19 or demand indicators used to determine allocations.
- (c) Eligibility criteria for program participation and maximum
- 21 benefit levels where applicable.
- (d) Outcome measures used to evaluate programs, including
- 23 measures of the effectiveness of these programs in improving the
- 24 health of Michigan residents.
- 25 (e) Any other information considered necessary by the house of
- 26 representatives or senate appropriations committees or the state
- 27 budget director.



- 1 Sec. 216. (1) In addition to funds appropriated in part 1 for
- 2 all programs and services, there is appropriated for write-offs of
- 3 accounts receivable, deferrals, and for prior year obligations in
- 4 excess of applicable prior year appropriations, an amount equal to
- 5 total write-offs and prior year obligations, but not to exceed
- 6 amounts available in prior year revenues.
- 7 (2) The department's ability to satisfy appropriation
- 8 deductions in part 1 shall not be limited to collections and
- 9 accruals pertaining to services provided in the current fiscal
- 10 year, but shall also include reimbursements, refunds, adjustments,
- 11 and settlements from prior years.
- 12 Sec. 218. The department shall include the following in its
- 13 annual list of proposed basic health services as required in part
- 14 23 of the public health code, 1978 PA 368, MCL 333.2301 to
- **15** 333.2321:
- 16 (a) Immunizations.
- 17 (b) Communicable disease control.
- 18 (c) Sexually transmitted disease control.
- 19 (d) Tuberculosis control.
- 20 (e) Prevention of gonorrhea eye infection in newborns.
- 21 (f) Screening newborns for the conditions listed in section
- 22 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
- 23 recommended by the newborn screening quality assurance advisory
- 24 committee created under section 5430 of the public health code,
- 25 1978 PA 368, MCL 333.5430.
- 26 (g) Community health annex of the Michigan emergency
- 27 management plan.



- 1 (h) Prenatal care.
- 2 Sec. 219. (1) The department may contract with the Michigan
- 3 public health institute for the design and implementation of
- 4 projects and for other public health-related activities prescribed
- 5 in section 2611 of the public health code, 1978 PA 368, MCL
- 6 333.2611. The department may develop a master agreement with the
- 7 institute to carry out these purposes for up to a 3-year period.
- 8 The department shall report to the house and senate appropriations
- 9 subcommittees on community health, the house and senate fiscal
- 10 agencies, and the state budget director on or before January 1 of
- 11 the current fiscal year all of the following:
- 12 (a) A detailed description of each funded project.
- 13 (b) The amount allocated for each project, the appropriation
- 14 line item from which the allocation is funded, and the source of
- 15 financing for each project.
- 16 (c) The expected project duration.
- 17 (d) A detailed spending plan for each project, including a
- 18 list of all subgrantees and the amount allocated to each
- 19 subgrantee.
- 20 (2) On or before September 30 of the current fiscal year, the
- 21 department shall provide to the same parties listed in subsection
- 22 (1) a copy of all reports, studies, and publications produced by
- 23 the Michigan public health institute, its subcontractors, or the
- 24 department with the funds appropriated in part 1 and allocated to
- 25 the Michigan public health institute.
- 26 Sec. 223. The department may establish and collect fees for
- 27 publications, videos and related materials, conferences, and



- 1 workshops. Collected fees shall be used to offset expenditures to
- 2 pay for printing and mailing costs of the publications, videos and
- 3 related materials, and costs of the workshops and conferences. The
- 4 department shall not collect fees under this section that exceed
- 5 the cost of the expenditures.
- 6 Sec. 259. From the funds appropriated in part 1 for
- 7 information technology, departments and agencies shall pay user
- 8 fees to the department of technology, management, and budget for
- 9 technology-related services and projects. The user fees shall be
- 10 subject to provisions of an interagency agreement between the
- 11 department and agencies and the department of technology,
- management, and budget.
- 13 Sec. 264. Upon submission of a Medicaid waiver, a Medicaid
- 14 state plan amendment, or a similar proposal to the centers for
- 15 Medicare and Medicaid services, the department shall notify the
- 16 house and senate appropriations subcommittees on community health
- 17 and the house and senate fiscal agencies of the submission.
- 18 Sec. 265. The department and agencies receiving appropriations
- 19 in part 1 shall receive and retain copies of all reports funded
- 20 from appropriations in part 1. Federal and state guidelines for
- 21 short-term and long-term retention of records shall be followed.
- 22 The department may electronically retain copies of reports unless
- 23 otherwise required by federal and state guidelines.
- 24 Sec. 266. (1) Due to the current budgetary problems in this
- 25 state, out-of-state travel for the fiscal year ending September 30,
- 26 2012 shall be limited to situations in which 1 or more of the
- 27 following conditions apply:



- 1 (a) The travel is required by legal mandate or court order or
- 2 for law enforcement purposes.
- 3 (b) The travel is necessary to protect the health or safety of
- 4 Michigan citizens or visitors or to assist other states in similar
- 5 circumstances.
- **6** (c) The travel is necessary to produce budgetary savings or to
- 7 increase state revenues, including protecting existing federal
- 8 funds or securing additional federal funds.
- **9** (d) The travel is necessary to comply with federal
- 10 requirements.
- 11 (e) The travel is necessary to secure specialized training for
- 12 staff that is not available within this state.
- 13 (f) The travel is financed entirely by federal or nonstate
- 14 funds.
- 15 (2) If out-of-state travel is necessary but does not meet 1 or
- 16 more of the conditions in subsection (1), the state budget director
- 17 may grant an exception to allow the travel. Any exceptions granted
- 18 by the state budget director shall be reported on a monthly basis
- 19 to the senate and house of representatives standing committees on
- 20 appropriations.
- 21 Sec. 267. The department shall not take disciplinary action
- 22 against an employee for communicating with a member of the
- 23 legislature or his or her staff.
- 24 Sec. 270. Within 180 days after receipt of the notification
- 25 from the attorney general's office of a legal action in which
- 26 expenses had been recovered pursuant to section 106(4) of the
- 27 social welfare act, 1939 PA 280, MCL 400.106, or any other statute



- 1 under which the department has the right to recover expenses, the
- 2 department shall submit a written report to the house and senate
- 3 appropriations subcommittees on community health, the house and
- 4 senate fiscal agencies, and the state budget office which includes,
- 5 at a minimum, all of the following:
- 6 (a) The total amount recovered from the legal action.
- 7 (b) The program or service for which the money was originally
- 8 expended.
- **9** (c) Details on the disposition of the funds recovered such as
- 10 the appropriation or revenue account in which the money was
- 11 deposited.
- 12 (d) A description of the facts involved in the legal action.
- 13 Sec. 276. Funds appropriated in part 1 shall not be used by a
- 14 principal executive department, state agency, or authority to hire
- 15 a person to provide legal services that are the responsibility of
- 16 the attorney general. This prohibition does not apply to legal
- 17 services for bonding activities and for those activities that the
- 18 attorney general authorizes.
- 19 Sec. 282. (1) The department, through its organizational units
- 20 responsible for departmental administration, operation, and
- 21 finance, shall establish uniform definitions, standards, and
- 22 instructions for the classification, allocation, assignment,
- 23 calculation, recording, and reporting of administrative costs by
- 24 area agencies on aging and local providers that receive payment or
- 25 reimbursement from funds appropriated under section 117.
- 26 (2) By May 15 of the current fiscal year, the department shall
- 27 provide a written draft of its proposed definitions, standards, and



