



**FY 2012-13 APPROPRIATION REPORT
DEPARTMENT OF COMMUNITY HEALTH
Public Act No. 200 of 2012, Article IV
And FY 2011-12 Supplemental Actions**

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**FY 2012-13 APPROPRIATION REPORT
DEPARTMENT OF COMMUNITY HEALTH
And FY 2011-12 Supplemental Actions**

This document is a technical legislative intent report of the enacted Department of Community Health Fiscal Year 2012-13 budget, detailing each appropriation line item change from the prior fiscal year budget. A brief summary of each boilerplate section in the act is included. Enacted supplemental appropriations for Fiscal Year 2011-12 are also included in this report: appropriation changes are detailed by line item at the end of each appropriation section, and boilerplate actions are found at the end of the report.

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DEPARTMENT OF COMMUNITY HEALTH OVERVIEW

The Department of Community Health (DCH) budget provides funding for Behavior Health, Public Health, and Medical Services programs including Medicaid. Also included is funding for Health Policy, the Office of Services to the Aging, the Crime Victim Services Commission, Departmentwide Administration, and Information Technology. **Public Act 200 of 2012, Article IV** is the appropriation act for the Department of Community Health that includes authorized funding for FY 2012-13 of \$15.0 billion Gross (\$2.8 billion GF/GP), including one-time basis only appropriations of \$46.9 million Gross (\$15.3 million GF/GP). Highlights of Public Act 200, Article IV and changes from the prior fiscal year follow.

1. Economic Adjustments

A net increase of \$18,595,400 Gross (\$7,208,000 GF/GP) is included in the budget to finance negotiated salary and wage increases, actuarially-required retirement rate increases, reduced employer health insurance costs due to 20% employee contribution, and economic adjustments for worker's compensation, building occupancy and rent, food, and gas, fuel, and utility costs for FY 2012-13.

2. FY 2011-12 Contingency Plan Savings

Contingency plan savings of \$12,176,400 Gross (\$6,060,900 GF/GP) is recognized for FY 2011-12. The savings are achieved by eliminating 88.3 funded and vacant FTE positions throughout the Department, reducing travel costs, and eliminating contracts.

3. FY 2012-13 State Employees One-Time Lump Sum Payments

One-time only allocation of \$4,285,300 Gross (\$2,571,500 GF/GP) is authorized for the negotiated one-time lump sum payments to state classified employees equal to 1% of annual salary for unionized employees and 2% of annual salary for non-unionized employees. The authorization for the lump sum payments is included in a new appropriation unit entitled "Sec. 121. ONE-TIME BASIS ONLY APPROPRIATIONS".

4. Salary Increases for Unclassified FTE Positions

Pursuant to the Leadership Target Agreement, an increase of \$116,100 GF/GP is included in the budget for the Director and Other Unclassified FTE Positions line item. The budgetary adjustment represents a 20% increase from the FY 2011-12 year-to-date authorization for this line item.

5. Community Health Automated Medicaid Processing System (CHAMPS) Funding

Full-year funding of \$13.4 million Gross (\$5.9 million GF/GP) is added to the budget for CHAMPS which is offset by savings of \$8,922,600 Gross (\$1,154,600 GF/GP) due to completion of the federal Health Insurance Portability and Affordability Act (HIPAA) 5010 project which required enhancements related to the Medicaid claims processing system. One-time allocation of \$30.0 million Gross (\$3.0 million GF/GP) is also authorized for CHAMPS to implement medical codes for diagnosis and inpatient procedures (ICD-10) as required by federal law.

6. Family Support Subsidy Program

Excess FY 2011-12 TANF revenue authorization of \$500,000 is removed from the Family Support Subsidy Program which provides \$222.11 monthly payment to an average of 7,159 income-eligible families with a child under age 18 living at home who is severely mentally impaired, severely multiply impaired, or autistic. The reduction for this program is offset with an increase of \$190,500 in TANF revenue anticipating a 1.0% caseload increase in FY 2012-13.

7. Staffing for Autism Treatment Services Initiative

Funding of \$400,000 GF/GP is added to the Mental Health/Substance Abuse Program Administration line item renamed "Behavioral Health Program Administration" to finance 3.0 FTE positions related to implementation of the autism treatment services initiative. The funding increase is offset by nursing home transition savings.

8. Actuarially Sound Capitation Payment Rates Adjustment

Capitation payment increase of 1.5% for Health Plans and 1.25% for Prepaid Inpatient Health Plans is included in the budget to ensure rates are actuarially sound in FY 2012-13. This adjustment results in an additional \$75,148,000 Gross (\$25,257,200 GF/GP) for the Medicaid Mental Health Services, Medicaid Substance Abuse Services, and Health Plan Services line items.

9. One-Time Funding for Mental Health Services for Special Populations

The FY 2011-12 allocation of \$3.0 million GF/GP, designated as one-time basis only in Section 1901 of PA 63 of 2011, Article IV for mental health services for special populations is not eliminated. The one-time funding is included in a new appropriation unit entitled "Sec. 121. ONE-TIME BASIS ONLY APPROPRIATIONS". The GF/GP funding would be allocated as follows: \$250,000 for Hispanic/Latino Commission within the Department of Civil Rights; \$700,000 for ACCESS; \$700,000 for Arab/Chaldean; \$650,000 for Chaldean Chamber Foundation; and \$700,000 for Michigan Jewish Federation.

10. Children with Serious Emotional Disturbance Waiver

Funding for the Children with Serious Emotional Disturbance Waiver Program is increased by \$4,463,000 Gross (\$0 GF/GP), enabling the Department to serve additional children eligible for the federal waiver program in which community mental health services programs (CMHSPs) provide home- and community-based mental health services. Currently, 12 CMHSPs in eighteen counties provide services for up to 357 children.

11. Pharmacy Inflationary Adjustment for State Psychiatric Hospitals and Center for Forensic Psychiatry

An inflationary adjustment of 3% for pharmacy costs is included in the budget for state-operated psychiatric hospitals and the Center for Forensic Psychiatry. This adjustment equates to an increase of \$476,100 Gross (\$240,800 GF/GP) in funding for these facilities.

12. Healthy Michigan Fund Programs

- *Healthy Michigan Fund (HMF) Changes* - The appropriation of Healthy Michigan Fund monies for Medicaid is reduced by \$842,200 to a total \$28.3 million, a net \$0 Gross (increase of \$842,200 GF/GP) adjustment for Medicaid, reflecting a decline in revenue to the Fund from state tobacco taxes. The HMF appropriation for public health prevention projects is increased by \$146,600 Gross (\$0 GF/GP) to a total of \$5,146,600.

- *Healthy Michigan Fund Programs Line Item* - The Sec. 106 line item name is changed to Health and Wellness Initiatives.

- *Healthy Michigan Fund Programs One-Time Basis Only Funding* - The budget continues the FY 2011-12 one-time basis only funding of \$3.0 million Gross (all GF/GP) for public health prevention projects. The funding, previously appropriated in boilerplate Section 1901 in the HMF Programs line item, is continued under a new one-time basis only Section 121 Health and Wellness Initiatives line item. Public health prevention project allocations of the one-time basis GF/GP funding are modified to include an increase for diabetes programs and a new allocation for the nurse family partnership program.

13. New Wellness 4x4 Initiative

New funding of \$2.25 million Gross (all GF/GP) is included for a new community-based collaborative public health program to address obesity, focusing on 4 healthy behaviors and 4 key health measures. \$1.0 million is funded as ongoing and \$1.25 million is funded as one-time basis only, in the respective Health and Wellness Initiatives line items in Sections 106 and 121.

14. New Children's Physical Health Initiative

New funding of \$1.0 million Gross (all GF/GP) is included for a new initiative to address childhood obesity through a before- and after-school physical health pilot program that incorporates evidence-based best practices. The funding is appropriated in the Section 106 Health and Wellness Initiative line item. Section 654 is related new boilerplate.

15. Primary Care Services

- *Island Health Clinics* - The budget continues the FY 2011-12 one-time basis only funding of \$300,000 Gross (all GF/GP) for island health clinics for Beaver Island, Mackinac Island and Drummond Island. The funding, previously appropriated in boilerplate Section 1901 in the Primary Care Services - Island Health Clinics line item, is continued under a new one-time basis only Section 121 Primary Care Services - Island Clinics line item. An increase of \$25,000 Gross (all GF/GP) is provided for Bois Blanc Island for medical care access and services.

- *Primary Care DSH* - An increase of \$330,200 Gross (\$111,000 GF/GP) is provided to restore primary care disproportionate share (DSH) funding for Bronson Methodist Hospital. This funding was also restored for FY 2011-12 in supplemental 2012 PA 89 (HB 4289).

16. Michigan Essential Health Care Provider Initiative

The budget includes an increase of \$1.0 million Gross (\$500,000 GF/GP) for a new initiative for the Michigan Essential Health Care Provider program to fund a program reduction from 50% to 25% of the local and/or private share of loan repayment costs for obstetricians and gynecologists working in underserved areas (Section 709 (2) is related boilerplate). Other state funding of \$81,400 GF/GP (\$381,400 Gross) for this program is eliminated, as the final year of a multi-year phase-out of state funding supporting the general program.

17. Bioterrorism Preparedness

Federal grant funding for bioterrorism preparedness is reduced by \$14.5 million Gross (\$0 GF/GP), to reflect declines in federal grants for public health and hospital preparedness and response for bioterrorism, and completion of federal grants for H1N1 pandemic flu.

