



19TH DISTRICT
STATE CAPITOL
P.O. BOX 30014
LANSING, MI 48909-7514

MICHIGAN HOUSE OF REPRESENTATIVES

LAURA COX
STATE REPRESENTATIVE
APPROPRIATIONS CHAIR

PHONE: (517) 373-3920
FAX: (517) 373-5957
E-MAIL: lauracox@house.mi.gov
www.RepLauraCox.com

December 13, 2017

Mr. Alton Pscholka
Office of the State Budget
Department of Management and Budget
6th Floor Romney Building
Lansing, MI 48090

Dear Director Pscholka:

For your information, the attached transfer package has been approved by a majority of the members of both the House and Senate Appropriations Committees.

The transfer approved is from the Office of the State Budget letter dated December 1, 2017, Legislative Transfer Request 2018-2. The transfer is for the Department of Health and Human Services.

If you need further information, please do not hesitate to contact us.

Sincerely,

Laura Cox, Chair
House Appropriations Committee

Dave Hildenbrand, Chair
Senate Appropriations Committee

FINAL LEGISLATIVE TRANSFER PACKAGE

 Mary Ann Cleary, Director Viola Bay Wild, Transfer Coordinator Compiled by Tumai Burris, Budget Assistant	Summary Sheet SBO LETTER: 2018-2 December 1, 2017		
Department	Analyst	Page	Total Transfer
Health and Human Services	Sue Frey Kevin Koorstra Viola Bay Wild	1	\$56,989,000
Total			\$56,989,000

FY 2017-18 Legislative Transfers: Request 2018-2

Budget	Year-to-Date Total Approps	Standard Transfers (Within Existing Budget)						TOTAL	% of Budget Shifted
		IDG	Federal	Local	Private	Restricted	GF/GP		
Health and Human Services	25,500,591,800		43,389,000				13,600,000	56,989,000	0.22%
TOTAL*	\$56,575,549,700	\$0	\$43,389,000	\$0	\$0	\$0	\$13,600,000	\$56,989,000	0.10%

*Includes budget areas not affected by transfers

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2017-18**
 TRANSFER AMOUNT: **\$56,989,000**

S.B.O. LETTER: **12/1/17**
 S.B.O. REQUEST: **2018-2**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 12/5/17	BALANCE AVAILABLE AS OF 12/5/17	GOV'S REC. 12/1/17	HOUSE ACTION 12/13/17	SENATE ACTION 12/6/17
FROM: SEC. 122. MEDICAL SERVICES						
Pharmaceutical services	423,004,600	87,643,632	335,360,968	(56,989,000)	(56,989,000)	(56,989,000)
Funding sources:						
Total other federal revenues	275,481,400	70,321,800	205,159,600	(43,389,000)	(43,389,000)	(43,389,000)
State general fund/general purpose	147,523,200	17,321,832	130,201,368	(13,600,000)	(13,600,000)	(13,600,000)
 TO: SEC. 122. MEDICAL SERVICES						
Health plan services	5,036,901,800	628,538,526	4,408,363,274	35,029,200	35,029,200	35,029,200
Funding sources:						
Total other federal revenues	3,367,488,500	413,246,401	2,954,242,099	22,691,900	22,691,900	22,691,900
State general fund/general purpose	204,855,100	30,052,119	174,802,981	12,337,300	12,337,300	12,337,300
 Healthy Michigan plan	3,862,759,700	485,897,618	3,376,862,082	21,959,800	21,959,800	21,959,800
Funding sources:						
Total other federal revenues	3,638,166,500	461,637,136	3,176,529,364	20,697,100	20,697,100	20,697,100
State general fund/general purpose	172,986,900	20,191,368	152,795,532	1,262,700	1,262,700	1,262,700

This transfer requests \$57.0 million Gross (\$13.6 million GF/GP) to support a 1.0% increase in the capitated per member per month rates paid to Medicaid physical health plans. The current FY 2017-18 budget included sufficient funding to provide a 0.1% rate increase. Each year, the Department of Health and Human Services' independent actuaries review and adjust these rates to ensure that they meet federal actuarial soundness requirements. Even with these additional funds, the rates would still be within the actuarial soundness rate ranges.

Funding is available through the Pharmaceutical Services line item as recent forecasts indicate this line will lapse an amount similar to the FY 2016-17 lapse of \$70.8 million Gross (\$20.7 million GF/GP).