- 1 instructions to the house of representatives and senate
- 2 appropriations subcommittees on community health, the house and
- 3 senate fiscal agencies, and the state budget director.
- 4 Sec. 287. Not later than October 15, the department shall
- 5 prepare and transmit a report that provides for estimates of the
- 6 total general fund/general purpose appropriation lapses at the
- 7 close of the previous fiscal year. This report shall summarize the
- 8 projected year-end general fund/general purpose appropriation
- 9 lapses by major departmental program or program areas. The report
- 10 shall be transmitted to the office of the state budget, the
- 11 chairpersons of the senate and house of representatives standing
- 12 committees on appropriations, and the senate and house fiscal
- 13 agencies.
- 14 Sec. 292. From the funds appropriated in part 1, the
- 15 department shall develop, post, and maintain on a user-friendly and
- 16 publicly accessible Internet site all expenditures made by the
- 17 agency within a fiscal year. The posting shall include the purpose
- 18 for which each expenditure is made. The department shall not
- 19 provide financial information on its website under this section if
- 20 doing so would violate a federal or state law, rule, regulation, or
- 21 guideline that establishes privacy or security standards applicable
- 22 to that financial information.
- 23 Sec. 294. Amounts appropriated in part 1 for information
- 24 technology may be designated as work projects and carried forward
- 25 to support technology projects under the direction of the
- 26 department of technology, management, and budget. Funds designated
- 27 in this manner are not available for expenditure until approved as



- 1 work projects under section 451a of the management and budget act,
- 2 1984 PA 431, MCL 18.1451a.
- 3 Sec. 295. The department shall explore program and other
- 4 service areas, including eligibility determination, where
- 5 privatization may lead to increased efficiencies and budgetary
- 6 savings.

7

#### MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL

## 8 PROJECTS

- 9 Sec. 350. The department may enter into a contract with the
- 10 protection and advocacy agency, authorized under section 931 of the
- 11 mental health code, 1974 PA 258, MCL 330.1931, or a similar
- 12 organization to provide legal services for purposes of gaining and
- 13 maintaining occupancy in a community living arrangement that is
- 14 under lease or contract with the department or a community mental
- 15 health services program to provide services to individuals with
- 16 mental illness or developmental disability.

# 17 COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

- 18 Sec. 404. (1) Not later than May 31 of the current fiscal
- 19 year, the department shall provide a report on the community mental
- 20 health services programs to the members of the house and senate
- 21 appropriations subcommittees on community health, the house and
- 22 senate fiscal agencies, and the state budget director that includes
- 23 the information required by this section.
- 24 (2) The report shall contain information for each CMHSP or
- 25 PIHP and a statewide summary, each of which shall include at least



- 1 the following information:
- 2 (a) A demographic description of service recipients which,
- 3 minimally, shall include reimbursement eligibility, client
- 4 population, age, ethnicity, housing arrangements, and diagnosis.
- 5 (b) Per capita expenditures by client population group.
- **6** (c) Financial information that, minimally, includes a
- 7 description of funding authorized; expenditures by client group and
- 8 fund source; and cost information by service category, including
- 9 administration. Service category includes all department-approved
- 10 services.
- 11 (d) Data describing service outcomes that includes, but is not
- 12 limited to, an evaluation of consumer satisfaction, consumer
- 13 choice, and quality of life concerns including, but not limited to,
- 14 housing and employment.
- 15 (e) Information about access to community mental health
- 16 services programs that includes, but is not limited to, the
- 17 following:
- (i) The number of people receiving requested services.
- 19 (ii) The number of people who requested services but did not
- 20 receive services.
- 21 (f) The number of second opinions requested under the code and
- 22 the determination of any appeals.
- 23 (g) An analysis of information provided by CMHSPs in response
- 24 to the needs assessment requirements of the mental health code,
- 25 1974 PA 258, MCL 330.1001 to 330.2106, including information about
- 26 the number of individuals in the service delivery system who have
- 27 requested and are clinically appropriate for different services.



- 1 (h) Lapses and carryforwards during the immediately preceding
- 2 fiscal year for CMHSPs or PIHPs.
- 3 (i) Information about contracts for mental health services
- 4 entered into by CMHSPs or PIHPs with providers, including, but not
- 5 limited to, all of the following:
- 6 (i) The amount of the contract, organized by type of service
- 7 provided.
- 8 (ii) Payment rates, organized by the type of service provided.
- 9 (iii) Administrative costs for services provided to CMHSPs or
- 10 PIHPs.
- 11 (j) Information on the community mental health Medicaid
- 12 managed care program, including, but not limited to, both of the
- 13 following:
- 14 (i) Expenditures by each CMHSP or PIHP organized by Medicaid
- 15 eligibility group, including per eligible individual expenditure
- 16 averages.
- 17 (ii) Performance indicator information required to be submitted
- 18 to the department in the contracts with CMHSPs or PIHPs.
- 19 (k) An estimate of the number of direct care workers in local
- 20 residential settings and paraprofessional and other nonprofessional
- 21 direct care workers in settings where skill building, community
- 22 living supports and training, and personal care services are
- 23 provided by CMHSPs or PIHPs as of September 30 of the prior fiscal
- 24 year employed directly or through contracts with provider
- 25 organizations.
- 26 (3) The department shall include data reporting requirements
- 27 listed in subsection (2) in the annual contract with each



- 1 individual CMHSP or PIHP.
- 2 (4) The department shall take all reasonable actions to ensure
- 3 that the data required are complete and consistent among all CMHSPs
- 4 or PIHPs.
- 5 Sec. 407. (1) The amount appropriated in part 1 for substance
- 6 abuse prevention, education, and treatment grants shall be expended
- 7 for contracting with coordinating agencies. Coordinating agencies
- 8 shall work with CMHSPs or PIHPs to coordinate care and services
- 9 provided to individuals with severe and persistent mental illness
- 10 and substance abuse diagnoses.
- 11 (2) The department shall approve coordinating agency fee
- 12 schedules for providing substance abuse services and charge
- 13 participants in accordance with their ability to pay.
- 14 (3) It is the intent of the legislature that the coordinating
- 15 agencies continue current efforts to collaborate on the delivery of
- 16 services to those clients with mental illness and substance abuse
- 17 diagnoses.
- 18 (4) Coordinating agencies that are located completely within
- 19 the boundary of a PIHP shall conduct a study of the administrative
- 20 costs and efficiencies associated with consolidation with that
- 21 PIHP. If that coordinating agency realizes an administrative cost
- 22 savings of 5% or greater of their current costs, then that
- 23 coordinating agency shall initiate discussions regarding a
- 24 potential merger in accordance with section 6226 of the public
- 25 health code, 1978 PA 368, MCL 333.6226. The department shall report
- 26 to the legislature by April 1 of the current fiscal year on any
- 27 such discussions.