18. Lead Abatement Program Funding - VETOED

The Governor vetoes the Healthy Homes Program (formerly Lead Abatement Program) line item totaling 8.0 FTEs and \$4.9 million Gross (\$0 GF/GP) which includes an increase of \$2,000,000 Gross (\$0 GF/GP) of state restricted funding for expanded abatement of lead in homes where children reside who have tested positive for high blood lead. The new funds are from the state Environmental Response Fund. The Governor indicates that funds are not available in the Environmental Response Fund for this appropriation, and that he intends to request a supplemental appropriation for FY 2012-13 to restore the program funding at the amount of the original Executive Recommendation.

19. Traumatic Brain Injury Treatment Model Project

Funding of \$200,000 Gross (\$100,000 GF/GP) is restored for use of EBM Care, Inc. traumatic brain injury treatment interactive software at four trauma hospitals in the state. This funding was also restored for FY 2011-12 in supplemental 2012 PA 89 (HB 4289).

20. Maternal and Infant Home Visiting Program

Increased funds of \$2.1 million Gross (\$0 GF/GP) are included in the budget from the federal Maternal, Infant and Early Childhood Home Visiting program grant, authorized under the federal Patient Protection and Affordable Care Act. All funding for this program totaling \$4.3 million of federal funds is appropriated in the Prenatal Care Outreach and Service Delivery Support line item, including the \$2.2 million year-to-date funding moved from the Special Projects line item.

21. One-Time Funding for Infant Mortality

New one-time funding of \$750,000 Gross (all GF/GP) is included in the budget to expand maternal and child health and infant mortality programming. The funds are appropriated in the new Section 121 one-time basis only Health and Wellness Initiatives line item.

22. New Alternative Home Visit Support Program - VETOED

The Governor vetoes new boilerplate Section 1136, thereby eliminating the related new \$2.0 million Gross (\$0 GF/GP) appropriation of federal Temporary Assistance for Needy Families (TANF) grant funds from the Prenatal Outreach and Service Delivery Support line item. The funds are for a new initiative planned for 2 years for a real alternatives pregnancy and parenting support services program as a pilot project to provide enhanced counseling and support for women and infants during pregnancy through 12 months after birth. The Governor indicates that the TANF funds are not available.

23. *Enhanced Support for Nurse Family Partnership - VETOED*

The Governor vetoes new boilerplate Section 1137, thereby eliminating the related new \$1.0 million Gross (\$0 GF/GP) appropriation of federal TANF grant funds from the Prenatal Outreach and Service Delivery Support line item. The funds are for a new initiative planned for 2 years to enhance support and education for the nurse family partnership program including strategic planning and awareness for a Detroit-based nurse family partnership program. The Governor indicates that the TANF funds are not available.

26. *Cochlear Implant Policy Change*

Additional funding of \$560,000 Gross (\$188,900 GF/GP) reflects annualized FY 2011-12 costs due to a change in State Medicaid policy to cover cochlear implants for both ears rather than just one ear. The appropriation lines affected are Medical Care and Treatment, Physician Services and Auxiliary Medical Services.

27. *Electronic Health Records Incentive Program*

The Electronic Health Records Incentive Program line is increased by \$24.7 million Gross (reduces GF/GP \$60,800) and makes a technical adjustment by incorporating 24.0 FTEs. The FY 2011-12 base authorization of \$119.4 million Gross included funding for administration of the program, but no FTEs. All of the FY 2012-13 authorization is for electronic health record (EHR) incentive payments. The Department of Community Health will provide incentive payments to eligible professionals, hospitals and critical access hospitals as they adopt, implement, upgrade or demonstrate meaningful use of certified EHR technology. An EHR is an electronic record of patient health information generated by one or more encounters in any care delivery setting.

28. *Graduate Medical Education*

The FY 2011-12 year-to-date funding for the Graduate Medical Education (GME) program is reduced by \$231,600 Gross (\$100,000 GF/GP). Of this amount the Hospital Services and Therapy line is increased by \$21.4 million Gross and the Hospital Services and Therapy - Graduate Medical Education line in the One-Time Basis Only Appropriations unit is decreased by \$12.8 million Gross.

29. Primary Care Physician Rate Increase

The FY 2012-13 budget recognizes an increase of \$281.8 million of federal funds that will be available to provide an increase in the reimbursement rates for primary care doctors, family doctors and pediatricians up to 100% of Medicare rates. Not included in the rate increase are nurse practitioners, physician assistants and OB/GYNs. This reimbursement level change is a requirement of the Affordable Care Act of 2010 and is entirely federally funded.

30. OB/GYN Rate Increase

An increase of \$11.9 million Gross (\$4.0 million GF/GP) for DCH provides an increase in the reimbursement rates for OB/GYN doctors. The increase equates to approximately 20% and is split between the Physician Services and Health Plan Services appropriation lines. Related boilerplate Sec. 1862.

31. Behavioral Health Drugs On Preferred Drug List

A restoration is included of \$18.7 million Gross (\$6.3 million GF/GP) of the anticipated savings included in the Pharmaceutical Services line of the FY 2011-12 budget. These savings were to result from including behavioral health drugs on the preferred drug list. A statutory change would have been required to have realized these savings, but no Legislative action was taken.

32. Healthy Kids Dental Expansion

Funding of \$16.6 million Gross (\$5.6 million GF/GP) is included in the Dental Services line to expand the coverage area of the Healthy Kids Dental program.

33. Airport Parking Tax Deposit to MBTF

Funding of \$6.7 million received from Wayne County for support of the Medicaid Adult Benefits Waiver program is replaced with a like amount of revenue from the Medicaid Benefits Trust Fund (MBTF). For many years Wayne County has provided the Department Wayne's portion of the Airport Parking Tax which the Department uses for support of the Medicaid Adult Benefits Waiver program. This change would simply direct Wayne County's portion of the Airport Parking Tax to the Medicaid Benefits Trust Fund. Legislation would be necessary to make this adjustment.

34. Medicaid Estate Recovery Program

The FY 2012-13 budget includes a restoration of \$16.7 million Gross (\$5.6 million GF/GP) of the anticipated savings included in the Pharmaceutical Services line of the FY 2011-12 budget. These savings were to result from strengthening current Michigan estate recovery laws. A statutory change would have been required to have realized these savings, but the change did not occur.

35. MIChoice Program Adjustments

The Medicaid Home- and Community-Based Services Waiver line is increased by \$36.4 million Gross (\$13.2 million GF/GP) to recognize additional transitions from nursing homes (\$24.6 million Gross) and the reduction in the waiting list for the MIChoice program (\$11.8 million Gross).

36. PACE Program Adjustments

The Program for All-Inclusive Care for the Elderly (PACE) line item is increased by \$4.1 million Gross (\$1.4 million GF/GP) bringing the existing PACE programs up to capacity (\$2.5 million Gross) and adding a Berrien County PACE program (\$1.6 million Gross). Both actions are funded by a reduction to the Long-Term Care Services line in the amount of the PACE increases, therefore netting to zero change within the DCH budget.

37. Autism Spectrum Disorder Coverage

New funding is included in the amount of \$20.9 million Gross (\$6.7 million GF/GP) to fund autism spectrum disorder treatment for Medicaid and MIChild eligible children. The new line "Autism Services" is authorized at \$17.6 million Gross and the MIChild line at \$3.3 Gross.

38. Use Tax Adjustment

A FY 2011-12 supplemental is reversed, 2011 PA 278, that provided use tax (GF/GP) funding to correct authorization necessary to implement the State's final Health Insurance Claim Assessment (HICA) legislation. The Department budget is reduced \$201.1 million Gross (\$167.3 million GF/GP).

39. School-Based Services

The School-Based Services line is increased by \$40.2 million Federal representing Michigan school district's 60% portion of the federal Medicaid funds earned by the school district match. The other 40% of federal funding (\$26.8 million) is retained by the State and is used to offset GF/GP in the Medicare Premium Payments line.

40. Rural and Sole Community Hospital Payments

The rural and sole community hospital payment pool are increased by \$6.0 million Gross (\$2.0 million GF/GP), from \$29.5 million Gross to \$35.5 million Gross. The funding is shifted from the One-Time Basis Only unit to the on-going Medical Services unit, specifically the Hospital Services appropriation line. Related boilerplate Sec. 1866.

41. Anticipated FY 2013-13 Budget Changes

The FY 2013-14 appropriations are anticipated to be the same as FY 2012-13, except line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. Adjustments will be determined after the January 2013 Consensus Revenue Estimating Conference. (PART 2A, Sec. 2001)

FY 2011-12 FUNDING ADJUSTMENTS

Six supplemental funding adjustments have been made to the enacted FY 2011-12 Community Health budget, **Public Act 278 of 2011, Public Act 64 of 2012, Public Act 89 of 2012, Public Act 236 of 2012, Public Act 296 of 2012, and Public Act 476 of 2012**. Additional detail is included within each appropriation section throughout this report.

Public Act 278 of 2011 (Enrolled House Bill 5014), effective December 20, 2011, provides FY 2011-12 supplemental appropriation of \$320,446,100 Gross (\$168,691,100 GF/GP). The FY 2011-12 Department of Community Health budget authorization included in Article IV of PA 63 of 2011 is corrected for the subsequent passage of the health insurance claims assessment (HICA) bills, PA 141 and PA 142 of 2011, which will replace the existing Use Tax. Rather than four quarters of HICA revenue authorization as originally appropriated, the adjustment of \$201,057,300 Gross (\$167,292,200 GF/GP) acknowledges an extension of two quarters of Use Tax revenue and the removal of one quarter of HICA authorization of \$99,214,200. The Use Tax generates additional General Fund revenue which is not currently appropriated within the DCH budget.

The supplemental creates a new appropriation line within the Medical Services Administration unit entitled "Electronic Health Record Incentive Program". The appropriated amount of \$119,388,800 Gross (\$1,398,900 GF/GP) will fund the first full-year of the State's electronic health record (EHR) incentive program. A supplemental appropriation of \$83,542,000 Gross (\$1,466,700 GF/GP) was made for this purpose in the FY 2010-11 budget. The DCH will provide incentive payments to eligible professionals, hospitals, and critical access hospitals as they adopt, implement, upgrade or demonstrate meaningful use of certified EHR technology. An EHR is an electronic record of patient health information

generated by one or more encounters in any care delivery setting. The EHR incentive program is expected to be active for the next 10 years.

Public Act 64 of 2012 (Enrolled Senate Bill 683), effective March 27, 2012, provides FY 2011-12 supplemental appropriation of \$27,862,000 Gross (\$13,252,800 GF/GP). The supplemental appropriation for many line items within the DCH's budget is consistent with target-setting agreements to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

Public Act 89 of 2012 (Enrolled House Bill 4289), effective April 12, 2012, provides FY 2011-12 supplemental gross appropriation of \$35,247,000 and negative GF/GP appropriation of \$103,510,800. Primary care disproportionate share (DSH) funding of \$330,200 Gross (\$111,800 GF/GP) is restored for Bronson Methodist Hospital in Kalamazoo, increasing the hospital's primary care DSH payment to the FY 2010-11 funded level. A similar funding adjustment of \$333,200 Gross (\$111,000 GF/GP) is also included in PA 200 of 2012, Article IV. Funding of \$200,000 Gross (\$100,000 GF/GP) to encourage trauma hospital use of traumatic brain injury (TBI) treatment models is restored in the supplemental. The program was last supported in FY 2010-11 but funds were not expended. This funding adjustment is also included in PA 200 of 2012, Article IV. An additional \$25,000 GF/GP is provided for contractual services to coordinate Donated Dental Program services for uninsured persons who have difficulty accessing dental services due to mental or physical handicap, visual impairment, chronic illness or age. The program funding is increased from \$125,000 to \$150,000, restoring it to FY 2008-09 funding level. This funding adjustment is also included in PA 200 of 2012, Article IV. The Special Indigent Care Payments line is increased by \$7,220,400 Gross (\$2,444,800 local) to support additional indigent care agreement (ICA) services through the disproportionate share hospital (DSH) pool. This action brings the FY 2011-12 level of ICA support up to that of FY 2010-11. The increased FY 2011-12 amount is included in PA 200 of 2012, Article IV.

The Auxiliary Medical Services line is increased by \$450,000 Gross (\$152,400 GF/GP), restoring Medicaid chiropractic services beginning April 1, 2012. This amount is annualized in PA 200 of 2012, Article IV. The Special Medicaid Reimbursement line is increased by \$9,640,500 Gross (\$3,264,300 state restricted) to support additional hospital assessment financed disproportionate share hospital (DSH) pool payments. This action brings the FY 2011-12 level of hospital assessment financed DSH payments up to that of FY 2010-11 and equals the amount included in the Hospital Services and Therapy line in PA 200 of 2012, Article IV. The Special Medicaid Reimbursement line is increased by \$8,520,900 Gross (\$2,885,200 state restricted) to reinstate DSH funding for the psychiatric residency program at Wayne State University. Funding of \$8,520,900 Gross (\$2,863,900 state restricted) is also included in PA 200 of 2012, Article IV for the Wayne State program through the DSH pool. The Hospital Services and Therapy line is increased by \$8,860,000

Gross (\$3.0 million GF/GP) to reinstate a portion of the FY 2011-12 graduate medical education (GME) program reduction. The restoration of \$8.9 million reduces the \$14.7 million FY 2011-12 reduction to \$5.8 million, resulting in funding available for the GME program of \$162.4 million. General fund/general purpose funding of \$106.9 million appropriated for Medicaid within the Health Plan Services line is replaced with an equal amount of Medicaid Benefits Trust Fund (MBTF) revenue, in order to then transfer \$106.9 million from General Fund to the Budget Stabilization Fund (see boilerplate section 203 of PA 89 of 2012). This amount is equal to one-half of the amount (\$213.8 million) previously deposited in the MBTF for use in the event of a federal Medicaid disallowance and/or settlement.

Public Act 236 of 2012 (Enrolled Senate Bill 871), effective June 29, 2012, provides FY 2011-12 negative supplemental appropriation of \$208,602,600 Gross (\$115,325,500 GF/GP). Federal funding from the American Recovery and Reinvestment Act of 2009 (ARRA) of \$289,000 is provided for statewide primary care provider retention and evaluation activities, including additional support for ARRA-funded clinicians and for program evaluation to measure the effectiveness of ARRA-funded retention activities on increased access to primary care health services and reduction of health care workforce shortages. The supplemental includes \$273,600 from two private grants for oral health programs: a \$250,000 Delta Dental Foundation grant for the fluoridation equipment program, infant oral health program, SEAL Michigan dental sealant program, and other oral health programs; and a \$23,600 grant from the National Association of Chronic Disease Directors for a senior oral health survey project in Jackson County. (This budgetary adjustment was originally submitted as a transfer request from the State Budget Office (SBO) under request 2012-4.) Private funds of \$569,000 are appropriated from a W. K. Kellogg Foundation grant to address social determinants of racial disparities in infant mortality, part of multi-year \$1.3 million grant award first appropriated in FY 2010-11 and also included in PA 200 of 2012, Article IV. (This budgetary adjustment was originally submitted as part of transfer request 2012-4 from SBO.) Private funds of \$139,500 are appropriated from two multi-year private grants to DCH: a \$99,955 Early Childhood Investment Corporation (ECIC) and W. K. Kellogg Foundation grant for developmental screening training and assistance for pediatricians and family practitioners serving young children, and a \$63,000 W. K. Kellogg Foundation grant to support nurse family partnership programs in Berrien County. (This budgetary adjustment was originally submitted as part of transfer request 2012-4 from SBO.)

The supplemental appropriation act includes a net reduction, or savings, of \$4,375,000 Gross (\$1,481,400 GF/GP) resulting from increased nursing home transitions by approximately 120 individuals. The Long-Term Care Services line is reduced by \$8,212,500 Gross and the Medicaid Home- and Community-Based Services Waiver Program line item is increased by \$3,837,500 Gross to create the savings. General fund/general purpose funding of \$10.0 million appropriated for the Medicaid program within the Health Plan Services line is replaced with an equal amount of revenue from the Medicaid Benefits Trust Fund, freeing up \$10.0 million GF/GP for an appropriation to the Education Achievement

Authority. Based on costs identified at the May 10, 2012 Medicaid consensus meeting between the House and Senate Fiscal Agencies and the State Budget Office and presented as part of the May 16, 2012 Consensus Revenue Estimating Conference, various Medicaid lines are adjusted, resulting in a net reduction of \$205,498,700 Gross (\$103,844,100 GF/GP). The costs identified include: a decrease of \$297,900,800 Gross (\$107,990,100 GF/GP) for Medicaid program expenditures due to changes in projected costs related to caseload, utilization, and inflation; a reduction of \$2,466,600 Gross (\$835,200 GF/GP) for the Medicaid Adult Benefits Waiver program expenditures due to changes in projected costs related to caseload, utilization, and inflation; a reduction of \$1.1 million of Wayne County Tobacco Tax revenue which is offset by an increase in GF/GP; an increase of \$18,108,000 in federal funds from the 40% of the Medicaid match that is earned by the school-based services is replaced with a like amount of GF/GP in the Medicaid Premium Payments line; an increase of \$72,751,200 Gross (\$24,633,600 state restricted) within the Hospital Services and Therapy line in order to increase Medicaid payment rates to hospitals as part of the quality assurance assessment program (QAAP); and a reduction of \$21.0 million of state restricted revenue authorization is replaced with a like amount of GF/GP due to lower special financing earnings generated by the state psychiatric Forensic Center disproportionate share hospital (DSH) payment.

Public Act 296 of 2012 (Enrolled House Bill 5015), effective August 1, 2012, provides FY 2011-12 supplemental appropriation of \$0 Gross (\$10,000,000 GF/GP). Medicaid Benefits Trust Fund (MBTF) state restricted revenue of \$10.0 million, appropriated for the Medicaid program within the Health Plan Services line, is replaced with an equal amount of GF/GP. Public Act 236 of 2012 (Enrolled Senate Bill 871) had replaced \$10.0 million in GF/GP supporting the Health Plan Services line with \$10.0 million from the MBTF.