- 1 Sec. 408. (1) By April 1 of the current fiscal year, the
- 2 department shall report the following data from the prior fiscal
- 3 year on substance abuse prevention, education, and treatment
- 4 programs to the senate and house appropriations subcommittees on
- 5 community health, the senate and house fiscal agencies, and the
- 6 state budget office:
- 7 (a) Expenditures stratified by coordinating agency, by central
- 8 diagnosis and referral agency, by fund source, by subcontractor, by
- 9 population served, and by service type. Additionally, data on
- 10 administrative expenditures by coordinating agency shall be
- 11 reported.
- 12 (b) Expenditures per state client, with data on the
- 13 distribution of expenditures reported using a histogram approach.
- 14 (c) Number of services provided by central diagnosis and
- 15 referral agency, by subcontractor, and by service type.
- 16 Additionally, data on length of stay, referral source, and
- 17 participation in other state programs.
- (d) Collections from other first- or third-party payers,
- 19 private donations, or other state or local programs, by
- 20 coordinating agency, by subcontractor, by population served, and by
- 21 service type.
- 22 (2) The department shall take all reasonable actions to ensure
- 23 that the required data reported are complete and consistent among
- 24 all coordinating agencies.
- 25 Sec. 410. The department shall assure that substance abuse
- 26 treatment is provided to applicants and recipients of public
- 27 assistance through the department of human services who are



- 1 required to obtain substance abuse treatment as a condition of
- 2 eligibility for public assistance.
- 3 Sec. 411. (1) The department shall ensure that each contract
- 4 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
- 5 programs to encourage diversion of individuals with serious mental
- 6 illness, serious emotional disturbance, or developmental disability
- 7 from possible jail incarceration when appropriate.
- 8 (2) Each CMHSP or PIHP shall have jail diversion services and
- 9 shall work toward establishing working relationships with
- 10 representative staff of local law enforcement agencies, including
- 11 county prosecutors' offices, county sheriffs' offices, county
- 12 jails, municipal police agencies, municipal detention facilities,
- 13 and the courts. Written interagency agreements describing what
- 14 services each participating agency is prepared to commit to the
- 15 local jail diversion effort and the procedures to be used by local
- 16 law enforcement agencies to access mental health jail diversion
- 17 services are strongly encouraged.
- 18 Sec. 418. On or before the tenth of each month, the department
- 19 shall report to the senate and house appropriations subcommittees
- 20 on community health, the senate and house fiscal agencies, and the
- 21 state budget director on the amount of funding paid to PIHPs to
- 22 support the Medicaid managed mental health care program in the
- 23 preceding month. The information shall include the total paid to
- 24 each PIHP, per capita rate paid for each eligibility group for each
- 25 PIHP, and number of cases in each eligibility group for each PIHP,
- 26 and year-to-date summary of eligibles and expenditures for the
- 27 Medicaid managed mental health care program.



- 1 Sec. 428. Each PIHP shall provide, from internal resources,
- 2 local funds to be used as a bona fide part of the state match
- 3 required under the Medicaid program in order to increase capitation
- 4 rates for PIHPs. These funds shall not include either state funds
- 5 received by a CMHSP for services provided to non-Medicaid
- 6 recipients or the state matching portion of the Medicaid capitation
- 7 payments made to a PIHP.
- 8 Sec. 435. A county required under the provisions of the mental
- 9 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
- 10 matching funds to a CMHSP for mental health services rendered to
- 11 residents in its jurisdiction shall pay the matching funds in equal
- 12 installments on not less than a quarterly basis throughout the
- 13 fiscal year, with the first payment being made by October 1 of the
- 14 current fiscal year.
- 15 Sec. 462. (1) With the exception of administrative costs, the
- 16 department shall continue to utilize the funding formula for all
- 17 CMHSPs that receive funds appropriated under the community mental
- 18 health non-Medicaid services line utilized in fiscal year 2009-
- **19** 2010.
- 20 (2) The department shall convene a workgroup including CMHSPs
- 21 regarding the allocation of the current fiscal year administrative
- 22 reduction of up to \$3,400,000.00.
- 23 Sec. 463. The department shall use standard program evaluation
- 24 measures to assess the overall effectiveness of programs provided
- 25 through coordinating agencies and service providers in reducing and
- 26 preventing the incidence of substance abuse. The measures
- 27 established by the department shall be modeled after the program



- 1 outcome measures and best practice guidelines for the treatment of
- 2 substance abuse as proposed by the federal substance abuse and
- 3 mental health services administration.
- 4 Sec. 492. If a CMHSP has entered into an agreement with a
- 5 county or county sheriff to provide mental health services to the
- 6 inmates of the county jail, the department shall not prohibit the
- 7 use of state general fund/general purpose dollars by CMHSPs to
- 8 provide mental health services to inmates of a county jail.
- 9 Sec. 494. (1) A CMHSP, PIHP, or subcontracting provider agency
- 10 that has been reviewed and accredited through a national
- 11 accreditation process for behavioral health care services is
- 12 considered to be in compliance with any state program review
- 13 criteria or audit requirement for each corresponding item that was
- 14 reviewed and addressed by the national accrediting entity.
- 15 (2) In consultation with national accrediting entities,
- 16 CMHSPs, PIHPs, and subcontracting provider agencies, the department
- 17 shall minimize the number of gaps between state program review
- 18 criteria and audit requirements and standards under the national
- 19 accreditation process on or before March 1, 2012.
- 20 (3) As used in this section, "national accrediting entity"
- 21 means the joint commission on accreditation of healthcare
- 22 organizations, the commission on accreditation of rehabilitation
- 23 facilities, the council of accreditation, or other appropriate
- 24 entity, as approved by the department.
- 25 Sec. 495. It is the intent of the legislature that the
- 26 department begin working with the centers for Medicare and Medicaid
- 27 services to develop a program that creates a medical home for the



individuals receiving Medicaid mental health benefits. 1

#### STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

- 3 Sec. 601. The department shall continue a revenue recapture
- 4 project to generate additional revenues from third parties related
- to cases that have been closed or are inactive. A portion of 5
- revenues collected through project efforts may be used for 6
- departmental costs and contractual fees associated with these 7
- retroactive collections and to improve ongoing departmental 8
- 9 reimbursement management functions.

- 10 Sec. 602. Unexpended and unencumbered amounts and accompanying
- 11 expenditure authorizations up to \$1,000,000.00 remaining on
- 12 September 30 of the current fiscal year from the amounts
- 13 appropriated in part 1 for gifts and bequests for patient living
- 14 and treatment environments shall be carried forward for 1 fiscal
- year. The purpose of gifts and bequests for patient living and 15
- 16 treatment environments is to use additional private funds to
- 17 provide specific enhancements for individuals residing at state-
- 18 operated facilities. Use of the gifts and bequests shall be
- 19 consistent with the stipulation of the donor. The expected
- 20 completion date for the use of gifts and bequests donations is
- within 3 years unless otherwise stipulated by the donor. 21
- Sec. 605. (1) Four months after the certification of closure 22
- 23 required in section 19(6) of the state employees' retirement act,
- 1943 PA 240, MCL 38.19, the department shall provide a closure plan 24
- 25 to the house and senate appropriations subcommittees on community
- 26 health and the state budget director.