Public Act 476 of 2012 (Enrolled Senate Bill 931), effective December 27, 2012, provides FY 2011-12 negative supplemental appropriation of \$9,193,300 Gross (\$6,878,500 GF/GP). Contingency plan savings of \$10,186,300 Gross (\$6,060,900 GF/GP) are recognized for FY 2011-12 which are achieved by: eliminating 88.3 funded and vacant FTE positions within the areas of central administration, mental health/substance abuse program administration, state-operated facilities, public health administration, health policy, office of services to the aging, and medical services; reducing administrative travel funding in children's special health care services; and eliminating a contract with the Michigan Public Health Institute for Medicaid billing support services. Savings of \$1,432,900 Gross (\$817,600 GF/GP) are recognized in the supplemental proposal due to a new 4% contribution paid by employees in the defined benefit retirement program pursuant to Public Act 264 of 2011. The savings are reflected as reductions to applicable line items from which employee compensation costs are paid. The interdepartmental grant from the Department of Human Services (DHS) supporting the Medicaid Mental Health Services line item is increased by \$2,425,900, enabling DCH to make payments to Prepaid Inpatient Health Plans (PIHPs) for behavioral health services provided to Medicaid eligible children

in foster care and child protective services. Sufficient authorization currently exists within the DHS budget to support payments from the interdepartmental grant. A similar adjustment is included in the FY 2012-13 budget for DCH. Earlier the State Budget Office (SBO) had included this budget adjustment in the SBO letter dated September 11, 2012 (Legislative Transfer Request 2012-9). The noted supplemental gross appropriation amount does not include the impact of Section 401 which provides Medicaid Benefits Trust fund revenue of \$14,713,248.49 (\$14,713,200 rounded) to finance expenditures within the Health Plan Services appropriation line item.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
	(NOTE)	(NOTE)					
DEPARTMENT OF COMMUNITY HEALTH							
APPROPRIATION SUMMARY:							
Full-time equated unclassified positions	6.0	6.0	6.0	6.0	6.0	0.0	6.0
Full-time equated classified positions	3,634.2	3,607.9	3,533.6	3,529.6	3,546.6	(8.0)	3,538.6
Average population	893.0	0.0	893.0	893.0	893.0	0.0	893.0
GROSS APPROPRIATION	14,614,725,300	15,095,480,100	15,035,512,800	15,018,797,100	15,034,057,700	(7,932,100)	15,026,125,600
Interdepartmental grant revenues:							
Total interdepartmental grants and intradepartmental tra	6,569,400	10,023,800	10,023,800	10,023,800	10,023,800	0	10,023,800
ADJUSTED GROSS APPROPRIATION	14,608,155,900	15,085,456,300	15,025,489,000	15,008,773,300	15,024,033,900	(7,932,100)	15,016,101,800
Federal revenues:							
Total federal revenues	9,268,443,000	9,740,485,300	9,702,741,100	9,663,796,300	9,673,682,000	(2,155,600)	9,671,526,400
Social security act, temporary assistance for needy fami	0	0	0	22,341,500	22,341,500	(3,000,000)	19,341,500
Special revenue funds:							
Total local revenues	250,605,900	257,280,100	257,214,300	256,951,300	257,148,600	0	257,148,600
Total private revenues	96,494,700	93,264,000	93,364,000	93,364,000	93,364,000	(75,000)	93,289,000
Merit award trust fund	86,744,500	81,202,200	81,202,200	81,202,200	81,202,200	0	81,202,200
Total other state restricted revenues	1,943,893,200	2,065,360,000	2,065,355,300	2,065,336,300	2,078,857,800	(2,701,500)	2,076,156,300
State general fund/general purpose	2,961,974,600	2,847,864,700	2,825,612,100	2,825,781,700	2,817,437,800	0	2,817,437,800
NOTES - The FY 2011-12 YTD and FY 2012-13 Executive Recommendation amounts shown here include boilerplate One-Time Basis Only appropriations (Sections 1901 and 4-1901 respectively); One-Time Basis appropriations are included in Part 1 in the Senate, House and Enacted bills. Also note that the Executive Recommendation was presented in 8 appropriation line items; for comparison they are included in the most relevant appropriation unit in the tables that follow.							

DEPARTMENTWIDE ADMINISTRATION

Based on the Leadership Target Agreement, funding for the Director and Other Unclassified line item is increased by \$116,100 GF/GP. This budgetary adjustment represents a 20% increase from the FY 2011-12 year-to-date appropriation for this line item.

Funding for 5.0 FTE positions (\$288,300 Gross, \$201,800 GF/GP) is transferred to the Departmental Administration and Management line item from the state psychiatric hospitals and the Center for Forensic Psychiatry line items to recognize the consolidation of accounting functions at hospitals with DCH's Bureau of Budget and Audit. Funding for the Departmental Administration and Management line item is reduced by \$296,100 Gross (all GF/GP) to recognize savings achieved through the elimination of funded and vacant 1.0 nonexclusively represented employee (NERE) and 3.0 unionized employees. Funding for the Departmental Administration and Management line item is increased by \$321,800 Gross (\$211,500 GF/GP) to finance a negotiated 3% salary increase for NEREs and 1% salary increase for unionized employees.

Employee defined benefit retirement costs supported by the Departmental Administration and Management line item are reduced by \$1,350,600 Gross (\$835,600 GF/GP). Employee defined contribution retirement costs supported by the Departmental Administration and Management line item are increased by \$443,100 Gross (\$274,200 GF/GP). Other post-employment benefit (OPEB) costs supporting the Departmental Administration and Management line item are increased by \$1,671,700 Gross (\$1,076,900 GF/GP). The FY 2011-12 OPEB supplemental costs of \$1,050,400 Gross (\$671,800 GF/GP) are recognized as supporting the Departmental Administration and Management line item and the DTMB-OPEB interdepartmental grant of \$13,400 is shifted to state restricted revenue. Using a -5% weighted average reduction factor for all insurances, employee insurance costs supported by the Departmental Administration and Management line item are reduced by \$118,900 Gross (\$73,600 GF/GP).

As an economic adjustment for Michigan Administrative Hearing System, funds for the Departmental Administration and Management line item are reduced by \$27,500 Gross (\$13,700 GF/GP). This budgetary adjustment recognizes costs associated with the renamed State Office of Administrative Hearings and Rules within the Department of Licensing and Regulatory Affairs. As an economic adjustment for Michigan Administrative Hearing System, funds for the Departmental Administration and Management line item are increased by \$133,600 Gross (\$66,800 GF/GP). The FTE positions supporting the Departmental Administration and Management line item are reduced by 5.0 to reflect FTEs funded by this line item.

Funding for the Departmental Administration and Management line item is increased by \$500,000 Gross (\$250,000 GF/GP) to finance 5.0 financial and audit positions. The additional staff positions will focus on internal DCH financial reporting and accountability with the goal of reducing material audit findings and corresponding federal disallowances. Funding for the Departmental Administration and Management line item is increased by \$50,000 Gross (\$25,000 GF/GP) to finance 0.5 FTE position. The employee will assist in DCH's efforts to realize savings of \$900,000 Gross (\$286,100 GF/GP) by permitting urgent care centers to be enrolled as Medicaid providers and allowing those centers to be an alternative to expensive emergency room services for Medicaid beneficiaries.

As an economic adjustment, funds for the Worker's Compensation Program line item are reduced by \$1,141,900 Gross (all GF/GP) based on claims projections and wage, salary, and fringe benefits paid to employees who return to work under limited duty assignments.

As an economic adjustment, funds for the Rent and Building Occupancy line item are increased by \$286,100 Gross (all GF/GP) for rental space in privately-owned buildings such as Capitol Commons and Capitol View. As an economic adjustment, funds for the Rent and Building Occupancy line item are reduced by \$151,800 Gross (\$108,900 GF/GP) for payments made to the Department of Technology, Management, and Budget for rent, security, and operating costs of state-owned buildings.

Funds for the Developmental Disabilities Council and Projects line item are increased by \$17,000 Gross (all federal revenue) to finance a negotiated salary increase of 3% for NEREs and 1% for unionized employees. Employee defined benefit retirement costs supported by the Developmental Disabilities Council and Projects line item are reduced by \$63,100 Gross (all federal revenue). Employee defined contribution retirement costs supported by the Developmental Disabilities Council and Projects line item are increased by \$28,600 Gross (all federal revenue). Using a -5% weighted average reduction factor for all insurances, employee insurance costs supported by the Developmental Disabilities Council and Projects line item are reduced by \$7,300 Gross (all federal revenue). The OPEB costs supporting the Developmental Disabilities Council and Projects line item are increased by \$96,400 Gross (all federal revenue). The FY 2010-11 OPEB supplemental costs of \$59,600 Gross (all federal revenue) are recognized as supporting the Developmental Disabilities Council and Project line item.

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Departmental Administration and Management line item by \$1,050,400 Gross (\$671,800 GF/GP) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

Public Act 64 of 2012 increases FY 2011-12 funding for the Developmental Disabilities Council and Projects line item by \$59,600 Gross (all federal revenue) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 476 of 2012 reduces FY 2011-12 funding for the Departmental Administration and Management line item by \$296,100 Gross (all GF/GP) to recognize contingency plan savings achieved through the elimination of funded and vacant 1.0 nonexclusively represented employee (NERE) and 3.0 unionized employees.

Public Act 476 of 2012 reduces FY 2011-12 funding for the Departmental Administration and Management line item by \$94,000 Gross (all GF/GP) to reflect savings from a new 4% contribution paid by employees supported by this line item in the defined benefit retirement program pursuant to Public Act 264 of 2011.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 102. DEPARTMENTWIDE ADMINISTRATION							
Full-time equated unclassified positions	6.0	0.0	6.0	6.0	6.0	0.0	6.0
Full-time equated classified positions	175.2	0.0	171.7	171.2	176.7	0.0	176.7
Director and other unclassified--* FTE positions	583,900	0	583,900	583,900	700,000	0	700,000
* positions in above line	6.0	0.0	6.0	6.0	6.0	0.0	6.0
Departmental administration and management--* FTE p	21,787,400	0	23,953,300	23,903,200	24,453,200	0	24,453,200
* positions in above line	165.2	0.0	161.7	161.2	166.7	0.0	166.7
Worker's compensation program	8,754,700	0	7,612,800	7,612,800	7,612,800	0	7,612,800
Rent and building occupancy	9,252,200	0	9,386,500	9,386,500	9,386,500	0	9,386,500
Developmental disabilities council and projects--* FTE p	2,855,700	0	2,986,900	2,986,900	2,986,900	0	2,986,900
* positions in above line	10.0	0.0	10.0	10.0	10.0	0.0	10.0
Sec. 4-102. CENTRAL ADMINISTRATION (Exec. Rec. only, see NOTE below)							
Full-time equated unclassified positions	0.0	6.0	0.0	0.0	0.0	0.0	0.0
Full-time equated classified positions	0.0	189.7	0.0	0.0	0.0	0.0	0.0
Central administration	0	149,388,800	0	0	0	0	0
GROSS APPROPRIATION							
Appropriated from:	43,233,900	149,388,800	44,523,400	44,473,300	45,139,400	0	45,139,400
Interdepartmental grant revenues:							
IDG from DTMB (OPEB)	0	0	0	0	0	0	0
Federal revenues:							
Total federal revenues	13,632,700	83,661,900	14,547,300	14,522,300	14,797,300	0	14,797,300
Special revenue funds:							
Total private revenues	35,100	34,600	34,600	34,600	34,600	0	34,600
Total other state restricted revenues	749,500	16,773,400	780,500	780,500	780,500	0	780,500
State general fund/general purpose	28,816,600	48,918,900	29,161,000	29,135,900	29,527,000	0	29,527,000

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

BEHAVIORAL HEALTH

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
BEHAVIORAL HEALTH APPROPRIATION SUMMARY:							
Full-time equated classified positions	2,315.2	2,303.7	2,239.4	2,239.4	2,243.4	0.0	2,243.4
Average population	893.0	0.0	893.0	893.0	893.0	0.0	893.0
GROSS APPROPRIATION	3,167,713,000	3,176,643,600	3,176,484,900	3,175,850,300	3,142,121,300	0	3,142,121,300
Interdepartmental grant revenues:							
Total interdepartmental grants and intradepartmental tra	2,769,000	0	6,194,900	6,194,900	6,194,900	0	6,194,900
ADJUSTED GROSS APPROPRIATION	3,164,944,000	3,176,643,600	3,170,290,000	3,169,655,400	3,135,926,400	0	3,135,926,400
Federal revenues:							
Total federal revenues	1,698,467,400	1,696,231,900	1,696,174,000	1,676,800,900	1,653,833,800	0	1,653,833,800
Social security act, temporary assistance for needy fami	0	0	0	19,341,500	19,341,500	0	19,341,500
Special revenue funds:							
Total local revenues	176,925,300	188,670,300	188,604,500	188,341,500	188,538,800	0	188,538,800
Total private revenues	1,390,000	1,300,000	1,400,000	1,400,000	1,400,000	0	1,400,000
Total other state restricted revenues	41,263,300	41,808,600	41,803,900	41,784,900	41,799,200	0	41,799,200
State general fund/general purpose	1,246,898,000	1,248,632,800	1,242,307,600	1,241,986,600	1,231,013,100	0	1,231,013,100

NOTE - The Executive Recommendation shown here includes the Section 4-103 and Section 4-104 rolled up line items.

BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS (FORMERLY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS)

The Mental Health/Substance Abuse Program Administration line item is renamed Behavioral Health Program Administration. A new Federal Drug Administration (FDA) Tobacco Retail Inspection grant of \$109,500 is recognized as available to support the Behavioral Health Program Administration line item. As part of a statewide effort to reduce youth access to tobacco, the grant funds are to be used to conduct undercover buys, education, sales compliance enforcement, and advertising and labeling inspections of tobacco retailers. Funding for the Behavioral Health Program Administration line item is reduced by \$190,000 to recognize completion of the Flinn Family Foundation private grant. The grant funds were used to evaluate Assertive Community Treatment (ACT) services and outcomes for individuals with serious mental illness and assess the relationship of ACT program practices to consumer outcomes. Funding for the Behavioral Health Program Administration line item is increased by \$200,000 to recognize private grant funds that will be available from the Flinn Family Foundation. The grant funds are to be used for social, emotional, and mental health screening, assessment, referral, and follow-up for Medicaid children who have recently been placed in foster care settings.

Funding for the Behavioral Health Program Administration line item is reduced by \$640,600 Gross (\$256,200 GF/GP) to recognize savings achieved through the elimination of funded and vacant 2.0 nonexclusively represented employees (NEREs) and 4.0 unionized employees. The FY 2011-12 other post-employment benefit (OPEB) costs of \$685,800 Gross (\$526,400 GF/GP) supporting the Behavioral Health Program Administration line item are recognized. The FTE positions supporting the Behavioral Health Program Administration line item are reduced by 6.5 to reflect FTEs funded by this line item. Funding for the Behavioral Health Program Administration line item is increased by \$100,000 Gross (\$50,000 GF/GP) to finance 1.0 FTE position that will provide support on the Department's initiative to provide services and supports to individuals who are eligible for both Medicaid and Medicare (individuals referred to as "dual eligibles"). The responsibilities of the staff person include: performing contract management and analysis of data; acquiring and distributing population management information to the PIHPS and CMHSPs; and evaluating data acquired against assumptions included within the state plan, waivers, and HMO/health plan contracts. Funding for the Behavioral Health Program Administration line item is increased by \$400,000 Gross (all GF/GP) to finance 3.0 FTE positions that will be implementing the autism treatment services initiative. This funding increase is offset by nursing home transition savings.

Funding for the Behavioral Health Program Administration line item is increased by \$170,500 Gross (\$124,100 GF/GP) to finance a negotiated 3% salary increase for NEREs and 1% salary increase for unionized employees. Employee defined benefit retirement costs supported by the Behavioral Health Program Administration line item are reduced by \$1,135,800 Gross (\$853,800 GF/GP). Employee defined contribution retirement costs supported by the Behavioral Health Program

Administration line item are reduced by \$42,500 Gross (\$32,000 GF/GP). Using a -5% weighted average reduction factor for all insurances, employee insurance costs supported by the Behavioral Health Program Administration line item are reduced by \$51,300 Gross (\$38,600 GF/GP). The OPEB costs supporting the Behavioral Health Program Administration line item are increased by \$724,300 Gross (\$544,400 GF/GP). As a technical adjustment, recognition of the completion of the State Mental Health Infrastructure federal grant of \$106,300 is moved from the Federal and Other Special Projects line item to the Behavioral Health Program Administration line item. The purpose of this grant was to support the state in collecting and enhancing data necessary to report on the Center for Mental Health Services uniform reporting Systems Tables which included information about utilization rates of community-based services and state psychiatric hospitals, and the number of consumers served. As TANF revenue supports the Behavioral Health Program Administration line item, a TANF revenue deduct is established for the appropriation unit.

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

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

As 6 state-administered residential leases in Oakland County and 1 residential lease in Macomb County have expired, \$228,100 Gross (all GF/GP) is transferred from the Community Residential and Support Services line item to the Community Mental Health Non-Medicaid Services line item.

Funding for the Federal and Other Special Projects line item is increased by \$794,400 to recognize a new Federal Drug Administration (FDA) Tobacco Retail Inspection grant. As part of a statewide effort to reduce youth access to tobacco, the grant funds are to be used to conduct undercover buys, education, sales compliance enforcement, and advertising and labeling inspections of tobacco retailers. Funding for the Federal and Other Special Projects line item is increased by \$250,000 to recognize a Traumatic Brain Injury State Demonstration Program grant that ends on March 31, 2013. The purpose of this grant is to improve access to health care and other services for individuals with traumatic brain injuries and their families.

Excess FY 2011-12 TANF revenue authorization of \$500,000 is removed from the Family Support Subsidy line item. Funding for the Family Support Subsidy line item is increased by \$190,500 in TANF revenue anticipating a 1% caseload increase in FY 2012-13. As TANF revenue supports the Family Support Subsidy line item, a TANF revenue deduct is established for the appropriation unit.

The federal revenue authorization for the following grants supporting the Housing and Support Services line item are increased: Housing Opportunities for Persons with AIDS (HOPWA) by \$78,400; Shelter Plus Care (Housing for Substance Abusers) by \$338,700; Shelter Plus Care by \$647,900; and Supporting Housing Program (SHP- Statewide Leasing) by \$950,700.

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Mental Health/Substance Abuse Program Administration line item by \$685,800 Gross (\$526,400 GF/GP) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 476 of 2012 reduces FY 2011-12 funding for the Mental Health/Substance Abuse Program Administration line item by \$256,200 Gross (all GF/GP) to recognize contingency plan savings achieved through the elimination of funded and vacant 2.0 nonexclusively represented employees (NEREs) and 4.0 unionized employees.

Public Act 476 of 2012 reduces FY 2011-12 funding for the Mental Health/Substance Abuse Program Administration line item by \$45,000 Gross (all GF/GP) to reflect savings from a new 4% contribution paid by employees supported by this line item in the defined benefit retirement program pursuant to Public Act 264 of 2011.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 103. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS							
Full-time equated classified positions	111.5	0.0	99.0	99.0	103.0	0.0	103.0
Mental health/substance abuse program administration-	17,586,800	0	0	0	0	0	0
* positions in above line	110.5	0.0	0.0	0.0	0.0	0.0	0.0
Behavioral health program administration--* FTE positio	0	0	17,310,400	17,310,400	17,810,400	0	17,810,400
* positions in above line	0.0	0.0	98.0	98.0	102.0	0.0	102.0
Gambling addiction--* FTE positions	3,000,000	0	3,000,000	3,000,000	3,000,000	0	3,000,000
* positions in above line	1.0	0.0	1.0	1.0	1.0	0.0	1.0
Protection and advocacy services support	194,400	0	194,400	194,400	194,400	0	194,400
Community residential and support services	1,777,200	0	1,549,100	1,549,100	1,549,100	0	1,549,100
Federal and other special projects	2,497,200	0	3,541,600	3,541,600	3,541,600	0	3,541,600
Family support subsidy	19,470,500	0	19,161,000	19,161,000	19,161,000	0	19,161,000
Housing and support services	9,306,800	0	11,322,500	11,322,500	11,322,500	0	11,322,500
Sec. 4-103. BEHAVIORAL HEALTH SERVICES (Exec. Rec. only, see NOTE below)							
Full-time equated classified positions	0.0	109.5	0.0	0.0	0.0	0.0	0.0
Behavioral health services	0	2,897,954,100	0	0	0	0	0
GROSS APPROPRIATION							
Appropriated from:	53,832,900	2,897,954,100	56,079,000	56,079,000	56,579,000	0	56,579,000
Interdepartmental grant revenues	0	6,194,900	0	0	0	0	0
Federal revenues:							
Total federal revenues	37,101,600	1,662,487,000	39,551,500	20,210,000	20,260,000	0	20,260,000
Social security act, temporary assistance for needy fami	0	0	0	19,341,500	19,341,500	0	19,341,500
Special revenue funds:							
Total local revenues	0	25,228,900	0	0	0	0	0
Total private revenues	390,000	300,000	400,000	400,000	400,000	0	400,000
Total other state restricted revenues	3,000,000	25,261,900	3,000,000	3,000,000	3,000,000	0	3,000,000
State general fund/general purpose							
	13,341,300	1,178,481,400	13,127,500	13,127,500	13,577,500	0	13,577,500
NOTE - The Executive Recommendation Sec. 4-103 line item is a rollup of all line items from Sections 103 and 104.							