1 (2) Upon the closure of state-run operations and after 2 transitional costs have been paid, the remaining balances of funds 3 appropriated for that operation shall be transferred to CMHSPs or 4 PIHPs responsible for providing services for individuals previously 5 served by the operations. Sec. 606. The department may collect revenue for patient 6 reimbursement from first- and third-party payers, including 7 Medicaid and local county CMHSP payers, to cover the cost of 8 9 placement in state hospitals and centers. The department is 10 authorized to adjust financing sources for patient reimbursement 11 based on actual revenues earned. If the revenue collected exceeds 12 current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward 13 14 shall be used as a first source of funds in the subsequent year. 15 Sec. 608. Effective October 1, 2010, the department, in 16 consultation with the department of technology, management, and 17 budget, shall establish and implement a bid process to identify 1 18 or more private contractors to provide food service and custodial 19 services for the administrative areas at any state hospital 20 identified by the department as capable of generating savings through the outsourcing of such services. 21

## HEALTH POLICY, REGULATION, AND PROFESSIONS

Sec. 708. Nursing facilities shall report in the quarterly staff report to the department, the total patient care hours provided each month, by state licensure and certification classification, and the percentage of pool staff, by state

- 1 licensure and certification classification, used each month during
- 2 the preceding quarter. The department shall make available to the
- 3 public, the quarterly staff report compiled for all facilities
- 4 including the total patient care hours and the percentage of pool
- 5 staff used, by classification.
- 6 Sec. 709. The funds appropriated in part 1 for the Michigan
- 7 essential health care provider program may also provide loan
- 8 repayment for dentists that fit the criteria established by part 27
- **9** of the public health code, 1978 PA 368, MCL 333.2701 to 333.2727.
- 10 Sec. 711. The department may make available to interested
- 11 entities customized listings of nonconfidential information in its
- 12 possession, such as names and addresses of licensees. The
- 13 department may establish and collect a reasonable charge to provide
- 14 this service. The revenue received from this service shall be used
- 15 to offset expenses to provide the service. Any balance of this
- 16 revenue collected and unexpended at the end of the fiscal year
- 17 shall revert to the appropriate restricted fund.
- 18 Sec. 712. From the funds appropriated in part 1 for primary
- 19 care services, \$250,000.00 shall be allocated to free health
- 20 clinics operating in the state. The department shall distribute the
- 21 funds equally to each free health clinic. For the purpose of this
- 22 appropriation, "free health clinics" means nonprofit organizations
- 23 that use volunteer health professionals to provide care to
- 24 uninsured individuals.
- 25 Sec. 713. The department shall continue support of
- 26 multicultural agencies that provide primary care services from the
- 27 funds appropriated in part 1.



- 1 Sec. 714. The department shall report by April 1 of the
- 2 current fiscal year to the legislature on the timeliness of nursing
- 3 facility complaint investigations and the number of allegations
- 4 that are substantiated on an annual basis. The report shall consist
- 5 of the number of allegations filed by consumers and the number of
- 6 facility-reported incidents. The department shall make every effort
- 7 to contact every complainant and the subject of a complaint during
- 8 an investigation.

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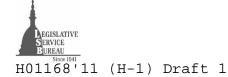
- 9 Sec. 726. If the required fees are shown to be insufficient to
- 10 offset all expenses of implementing and administering the medical
- 11 marihuana program, the department shall review and revise the
- 12 application and renewal fees accordingly to ensure that all
- 13 expenses of implementing and administering the medical marihuana
- 14 program are offset as is permitted under section 5 of the Michigan
- 15 medical marihuana act, 2008 IL 1, MCL 333.26425.

## INFECTIOUS DISEASE CONTROL

- 17 Sec. 804. The department, in conjunction with efforts to
- 18 implement the Michigan prisoner reentry initiative, shall cooperate
- 19 with the department of corrections to share data and information as
- 20 they relate to prisoners being released who are HIV positive or
- 21 positive for the hepatitis C antibody.

#### LOCAL HEALTH ADMINISTRATION AND GRANTS

- 23 Sec. 902. If a county that has participated in a district
- 24 health department or an associated arrangement with other local
- 25 health departments takes action to cease to participate in such an



- 1 arrangement after October 1 of the current fiscal year, the
- 2 department shall have the authority to assess a penalty from the
- 3 local health department's operational accounts in an amount equal
- 4 to no more than 6.25% of the local health department's essential
- 5 local public health services funding. This penalty shall only be
- 6 assessed to the local county that requests the dissolution of the
- 7 health department.
- 8 Sec. 904. (1) Funds appropriated in part 1 for essential local
- 9 public health services shall be prospectively allocated to local
- 10 health departments to support immunizations, infectious disease
- 11 control, sexually transmitted disease control and prevention,
- 12 hearing screening, vision services, food protection, public water
- 13 supply, private groundwater supply, and on-site sewage management.
- 14 Food protection shall be provided in consultation with the
- 15 department of agriculture and rural development. Public water
- 16 supply, private groundwater supply, and on-site sewage management
- 17 shall be provided in consultation with the department of
- 18 environmental quality.
- 19 (2) Local public health departments shall be held to
- 20 contractual standards for the services in subsection (1).
- 21 (3) Distributions in subsection (1) shall be made only to
- 22 counties that maintain local spending in the current fiscal year of
- 23 at least the amount expended in fiscal year 1992-1993 for the
- 24 services described in subsection (1).

# FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

26 Sec. 1104. Before April 1 of the current fiscal year, the



- 1 department shall submit a report to the house and senate fiscal
- 2 agencies and the state budget director on planned allocations from
- 3 the amounts appropriated in part 1 for local MCH services, prenatal
- 4 care outreach and service delivery support, family planning local
- 5 agreements, and pregnancy prevention programs. Using applicable
- 6 federal definitions, the report shall include information on all of
- 7 the following:
- 8 (a) Funding allocations.
- 9 (b) Actual number of women, children, and adolescents served
- 10 and amounts expended for each group for the immediately preceding
- 11 fiscal year.
- 12 (c) A breakdown of the expenditure of these funds between
- 13 urban and rural communities.
- 14 Sec. 1106. Each family planning program receiving federal
- 15 title X family planning funds under 42 USC 300 to 300a-8 shall be
- 16 in compliance with all performance and quality assurance indicators
- 17 that the office of family planning within the United States
- 18 department of health and human services specifies in the family
- 19 planning annual report. An agency not in compliance with the
- 20 indicators shall not receive supplemental or reallocated funds.
- 21 Sec. 1108. The funds appropriated in part 1 for pregnancy
- 22 prevention programs shall not be used to provide abortion
- 23 counseling, referrals, or services.
- 24 Sec. 1109. (1) From the amounts appropriated in part 1 for
- 25 dental programs, funds shall be allocated to the Michigan dental
- 26 association for the administration of a volunteer dental program
- 27 that provides dental services to the uninsured.



- 1 (2) Not later than December 1 of the current fiscal year, the
- 2 department shall report to the senate and house appropriations
- 3 subcommittees on community health and the senate and house standing
- 4 committees on health policy the number of individual patients
- 5 treated, number of procedures performed, and approximate total
- 6 market value of those procedures from the immediately preceding
- 7 fiscal year.
- 8 Sec. 1112. From the funds appropriated in part 1 for prenatal
- 9 care outreach and service delivery support, the department shall
- 10 allocate up to \$100.00 to communities with high infant mortality
- 11 rates.
- 12 Sec. 1117. Contingent upon the availability of federal or
- 13 state restricted funds, the department may pursue efforts to reduce
- 14 the incidence of stillbirth. Efforts shall include the
- 15 establishment of a program to increase public awareness of
- 16 stillbirth, promote education to monitor fetal movements counting
- 17 kicks, promote a uniform definition of stillbirth, standardize data
- 18 collection of stillbirths, and collaborate with appropriate federal
- 19 agencies and statewide organizations. The department shall seek
- 20 federal or other grant funds to assist in implementing this
- 21 program.
- 22 Sec. 1118. The department shall pursue utilization of
- 23 evidence-based practices and program models for maternal, infant,
- 24 and child health in-home visiting programs that are supported by
- 25 appropriations in part 1, consistent with any applicable program or
- 26 grant requirements.
- 27 Sec. 1133. The department shall release infant mortality rate



- 1 data to all local public health departments 72 hours or more before
- 2 releasing infant mortality rate data to the public.
- 3 Sec. 1139. From the funds appropriated in part 1 for prenatal
- 4 care outreach and service delivery support, the department shall
- 5 fund the nurse family partnership program.