BEHAVIORAL HEALTH SERVICES (FORMERLY COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS)

The budget includes an increase of \$5,096,700 in federal Medicaid revenue supporting the Medicaid Mental Health Services line item, in conjunction with a corresponding decrease of \$5,096,700 in GF/GP, due to an increase in the Medicaid match rate from 66.14% to 66.39%. Funds for the Medicaid Mental Health Services line item are reduced by \$13,041,900 Gross (\$4,383,400 GF/GP) to reflect a 3.1% caseload increase from FY 2010-11 based on an average of 1,669,693 Medicaid eligible individuals. Funds for the Medicaid Mental Health Services line item are reduced by \$12,927,900 Gross (\$4,345,000 GF/GP) based on the May 10, 2012 Medicaid Revenue Consensus agreement between the House and Senate Fiscal Agencies, and State Budget Office. Funds for the Medicaid Mental Health Services line item are increased by \$7,217,800 Gross (\$2,425,900 IDG from Department of Human Services and \$4,791,900 federal Medicaid revenue) to recognize an anticipated DHS funded increase for an enhanced rate or incentive payment through PIHPs to serve abused and neglected children. This budgetary adjustment requires a state plan amendment to the federal Medicaid Behavioral Health Section 1915(b) waiver that was approved and effective on July 1, 2012. Funds for the Medicaid Mental Health Services line item are increased by \$1,487,700 Gross (\$500,000 IDG from DHS and \$987,700 federal Medicaid revenue) to recognize additional DHS funds for an enhanced rate or incentive payment through PIHPs to serve abused and neglected children. This budgetary adjustment requires a state plan amendment to the federal Medicaid Behavioral Health Section 1915(b) waiver that was approved and effective on July 1, 2012.

Funds for the Medicaid Mental Health Services line item are increased by \$27,299,600 Gross (\$9,175,400 GF/GP) to recognize a 1.25% capitation rate increase for PIHPs, ensuring that the payment rates are actuarially sound in FY 2012-13. The budget includes a reduction of \$112,500 in QAAP revenue supporting the Medicaid Mental Health Services line item, with a corresponding increase in federal Medicaid revenue, to recognize the match rate change from 66.14% to 66.39% on the provider benefit for PIHPs hospital rate adjustor payment. The budget includes an increase of \$59,500 in QAAP revenue supporting the Medicaid Mental Health Services line item, with a corresponding decrease in GF/GP, to recognize the match rate change from 66.14% to 66.39% on the 13.2% state retainer for PIHPs hospital rate adjustor payment. Funds for the Medicaid Mental Health Services line item are reduced by \$68,369,300 Gross (\$23,149,800 GF/GP) to reverse use tax revenue budgetary adjustments included in PA 278 of 2011, FY 2011-12 supplemental appropriations act. To implement the Health Insurance Assessment Claims Act (HICA), funding authorizations included in the initial FY 2011-12 appropriations act for the Department (PA 63 of 2011, Article IV) related to use tax revenue had to be corrected.

As 6 state-administered residential leases in Oakland County and 1 residential lease in Macomb County have expired, \$228,100 Gross (all GF/GP) has been transferred to the Community Mental Health Non-Medicaid Services line item from the Community Residential and Support Services line item.

The federal Medicaid revenue supporting the Medicaid Adult Benefits Waiver line item is increased by \$80,100, in conjunction with a corresponding decrease in GF/GP to recognize an increase in the match rate from 66.14% to 66.39%. Funding for the Medicaid Adult Benefits Waiver line item is reduced by \$1,019,400 Gross (\$345,200 GF/GP) to reverse use tax revenue budgetary adjustments included in PA 278 of 2011, FY 2011-12 supplemental appropriations act. To implement the Health Insurance Assessment Claims Act (HICA), funding authorizations included in the initial FY 2011-12 appropriations act for the Department (PA 63 of 2011, Article IV) related to use tax revenue had to be corrected.

The enacted budget includes no changes for the Mental Health Services for Special Populations line item within this appropriation unit.

An increase of \$116,800 is included in the enacted budget for the federal Medicaid revenue supporting the Medicaid Substance Abuse Services line item, with a corresponding decrease in GF/GP, due to an increase in the Medicaid match rate from 66.14% to 66.39%. Funds for the Medicaid Substance Abuse Services line item are reduced by \$440,300 Gross (\$148,000 GF/GP) to reflect a 3.1% caseload increase from FY 2010-11 based on an average of 1,669,693 Medicaid eligible individuals. Funds for the Medicaid Substance Abuse Services line item are increased by \$179,400 Gross (\$60,400 GF/GP) based on the May 10, 2012 Medicaid Revenue Consensus agreement between the House and Senate Fiscal Agencies, and State Budget Office. Funding for the Medicaid Substance Abuse Services line item is increased by \$584,700 Gross (\$196,500 GF/GP) to recognize a 1.25% capitation rate increase for PIHPs, ensuring payment rates are actuarially sound in FY 2012-13. Funds for the Medicaid Substance Abuse Services line item are reduced by \$1,485,400 Gross (\$503,000 GF/GP) to reverse use tax revenue budgetary adjustments included in PA 278 of 2011, FY 2011-12 supplemental appropriations act. To implement the Health Insurance Assessment Claims Act (HICA), funding authorizations included in the initial FY 2011-12 appropriations act for the Department (PA 63 of 2011, Article IV) related to use tax revenue had to be corrected.

Funding for the CMHSP, Purchase of State Services Contracts line item is reduced by \$92,600 Gross (all GF/GP) to reflect an increase in the federal Medicaid match rate from 66.14% to 66.39% for state psychiatric hospitals. Funding for the CMHSP, Purchase of State Services Contracts line item is reduced by \$143,600 Gross (all GF/GP) to recognize the consolidation of accounting functions at state psychiatric hospitals with the DCH's Bureau of Budget and Audit. Funding

for the CMHSP, Purchase of State Services Contracts line item is increased by \$180,500 Gross (all GF/GP) to finance pharmacy inflationary cost increase of 3% for state psychiatric hospitals.

Net funding for the CMHSP, Purchase of State Services Contracts line item is increased by \$6,387,400 Gross (all GF/GP) to recognize the following economic adjustments for state psychiatric hospitals: (1) an increase of \$971,400 to finance a negotiated 3% salary increase for NEREs and 1% salary increase for unionized employees; (2) a reduction of \$5,556,000 for employee defined benefit retirement costs; (3) an increase of \$1,542,500 for employee defined contribution retirement costs; (4) a reduction of \$616,700 for employee insurance costs; (5) an increase of \$31,300 for clients food costs; (6) an increase of \$48,100 for gas, fuel, and utilities costs; and (7) an increase of \$9,966,800 for other post-employment benefit (OPEB) costs. Funding for the CMHSP, Purchase of State Services Contracts line item is reduced by \$2,405,800 Gross (all GF/GP) to recognize savings achieved through the elimination of funded and vacant 5.0 nonexclusively represented employees (NEREs) and 32.0 unionized employees at state psychiatric hospitals. Funding for the CMHSP, Purchase of State Services Contracts line item is increased by \$6,474,700 Gross (all GF/GP) to recognize FY 2011-12 OPEB supplemental costs at state psychiatric hospitals.

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

Funds for the Federal Mental Health Block Grant line item are increased by \$6,600 Gross (all federal revenue) to finance a negotiated 3% salary increase for NEREs and 1% salary increase for unionized employees. Employee defined benefit retirement costs supporting the Federal Mental Health Block Grant line item are reduced by \$27,600 Gross (all federal revenue). Employee defined contribution retirement costs supporting the Federal Mental Health Block Grant line item are increased by \$6,600 Gross (all federal revenue). Using a -5% weighted average reduction factor for all insurances, employee insurance costs supporting the Federal Mental Health Block Grant line item are reduced by \$2,500 Gross (all federal revenue). Other post-employment benefit (OPEB) costs supporting the Federal Mental Health Block Grant line item are increased by \$27,500 Gross (all federal revenue). Funds for the Federal Mental Health Block Grant line item are increased by \$16,800 Gross (all federal revenue) to recognize FY 2011-12 OPEB supplemental costs.

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

The federal Medicaid revenue supporting the Community Substance Abuse Prevention, Education, and Treatment Programs line item is increased by \$29,900, with a corresponding decrease in GF/GP, to recognize a match rate change from 66.14% to 66.39% for the Adults Benefit Waiver component of these programs. As a technical adjustment, the

budget moves the excess federal Medicaid revenue authorization of \$1,644,500 from the Medicaid Adults Benefit Waiver line item to the Community Substance Abuse Prevention, Education, and Treatment Programs line item.

The federal Medicaid revenue supporting the Children's Waiver Home Care Program line item is increased by \$500,000 to recognize "benefit plan management" administrative functions associated with the Section 1915(c) waiver program that have been delegated to CMHSPs. These funds are used to reimburse CMHSPs of the federal share (50%) of reported allowable administrative costs. The federal Medicaid revenue supporting the Children's Waiver Home Care Program line item is increased by \$49,300, with a corresponding decrease in GF/GP, to recognize the match rate change from 66.14% to 66.39%.

Funding for the Nursing Home PAS/ARR-OBRA line item is increased by \$42,500 Gross (\$18,100 GF/GP) to recognize FY 2011-12 OPEB supplemental costs. Funding for the Nursing Home PAS/ARR-OBRA line item is increased by \$7,200 Gross (\$2,300 GF/GP) to finance a negotiated 3% salary increase for NEREs and 1% salary increase for unionized employees. Employee defined benefit retirement costs supported by the Nursing Home PAS/ARR-OBRA line item are reduced by \$72,000 Gross (\$30,600 GF/GP). Employee defined contribution retirement costs supported by the Nursing Home PAS/ARR-OBRA line item are increased by \$13,200 Gross (\$5,600 GF/GP). Using a -5% weighted average reduction factor for all insurances, employee insurance costs supported by the Nursing Home PAS/ARR-OBRA line item are reduced by \$4,300 Gross (\$1,800 GF/GP). Other post-employment benefit (OPEB) costs supporting the Nursing Home PAS/ARR-OBRA line item are increased by \$67,700 Gross (\$28,800 GF/GP). The federal Medicaid revenue supporting the Nursing Home PAS/ARR-OBRA line item is increased by \$35,800, with a corresponding reduction in GF/GP, to recognize the match rate change from 66.14% to 66.39%.

Funding for the Children with Serious Emotional Disturbance Waiver line item is increased by \$4,463,000 Gross (\$500,000 IDG from DHS and \$3,963,000 federal Medicaid revenue), enabling the Department to serve an estimated 1,243 eligible children for the waiver program in FY 2012-13. Most recent information from the DCH indicates that 14 CMHSPs representing 22 counties have been approved to provide home- and community-based mental health services to 369 children. A state plan amendment approved by the Centers for Medicare and Medicaid Services allows an additional 11 CMHSPs representing 14 counties to provide services to an additional 279 children in FY 2011-12, and an additional 595 children in FY 2012-13.

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 278 of 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 278 of 2011 increases FY 2011-12 funding for Medicaid Mental Health Services line item by \$68,369,300 Gross (\$23,149,800 GF/GP) to recognize the continuation of use tax on PIHPs for the first two quarters of the fiscal year and the removal of health insurance claims assessment (HICA) for one quarter.

Public Act 278 of 2011 increases FY 2011-12 funding for Medicaid Adults Benefit Waiver line item by \$1,019,400 Gross (\$342,500 GF/GP) to recognize the continuation of use tax on PIHPs for the first two quarters of the fiscal year and the removal of health insurance claims assessment (HICA) for one quarter.

Public Act 278 of 2011 increases FY 2011-12 funding for the Medicaid Substance Abuse Services line item by \$1,485,400 Gross (\$503,000 GF/GP) to recognize the continuation of use tax on PIHPs for the first two quarters of the fiscal year and the removal of health insurance claims assessment (HICA) for one quarter.

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the CMHSP, Purchase of State Services Contracts line item by \$6,474,700 Gross (all GF/GP) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

Public Act 64 of 2012 increases FY 2011-12 funding for the Federal Mental Health Block Grant line item by \$16,800 Gross (all federal revenue) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

Public Act 64 of 2012 increases FY 2011-12 funding for Nursing Home PAS/ARR-OBRA line item by \$42,500 Gross (\$18,100 GF/GP) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

PUBLIC ACT 236 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 236 of 2012 reduces FY 2011-12 funding for the Medicaid Mental Health Services line item by \$83,347,200 Gross (\$28,221,400 GF/GP) to reflect caseload, utilization, and inflation costs as determined at the May 10, 2012 Medicaid consensus meeting between the House and Senate Fiscal Agencies, and State Budget Office.

Public Act 236 of 2012 reduces FY 2011-12 funding for the Medicaid Substance Abuse Services line item by \$2,096,300 Gross (\$709,800 GF/GP) to reflect caseload, utilization, and inflation costs as determined at the May 10, 2012 Medicaid consensus meeting between the House and Senate Fiscal Agencies, and State Budget Office.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 476 of 2012 increases an interdepartmental grant from the Department of Human Services (DHS) supporting the Medicaid Mental Health Services line item by \$2,425,900, enabling the DCH to make payments to Prepaid Inpatient Health Plans (PIHPs) for behavioral health services provided to Medicaid eligible children in foster care and child protective services. Sufficient authorization currently exists within the DHS budget to support payments from the interdepartmental grant. A similar adjustment is included in the FY 2012-13 budget for DCH. Earlier the State Budget Office (SBO) had included this budget adjustment in the SBO letter dated September 11, 2012 (Legislative Transfer Request 2012-9).

Public Act 476 of 2012 reduces FY 2011-12 funding for the CMHSP, Purchase of State Contracts Services line item by \$2,405,800 Gross (all GF/GP) to recognize contingency plan savings achieved through the elimination of funded and vacant 5.0 nonexclusively represented employees (NEREs) and 32.0 unionized employees at state psychiatric hospitals.

Public Act 476 of 2012 reduces FY 2011-12 funding for the CMHSP, Purchase of State Contracts Services line item by \$375,000 Gross (all GF/GP) to reflect savings from the new 4% contribution paid by employees supported by this line item in the defined benefit retirement program pursuant to Public Act 264 of 2011.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 104. BEHAVIORAL HEALTH SERVICES							
Full-time equated classified positions	9.5	0.0	9.5	9.5	9.5	0.0	9.5
Medicaid mental health services	2,218,347,200	0	2,193,680,100	2,193,680,100	2,160,013,200	0	2,160,013,200
Community mental health non-Medicaid services	273,908,100	0	274,136,200	274,136,200	274,136,200	0	274,136,200
Medicaid adult benefits waiver	33,075,500	0	32,056,100	32,056,100	32,056,100	0	32,056,100
Mental health services for special populations	5,842,800	0	5,842,800	5,842,800	5,842,800	0	5,842,800
Medicaid substance abuse services	48,195,100	0	48,071,700	48,071,700	47,033,500	0	47,033,500
CMHSP, purchase of state services contracts	134,201,900	0	144,662,600	144,422,000	144,602,500	0	144,602,500
Civil service charges	1,499,300	0	1,499,300	1,499,300	1,499,300	0	1,499,300
Federal mental health block grant--* FTE positions	15,397,500	0	15,424,900	15,424,900	15,424,900	0	15,424,900
* positions in above line	2.5	0.0	2.5	2.5	2.5	0.0	2.5
State disability assistance program substance abuse se	2,018,800	0	2,018,800	2,018,800	2,018,800	0	2,018,800
Community substance abuse prevention, education, and	81,737,500	0	80,093,000	80,093,000	80,093,000	0	80,093,000
Children's waiver home care program	18,944,800	0	19,444,800	19,444,800	19,444,800	0	19,444,800
Nursing home PAS/ARR-OBRA--* FTE positions	12,179,300	0	12,233,600	12,233,600	12,233,600	0	12,233,600
* positions in above line	7.0	0.0	7.0	7.0	7.0	0.0	7.0
Children with serious emotional disturbance waiver	8,188,000	0	12,651,000	12,651,000	12,651,000	0	12,651,000
GROSS APPROPRIATION	2,853,535,800	0	2,841,814,900	2,841,574,300	2,807,049,700	0	2,807,049,700
Appropriated from:							
Interdepartmental grant revenues:							
Interdepartmental grant from the department of human s	2,769,000	0	6,194,900	6,194,900	6,194,900	0	6,194,900
Federal revenues:							
Total federal revenues	1,631,444,600	0	1,622,885,500	1,622,885,500	1,599,844,700	0	1,599,844,700
Special revenue funds:							
Total local revenues	25,228,900	0	25,228,900	25,228,900	25,228,900	0	25,228,900
Total other state restricted revenues	22,314,900	0	22,261,900	22,261,900	22,261,900	0	22,261,900
State general fund/general purpose	1,171,778,400	0	1,165,243,700	1,165,003,100	1,153,519,300	0	1,153,519,300

NOTE - The Executive Recommendation Sec. 4-103 rolled up line item includes all line items from Section 104, as well as Section 103.

STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Funding for state psychiatric hospitals is reduced by \$3,372,500 Gross (\$2,405,800 CMHSP, Purchase of State Services Contracts) to recognize savings achieved through the elimination of funded and vacant 5.0 nonexclusively represented employees (NEREs) and 32.0 unionized employees. (This adjustment is related to \$2,405,800 GF/GP reduction in funding for the CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services Programs appropriation unit). Included in the budget is an increase of \$92,600 in the federal Medicaid revenue supporting state psychiatric hospitals, in conjunction with a corresponding decrease in CMHSP, Purchase of State Services Contracts deduct, to recognize an increase in the Medicaid match rate from 66.14% to 66.39%. (This adjustment is related to \$92,600 decrease in the CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services Programs appropriation unit.) Funding for 4.0 FTE positions (\$230,100 Gross, \$143,600 CMHSP, Purchase of State Services Contracts) is transferred from state psychiatric hospitals to the Departmental Administration and Management line item to recognize the consolidation of accounting functions at state psychiatric hospitals with DCH's Bureau of Budget and Audit. (This adjustment is related to \$143,600 reduction in the CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services Programs appropriation unit.)