## CHILDREN'S SPECIAL HEALTH CARE SERVICES

- 7 Sec. 1202. The department may do 1 or more of the following:
- 8 (a) Provide special formula for eligible clients with
- 9 specified metabolic and allergic disorders.
- 10 (b) Provide medical care and treatment to eligible patients
- 11 with cystic fibrosis who are 21 years of age or older.
- 12 (c) Provide medical care and treatment to eligible patients
- 13 with hereditary coagulation defects, commonly known as hemophilia,
- 14 who are 21 years of age or older.

# 15 OFFICE OF SERVICES TO THE AGING

- 16 Sec. 1401. The appropriation in part 1 to the office of
- 17 services to the aging for community services and nutrition services
- 18 shall be restricted to eligible individuals at least 60 years of
- 19 age who fail to qualify for home care services under title XVIII,
- 20 XIX, or XX.

- 21 Sec. 1403. (1) The office of services to the aging shall
- 22 require each region to report to the office of services to the
- 23 aging and to the legislature home-delivered meals waiting lists
- 24 based upon standard criteria. Determining criteria shall include
- 25 all of the following:



- 1 (a) The recipient's degree of frailty.
- 2 (b) The recipient's inability to prepare his or her own meals
- 3 safely.
- 4 (c) Whether the recipient has another care provider available.
- 5 (d) Any other qualifications normally necessary for the
- 6 recipient to receive home-delivered meals.
- 7 (2) Data required in subsection (1) shall be recorded only for
- 8 individuals who have applied for participation in the home-
- 9 delivered meals program and who are initially determined as likely
- 10 to be eligible for home-delivered meals.
- 11 Sec. 1406. The appropriation of \$4,468,700.00 of merit award
- 12 trust funds to the office of services to the aging for the respite
- 13 care program shall be allocated in accordance with a long-term care
- 14 plan developed by the long-term care working group established in
- 15 section 1657 of 1998 PA 336 upon implementation of the plan. The
- 16 use of the funds shall be for direct respite care or adult respite
- 17 care center services. Not more than 9% of the amount allocated
- 18 under this section shall be expended for administration and
- 19 administrative purposes.
- Sec. 1417. The department shall provide to the senate and
- 21 house appropriations subcommittees on community health, senate and
- 22 house fiscal agencies, and state budget director a report by March
- 23 30 of the current fiscal year that contains all of the following:
- 24 (a) The total allocation of state resources made to each area
- 25 agency on aging by individual program and administration.
- **26** (b) Detail expenditure by each area agency on aging by
- 27 individual program and administration including both state-funded



1 resources and locally-funded resources.

## MEDICAL SERVICES

- 3 Sec. 1601. The cost of remedial services incurred by residents
- 4 of licensed adult foster care homes and licensed homes for the aged
- 5 shall be used in determining financial eligibility for the
- 6 medically needy. Remedial services include basic self-care and
- 7 rehabilitation training for a resident.
- 8 Sec. 1603. (1) The department may establish a program for
- 9 individuals to purchase medical coverage at a rate determined by
- 10 the department.
- 11 (2) The department may receive and expend premiums for the
- 12 buy-in of medical coverage in addition to the amounts appropriated
- **13** in part 1.
- 14 (3) The premiums described in this section shall be classified
- 15 as private funds.
- 16 (4) The department shall modify program policies to permit
- 17 individuals eligible for the transitional medical assistance plus
- 18 program, as structured in fiscal year 2009-2010, to access medical
- 19 assistance coverage through a 100% cost share.
- 20 Sec. 1605. The protected income level for Medicaid coverage
- 21 determined pursuant to section 106(1)(b)(iii) of the social welfare
- 22 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
- 23 assistance standard.
- 24 Sec. 1606. For the purpose of guardian and conservator
- 25 charges, the department of community health may deduct up to \$60.00
- 26 per month as an allowable expense against a recipient's income when



- 1 determining medical services eligibility and patient pay amounts.
- 2 Sec. 1607. (1) An applicant for Medicaid, whose qualifying
- 3 condition is pregnancy, shall immediately be presumed to be
- 4 eligible for Medicaid coverage unless the preponderance of evidence
- 5 in her application indicates otherwise. The applicant who is
- 6 qualified as described in this subsection shall be allowed to
- 7 select or remain with the Medicaid participating obstetrician of
- 8 her choice.
- **9** (2) An applicant qualified as described in subsection (1)
- 10 shall be given a letter of authorization to receive Medicaid
- 11 covered services related to her pregnancy. All qualifying
- 12 applicants shall be entitled to receive all medically necessary
- 13 obstetrical and prenatal care without preauthorization from a
- 14 health plan. All claims submitted for payment for obstetrical and
- 15 prenatal care shall be paid at the Medicaid fee-for-service rate in
- 16 the event a contract does not exist between the Medicaid
- 17 participating obstetrical or prenatal care provider and the managed
- 18 care plan. The applicant shall receive a listing of Medicaid
- 19 physicians and managed care plans in the immediate vicinity of the
- 20 applicant's residence.
- 21 (3) In the event that an applicant, presumed to be eligible
- 22 pursuant to subsection (1), is subsequently found to be ineligible,
- 23 a Medicaid physician or managed care plan that has been providing
- 24 pregnancy services to an applicant under this section is entitled
- 25 to reimbursement for those services until such time as they are
- 26 notified by the department that the applicant was found to be
- 27 ineligible for Medicaid.



- 1 (4) If the preponderance of evidence in an application
  2 indicates that the applicant is not eligible for Medicaid, the
  3 department shall refer that applicant to the nearest public health
  4 clinic or similar entity as a potential source for receiving
  5 pregnancy-related services.
- (5) The department shall develop an enrollment process for
  pregnant women covered under this section that facilitates the
  selection of a managed care plan at the time of application.
- 9 (6) The department shall mandate enrollment of women, whose 10 qualifying condition is pregnancy, into Medicaid managed care 11 plans.
- 12 (7) The department shall encourage physicians to provide

  13 women, whose qualifying condition for Medicaid is pregnancy, with a

  14 referral to a Medicaid participating dentist at the first

  15 pregnancy-related appointment.

Sec. 1611. (1) For care provided to medical services 16 17 recipients with other third-party sources of payment, medical 18 services reimbursement shall not exceed, in combination with such 19 other resources, including Medicare, those amounts established for 20 medical services-only patients. The medical services payment rate shall be accepted as payment in full. Other than an approved 21 medical services co-payment, no portion of a provider's charge 22 23 shall be billed to the recipient or any person acting on behalf of 24 the recipient. Nothing in this section shall be considered to 25 affect the level of payment from a third-party source other than 26 the medical services program. The department shall require a 27 nonenrolled provider to accept medical services payments as payment

- 1 in full.
- 2 (2) Notwithstanding subsection (1), medical services
- 3 reimbursement for hospital services provided to dual
- 4 Medicare/medical services recipients with Medicare part B coverage
- 5 only shall equal, when combined with payments for Medicare and
- 6 other third-party resources, if any, those amounts established for
- 7 medical services-only patients, including capital payments.
- 8 Sec. 1627. (1) The department shall use procedures and rebate
- 9 amounts specified under section 1927 of title XIX, 42 USC 1396r-8,
- 10 to secure quarterly rebates from pharmaceutical manufacturers for
- 11 outpatient drugs dispensed to participants in the MIChild program,
- 12 maternal outpatient medical services program, and children's
- 13 special health care services.
- 14 (2) For products distributed by pharmaceutical manufacturers
- 15 not providing quarterly rebates as listed in subsection (1), the
- 16 department may require preauthorization.
- 17 Sec. 1631. (1) The department shall require co-payments on
- 18 dental, podiatric, and vision services provided to Medicaid
- 19 recipients, except as prohibited by federal or state law or
- 20 regulation.
- 21 (2) Except as otherwise prohibited by federal or state law or
- 22 regulations, the department shall require Medicaid recipients to
- 23 pay the following co-payments:
- (a) Two dollars for a physician office visit.
- **25** (b) Three dollars for a hospital emergency room visit.
- (c) Fifty dollars for the first day of an inpatient hospital
- **27** stay.



- 1 (d) One dollar for an outpatient hospital visit.
- 2 Sec. 1641. An institutional provider that is required to
- 3 submit a cost report under the medical services program shall
- 4 submit cost reports completed in full within 5 months after the end
- **5** of its fiscal year.
- 6 Sec. 1657. (1) Reimbursement for medical services to screen
- 7 and stabilize a Medicaid recipient, including stabilization of a
- 8 psychiatric crisis, in a hospital emergency room shall not be made
- 9 contingent on obtaining prior authorization from the recipient's
- 10 HMO. If the recipient is discharged from the emergency room, the
- 11 hospital shall notify the recipient's HMO within 24 hours of the
- 12 diagnosis and treatment received.
- 13 (2) If the treating hospital determines that the recipient
- 14 will require further medical service or hospitalization beyond the
- 15 point of stabilization, that hospital shall receive authorization
- 16 from the recipient's HMO prior to admitting the recipient.
- 17 (3) Subsections (1) and (2) do not require an alteration to an
- 18 existing agreement between an HMO and its contracting hospitals and
- 19 do not require an HMO to reimburse for services that are not
- 20 considered to be medically necessary.
- 21 Sec. 1659. The following sections of this act are the only
- 22 ones that shall apply to the following Medicaid managed care
- 23 programs, including the comprehensive plan, MIChoice long-term care
- 24 plan, and the mental health, substance abuse, and developmentally
- 25 disabled services program: 404, 411, 418, 428, 474, 494, 1607,
- 26 1657, 1662, 1689, 1699, 1740, 1752, 1764, 1783, 1815, and 1820.
- Sec. 1662. (1) The department shall assure that an external



- 1 quality review of each contracting HMO is performed that results in
- 2 an analysis and evaluation of aggregated information on quality,
- 3 timeliness, and access to health care services that the HMO or its
- 4 contractors furnish to Medicaid beneficiaries.
- 5 (2) The department shall require Medicaid HMOs to provide
- 6 EPSDT utilization data through the encounter data system, and HEDIS
- 7 well child health measures in accordance with the national
- 8 committee for quality assurance prescribed methodology.
- 9 (3) The department shall provide a copy of the analysis of the
- 10 Medicaid HMO annual audited HEDIS reports and the annual external
- 11 quality review report to the senate and house of representatives
- 12 appropriations subcommittees on community health, the senate and
- 13 house fiscal agencies, and the state budget director, within 30
- 14 days of the department's receipt of the final reports from the
- 15 contractors.
- 16 Sec. 1670. (1) The appropriation in part 1 for the MIChild
- 17 program is to be used to provide comprehensive health care to all
- 18 children under age 19 who reside in families with income at or
- 19 below 200% of the federal poverty level, who are uninsured and have
- 20 not had coverage by other comprehensive health insurance within 6
- 21 months of making application for MIChild benefits, and who are
- 22 residents of this state. The department shall develop detailed
- 23 eligibility criteria through the medical services administration
- 24 public concurrence process, consistent with the provisions of this
- 25 act. Health coverage for children in families between 150% and 200%
- 26 of the federal poverty level shall be provided through a state-
- 27 based private health care program.



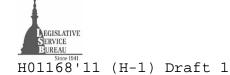
- 1 (2) The department may provide up to 1 year of continuous
- 2 eligibility to children eligible for the MIChild program unless the
- 3 family fails to pay the monthly premium, a child reaches age 19, or
- 4 the status of the children's family changes and its members no
- 5 longer meet the eligibility criteria as specified in the federally
- 6 approved MIChild state plan.
- 7 (3) Children whose category of eligibility changes between the
- 8 Medicaid and MIChild programs shall be assured of keeping their
- 9 current health care providers through the current prescribed course
- 10 of treatment for up to 1 year, subject to periodic reviews by the
- 11 department if the beneficiary has a serious medical condition and
- 12 is undergoing active treatment for that condition.
- 13 (4) To be eligible for the MIChild program, a child must be
- 14 residing in a family with an adjusted gross income of less than or
- 15 equal to 200% of the federal poverty level. The department's
- 16 verification policy shall be used to determine eligibility.
- 17 (5) The department shall enter into a contract to obtain
- 18 MIChild services from any HMO, dental care corporation, or any
- 19 other entity that offers to provide the managed health care
- 20 benefits for MIChild services at the MIChild capitated rate. As
- 21 used in this subsection:
- 22 (a) "Dental care corporation", "health care corporation",
- 23 "insurer", and "prudent purchaser agreement" mean those terms as
- 24 defined in section 2 of the prudent purchaser act, 1984 PA 233, MCL
- **25** 550.52.
- **26** (b) "Entity" means a health care corporation or insurer
- 27 operating in accordance with a prudent purchaser agreement.



- 1 (6) The department may enter into contracts to obtain certain
- 2 MIChild services from community mental health service programs.
- 3 (7) The department may make payments on behalf of children
- 4 enrolled in the MIChild program from the line-item appropriation
- 5 associated with the program as described in the MIChild state plan
- 6 approved by the United States department of health and human
- 7 services, or from other medical services.
- **8** (8) The department shall assure that an external quality
- 9 review of each MIChild contractor, as described in subsection (5),
- 10 is performed, which analyzes and evaluates the aggregated
- 11 information on quality, timeliness, and access to health care
- 12 services that the contractor furnished to MIChild beneficiaries.
- 13 (9) The department shall develop an automatic enrollment
- 14 algorithm that is based on quality and performance factors.
- 15 Sec. 1673. The department may establish premiums for MIChild
- 16 eligible individuals in families with income above 150% of the
- 17 federal poverty level. The monthly premiums shall not be less than
- 18 \$10.00 or exceed \$15.00 for a family.
- 19 Sec. 1682. (1) The department shall implement enforcement
- 20 actions as specified in the nursing facility enforcement provisions
- 21 of section 1919 of title XIX, 42 USC 1396r.
- (2) In addition to the appropriations in part 1, the
- 23 department is authorized to receive and spend penalty money
- 24 received as the result of noncompliance with medical services
- 25 certification regulations. Penalty money, characterized as private
- 26 funds, received by the department shall increase authorizations and
- 27 allotments in the long-term care accounts.



- 1 (3) The department is authorized to provide civil monetary
- 2 penalty funds to the disability network/Michigan to be distributed
- 3 to the 15 centers for independent living for the purpose of
- 4 assisting individuals with disabilities who reside in nursing homes
- 5 to return to their own homes.
- 6 (4) The department is authorized to use civil monetary penalty
- 7 funds to conduct a survey evaluating consumer satisfaction and the
- 8 quality of care at nursing homes. Factors can include, but are not
- 9 limited to, the level of satisfaction of nursing home residents,
- 10 their families, and employees. The department may use an
- 11 independent contractor to conduct the survey.
- 12 (5) Any unexpended penalty money, at the end of the year,
- 13 shall carry forward to the following year.
- 14 Sec. 1685. All nursing home rates, class I and class III,
- 15 shall have their respective fiscal year rate set 30 days prior to
- 16 the beginning of their rate year. Rates may take into account the
- 17 most recent cost report prepared and certified by the preparer,
- 18 provider corporate owner or representative as being true and
- 19 accurate, and filed timely, within 5 months of the fiscal year end
- 20 in accordance with Medicaid policy. If the audited version of the
- 21 last report is available, it shall be used. Any rate factors based
- 22 on the filed cost report may be retroactively adjusted upon
- 23 completion of the audit of that cost report.
- 24 Sec. 1689. (1) Priority in enrolling additional individuals in
- 25 the Medicaid home- and community-based services waiver program
- 26 shall be given to those who are currently residing in nursing homes
- 27 or who are eligible to be admitted to a nursing home if they are

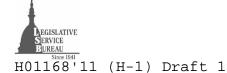


- 1 not provided home- and community-based services. The department
- 2 shall use screening and assessment procedures to assure that no
- 3 additional Medicaid eligible individuals are admitted to nursing
- 4 homes who would be more appropriately served by the Medicaid home-
- 5 and community-based services waiver program.
- 6 (2) Within 60 days of the end of each fiscal year, the
- 7 department shall provide a report to the senate and house
- 8 appropriations subcommittees on community health and the senate and
- 9 house fiscal agencies that details existing and future allocations
- 10 for the home- and community-based services waiver program by
- 11 regions as well as the associated expenditures. The report shall
- 12 include information regarding the net cost savings from moving
- individuals from a nursing home to the home- and community-based
- 14 services waiver program, the number of individuals transitioned
- 15 from nursing homes to the home- and community-based services waiver
- 16 program, the number of individuals on waiting lists by region for
- 17 the program, and the amount of funds transferred during the fiscal
- 18 year. The report shall also include the number of Medicaid
- 19 individuals served and the number of days of care for the home- and
- 20 community-based services waiver program and in nursing homes.
- 21 (3) The department shall develop a system to collect and
- 22 analyze information regarding individuals on the home- and
- 23 community-based services waiver program waiting list to identify
- 24 the community supports they receive, including, but not limited to,
- 25 adult home help, food assistance, and housing assistance services
- 26 and to determine the extent to which these community supports help
- 27 individuals remain in their home and avoid entry into a nursing

- 1 home. The department shall provide a progress report on
- 2 implementation to the senate and house appropriations subcommittees
- 3 on community health and the senate and house fiscal agencies by
- 4 June 1 of the current fiscal year.
- 5 (4) The department shall maintain any policies, guidelines,
- 6 procedures, standards, and regulations in order to limit the self-
- 7 determination option with respect to the home- and community-based
- 8 services waiver program to those services furnished by approved
- 9 home-based service providers meeting provider qualifications
- 10 established in the waiver and approved by the centers for Medicare
- 11 and Medicaid services.
- Sec. 1692. (1) The department is authorized to pursue
- 13 reimbursement for eligible services provided in Michigan schools
- 14 from the federal Medicaid program. The department and the state
- 15 budget director are authorized to negotiate and enter into
- 16 agreements, together with the department of education, with local
- 17 and intermediate school districts regarding the sharing of federal
- 18 Medicaid services funds received for these services. The department
- 19 is authorized to receive and disburse funds to participating school
- 20 districts pursuant to such agreements and state and federal law.
- 21 (2) From the funds appropriated in part 1 for medical services
- 22 school-based services payments, the department is authorized to do
- 23 all of the following:
- 24 (a) Finance activities within the medical services
- 25 administration related to this project.
- 26 (b) Reimburse participating school districts pursuant to the
- 27 fund-sharing ratios negotiated in the state-local agreements



- 1 authorized in subsection (1).
- 2 (c) Offset general fund costs associated with the medical
- 3 services program.
- 4 Sec. 1693. The special Medicaid reimbursement appropriation in
- 5 part 1 may be increased if the department submits a medical
- 6 services state plan amendment pertaining to this line item at a
- 7 level higher than the appropriation. The department is authorized
- 8 to appropriately adjust financing sources in accordance with the
- 9 increased appropriation.
- Sec. 1694. The department shall distribute \$1,122,300.00 to an
- 11 academic health care system that includes a children's hospital
- 12 that has a high indigent care volume.
- 13 Sec. 1699. (1) The department may make separate payments in
- 14 the amount of \$45,000,000.00 directly to qualifying hospitals
- 15 serving a disproportionate share of indigent patients and to
- 16 hospitals providing GME training programs. If direct payment for
- 17 GME and DSH is made to qualifying hospitals for services to
- 18 Medicaid clients, hospitals shall not include GME costs or DSH
- 19 payments in their contracts with HMOs.
- 20 (2) The department shall allocate \$33,750,000.00 in DSH
- 21 funding using the distribution methodology used in fiscal year
- 22 2003-2004.
- 23 (3) The department shall allocate \$11,250,000.00 in DSH
- 24 funding to unaffiliated hospitals and hospital systems that
- 25 received less than \$900,000.00 in DSH payments in fiscal year 2007-
- 26 2008 based on a formula that is weighted proportional to the
- 27 product of each eligible system's Medicaid revenue and each



- 1 eligible system's Medicaid utilization, except that no payment of
- 2 less than \$1,000.00 shall be made.
- 3 (4) By September 30 of the current fiscal year, the department
- 4 shall report to the senate and house appropriations subcommittees
- 5 on community health and the senate and house fiscal agencies on the
- 6 new distribution of funding to each eligible hospital from the GME
- 7 and DSH pools.
- 8 Sec. 1718. The department shall provide each Medicaid adult
- 9 home help beneficiary or applicant with the right to a fair hearing
- 10 when the department or its agent reduces, suspends, terminates, or
- 11 denies adult home help services. If the department takes action to
- 12 reduce, suspend, terminate, or deny adult home help services, it
- 13 shall provide the beneficiary or applicant with a written notice
- 14 that states what action the department proposes to take, the
- 15 reasons for the intended action, the specific regulations that
- 16 support the action, and an explanation of the beneficiary's or
- 17 applicant's right to an evidentiary hearing and the circumstances
- 18 under which those services will be continued if a hearing is
- 19 requested.
- Sec. 1724. The department shall allow licensed pharmacies to
- 21 purchase injectable drugs for the treatment of respiratory
- 22 syncytial virus for shipment to physicians' offices to be
- 23 administered to specific patients. If the affected patients are
- 24 Medicaid eligible, the department shall reimburse pharmacies for
- 25 the dispensing of the injectable drugs and reimburse physicians for
- 26 the administration of the injectable drugs.
- 27 Sec. 1740. From the funds appropriated in part 1 for health



- 1 plan services, the department shall assure that all GME funds
- 2 continue to be promptly distributed to qualifying hospitals using
- 3 the methodology developed in consultation with the graduate medical
- 4 education advisory group during fiscal year 2006-2007.
- 5 Sec. 1741. The department shall continue to provide nursing
- 6 homes the opportunity to receive interim payments upon their
- 7 request. The department may disapprove requests or discontinue
- 8 interim payments that result in financial risk to this state. The
- 9 department shall make reasonable efforts to ensure that the interim
- 10 payments are as similar in amount to expected cost-settled
- 11 payments.
- 12 Sec. 1752. The department shall provide a Medicaid health plan
- 13 with any information that may assist the Medicaid health plan in
- 14 determining whether another party may be responsible, in whole or
- in part, for the payment of health benefits.
- 16 Sec. 1756. The department shall develop a plan to expand and
- 17 improve the beneficiary monitoring program. The department shall
- 18 submit this plan to the house and senate appropriations
- 19 subcommittees on community health, the house and senate fiscal
- 20 agencies, and the state budget director by April 1 of the current
- 21 fiscal year.
- 22 Sec. 1757. The department shall direct the department of human
- 23 services to obtain proof from all Medicaid recipients that they are
- 24 legal United States citizens or otherwise legally residing in this
- 25 country and that they are residents of this state before approving
- 26 Medicaid eligibility.
- Sec. 1764. The department shall annually certify rates paid to



- 1 Medicaid health plans as being actuarially sound in accordance with
- 2 federal requirements and shall provide a copy of the rate
- 3 certification and approval immediately to the house and senate
- 4 appropriations subcommittees on community health and the house and
- 5 senate fiscal agencies.
- 6 Sec. 1770. In conjunction with the consultation requirements
- 7 of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and
- 8 except as otherwise provided in this section, the department shall
- 9 attempt to make the effective date for a proposed Medicaid policy
- 10 bulletin or adjustment to the Medicaid provider manual on October
- 11 1, January 1, April 1, or July 1 after the end of the consultation
- 12 period. The department may provide an effective date for a proposed
- 13 Medicaid policy bulletin or adjustment to the Medicaid provider
- 14 manual other than provided for in this section if necessary to be
- 15 in compliance with federal or state law, regulations, or rules or
- 16 with an executive order of the governor.
- 17 Sec. 1777. From the funds appropriated in part 1 for long-term
- 18 care services, the department shall permit, in accordance with
- 19 applicable federal and state law, nursing homes to use dining
- 20 assistants to feed eligible residents if legislation to permit the
- 21 use of dining assistants is enacted into law. The department shall
- 22 not be responsible for costs associated with training dining
- 23 assistants.
- 24 Sec. 1783. (1) The department shall develop rates by April 1
- 25 of the current fiscal year for the enrollment of individuals dually
- 26 eligible for Medicare and Medicaid into Medicaid health plans if
- 27 those health plans also maintain a Medicare advantage special needs



- 1 plan certified by the centers for Medicare and Medicaid services.
- 2 (2) The department shall report quarterly to the house and
- 3 senate appropriations subcommittees on community health and to the
- 4 house and senate fiscal agencies the status of the rate development
- 5 described in subsection (1) and the number of dual eligibles
- 6 enrolled by month in Medicaid health plans with Medicare advantage
- 7 special needs plan certification for the current fiscal year.
- 8 Sec. 1804. The department, in cooperation with the department
- 9 of human services, shall work with the federal public assistance
- 10 reporting information system to identify Medicaid recipients who
- 11 are veterans and who may be eligible for federal veterans health
- 12 care benefits or other benefits.
- Sec. 1815. From the funds appropriated in part 1 for health
- 14 plan services, the department shall not implement a capitation
- 15 withhold as part of the overall capitation rate schedule that
- 16 exceeds the 0.19% withhold administered during fiscal year 2008-
- **17** 2009.
- 18 Sec. 1820. (1) A Medicaid health plan that has been reviewed
- 19 and accredited through a national accreditation process for health
- 20 care services is considered to be in compliance with any state
- 21 program review criteria or audit requirement for each corresponding
- 22 item that was reviewed and addressed by the national accrediting
- 23 entity.
- 24 (2) In consultation with national accrediting entities and
- 25 Medicaid health plans, the department shall minimize the number of
- 26 gaps between state program review criteria and audit requirements
- 27 and standards under the national accreditation process on or before



- 1 March 1, 2012.
- 2 (3) As used in this section, "national accrediting entity"
- 3 means the national committee for quality assurance, the utilization
- 4 review accreditation committee, or other appropriate entity, as
- 5 approved by the department.
- 6 Sec. 1832. (1) The department shall continue efforts to
- 7 standardize billing formats, referral forms, electronic
- 8 credentialing, primary source verification, electronic billing and
- 9 attachments, claims status, eligibility verification, and reporting
- 10 of accepted and rejected encounter records received in the
- 11 department data warehouse.
- 12 (2) The department shall convene a workgroup on making e-
- 13 billing mandatory for the Medicaid program. The workgroup shall
- 14 include representatives from medical provider organizations,
- 15 Medicaid HMOs, and the department. The department shall report to
- 16 the legislature on the findings of the workgroup by April 1 of the
- 17 current fiscal year.
- 18 (3) The department shall provide a report by April 1 of the
- 19 current fiscal year to the senate and house appropriations
- 20 subcommittees on community health and the senate and house fiscal
- 21 agencies detailing the percentage of claims for Medicaid
- 22 reimbursement provided to the department that were initially
- 23 rejected in the first quarter of fiscal year 2010-2011.
- 24 Sec. 1841. The department shall report to the legislature on
- 25 the fiscal impact of federal health care reform legislation that
- 26 has been implemented on the department's budget. This report shall
- 27 be provided to the senate and house appropriations subcommittees on



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1 community health and the senate and house fiscal agencies by April

- 2 1 of the current fiscal year.
- 3 Sec. 1842. (1) Subject to the availability of funds, the
- 4 department shall adjust the hospital outpatient Medicaid
- 5 reimbursement rate for qualifying hospitals as provided in this
- 6 section. The Medicaid reimbursement rate for qualifying hospitals
- 7 shall be adjusted to provide each qualifying hospital with its
- 8 actual cost of delivering outpatient services to Medicaid
- 9 recipients.
- 10 (2) As used in this section, "qualifying hospital" means a
- 11 hospital that has not more than 50 staffed beds and is either
- 12 located outside a metropolitan statistical area or in a
- 13 metropolitan statistical area but within a city, village, or
- 14 township with a population of not more than 12,000 according to the
- 15 official 2000 federal decennial census and within a county with a
- 16 population of not more than 165,000 according to the official 2000
- 17 federal decennial census.
- 18 Sec. 1847. The department shall meet with the Michigan
- 19 association of ambulance services to discuss the possible structure
- 20 of an ambulance quality assurance assessment program.