Funding for state psychiatric hospitals is increased by \$1,297,600 Gross (\$971,400 CMHSP, Purchase of State Services Contracts) to finance a negotiated 3% salary increase for NEREs and 1% salary increase for unionized employees (This adjustment is related to \$6,387,400 net increase in funding for the CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services Programs appropriation unit.) Employee defined benefit retirement costs supporting state psychiatric hospitals are reduced by \$7,755,500 Gross (\$5,556,000 CMHSP, Purchase of State Services Contracts revenue). (This adjustment is related to \$6,387,400 net increase in funding for the CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services Programs appropriation unit.) Employee defined contribution retirement costs supporting state psychiatric hospitals are increased by \$4,184,000 Gross (\$1,542,500 CMHSP, Purchase of State Services Contracts revenue). (This adjustment is related to \$6,387,400 net increase in funding for the CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services Programs appropriation unit.)

Using a -5% weighted average reduction factor for all insurances, employee insurance costs supporting state psychiatric hospitals are reduced by \$825,200 Gross (\$616,700 CMHSP, Purchase of State Services Contracts revenue). (This adjustment is related to \$6,387,400 net increase in funding for the CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services Programs appropriation unit.) Using a 1.2% weighted average factor for food costs at institutions providing 24-hour care to clients, funding for state psychiatric hospitals is increased by \$40,300 Gross (\$31,300 CMHSP, Purchase of State Services Contracts. (This adjustment is related to \$6,387,400 net increase in funding for the CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services Programs appropriation unit.) Using a 1.3% weighted average factor for gas, fuel, and utilities costs, funding for state psychiatric hospitals is increased by \$63,800 Gross (\$48,100 CMHSP, Purchase of State Services Contracts revenue). (This adjustment is related to \$6,387,400 net increase in funding for the CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services Programs appropriation unit.)

Funds for state psychiatric hospitals are increased by \$230,800 Gross (\$180,500 CMHSP, Purchase of State Services Contracts revenue) to finance a 3% inflationary increase for pharmacy costs. (This adjustment is related to \$180,500 increase for CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services appropriation unit.) Other post-employment benefit (OPEB) supplemental costs of \$8,723,000 Gross (\$6,474,700 CMHSP, Purchase of State Services Contracts) for FY 2011-12 are recognized for state psychiatric hospitals. (This adjustment is related to \$6,474,700 increase for CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services appropriation unit.) Funding for OPEB costs supporting state psychiatric hospitals is increased \$13,430,400 Gross (\$9,966,800 CMHSP, Purchase of State Services Contracts). (This adjustment is related to \$6,387,400 net increase in funding for the CMHSP, Purchase of State Services Contracts line item within the renamed Community Mental Health/Substance Abuse Services Programs appropriation unit.)

Funds for the Center for Forensic Psychiatry line item are increased by \$64,800 Gross (\$60,300 GF/GP) to finance a 3% inflationary adjustment for pharmacy costs at this facility. Funding of \$58,200 Gross (all GF/GP) for 1.0 FTE position is transferred from the Center for Forensic Psychiatry line item to the Departmental Administration and Management line item to recognize the consolidation of accounting functions at the Center with DCH's Bureau of Budget and Audit. Funding for the Center for Forensic Psychiatry line item is increased by \$535,900 Gross (\$502,400 GF/GP) to finance a negotiated 3% salary increase for NEREs and 1% salary increase for unionized employees. Employee defined benefit retirement costs supporting the Center for Forensic Psychiatry line item are reduced by \$2,306,000 Gross (\$2,155,400 GF/GP).

Employee defined contribution retirement costs supporting the Center for Forensic Psychiatry line item are increased by \$1,209,900 Gross (\$1,030,900 GF/GP). Employee supplemental retirement costs supporting the Center for Forensic Psychiatry line item are reduced by \$3,040,300 Gross (\$2,841,700 GF/GP). Employees of the Department of Corrections are covered by a different retirement plan. Using a -5% weighted average reduction factor for all insurances, employee insurance costs supporting the Center for Forensic Psychiatry line item are reduced by \$286,100 Gross (\$267,500 GF/GP). Using a 1.2% weighted average factor for food costs at institutions providing 24-hour care to clients, funding for the Center for Forensic Psychiatry line item is increased by \$8,400 Gross (\$7,900 GF/GP). Using a 1.3% weighted average factor for gas, fuel, and utilities costs, funds for the Center for the Forensic Psychiatry line item are increased by \$17,800 Gross (\$16,600 GF/GP).

Funding for the Center for Forensic Psychiatry line item is reduced by \$2,376,300 Gross (\$2,186,100 GF/GP) to recognize savings achieved through the elimination of funded and vacant 1.0 NERE and 20.3 unionized employees. Funding for the Center for Forensic Psychiatry line item is increased by \$3,442,500 Gross (\$3,215,800 GF/GP) to recognize FY 2011-12 OPEB supplemental costs. Funding for the Center for Forensic Psychiatry line item is increased by \$5,149,300 Gross (\$4,813,000 GF/GP) for OPEB costs.

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

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

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

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

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

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases funding for Caro Regional Mental Health Center - Psychiatric Hospital by \$2,612,900 Gross (\$1,875,900 CMHSP, Purchase of State Services Contracts) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

Public Act 64 of 2012 increases funding for Kalamazoo Psychiatric Hospital - Adult by 2,553,900 Gross (\$2,180,100 CMHSP, Purchase of State Services Contracts) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

Public Act 64 of 2012 increases funding for Walter P. Reuther Psychiatric Hospital - Adult by \$2,391,500 Gross (\$2,045,700 CMHSP, Purchase of State Services Contracts) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

Public Act 64 of 2012 increases funding for Hawthorn Center -Psychiatric Hospital - Children and Adolescents by \$1,164,700 Gross (\$373,000 CMHSP, Purchase of State Services Contracts revenue) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

Public Act 64 of 2012 increases funding for the Center for Forensic Psychiatry by \$3,442,500 Gross (\$3,215,800 GF/GP) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 476 of 2012 reduces FY 2011-12 funding for Caro Regional Mental Health - Psychiatric Hospital by \$443,900 Gross (all CMHSP, Purchase of State Services Contracts revenue) to recognize contingency plan savings achieved through the elimination of funded and vacant 1.0 nonexclusively represented employee (NERE) and 5.0 unionized employees at this state facility.

Public Act 476 of 2012 reduces FY 2011-12 funding for Caro Regional Mental Health - Psychiatric Hospital by \$85,000 Gross (all CMHSP, Purchase of State Services Contracts revenue) to reflect savings from the new 4% contribution paid by employees supported by this line item in the defined benefit retirement program pursuant to Public Act 264 of 2011.

Public Act 476 of 2012 reduces FY 2011-12 funding for Kalamazoo Psychiatric Hospital - Adult by \$1,050,300 Gross (all CMHSP, Purchase of State Services Contracts revenue) to recognize contingency plan savings achieved through the elimination of funded and vacant 2.0 nonexclusively represented employees (NEREs) and 15.0 unionized employees at this state facility.

Public Act 476 of 2012 reduces FY 2011-12 funding for Kalamazoo Psychiatric Hospital - Adult by \$70,000 Gross (all CMHSP, Purchase of State Services Contracts revenue) to reflect savings from the new 4% contribution paid by employees supported by this line item in the defined benefit retirement program pursuant to Public Act 264 of 2011.

Public Act 476 of 2012 reduces FY 2011-12 funding for Walter P. Reuther Psychiatric Hospital - Adult by \$815,900 Gross (all CMHSP, Purchase of State Services Contracts revenue) to recognize contingency plan savings achieved through the elimination of funded and vacant .5 nonexclusively represented employees (NEREs) and 10.0 unionized employees at this state facility.

Public Act 476 of 2012 reduces FY 2011-12 funding for Walter P. Reuther Psychiatric Hospital - Adult by \$140,000 Gross (all CMHSP, Purchase of State Services Contracts revenue) to reflect savings from the new 4% contribution paid by employees supported by this line item in the defined benefit retirement program pursuant to Public Act 264 of 2011.

Public Act 476 of 2012 reduces FY 2011-12 funding for Hawthorn Center - Psychiatric Hospital - Children and Adolescents by \$95,700 Gross (all CMHSP, Purchase of State Services Contracts revenue) to recognize contingency plan savings achieved through the elimination of funded and vacant 1.5 nonexclusively represented employees (NEREs) and 2.0 unionized employees at this state facility.

Public Act 476 of 2012 reduces FY 2011-12 funding for Hawthorn Center - Psychiatric Hospital - Children and Adolescents by \$80,000 Gross (all CMHSP, Purchase of State Services Contracts revenue) to reflect savings from the new 4% contribution paid by employees supported by this line item in the defined benefit retirement program pursuant to Public Act 264 of 2011.

Public Act 476 of 2012 reduces FY 2011-12 funding for Center for Forensic Psychiatry by \$2,186,100 Gross (all GF/GP) to recognize contingency plan savings achieved through the elimination of funded and vacant 1.0 nonexclusively represented employee (NERE) and 20.3 unionized employees at this state facility.

Public Act 476 of 2012 reduces FY 2011-12 funding for Center for Forensic Psychiatry by \$130,000 Gross (all GF/GP) to reflect savings from the new 4% contribution paid by employees supported by this line item in the defined benefit retirement program pursuant to Public Act 264 of 2011.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 105. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES							
Total average population	893.0	0.0	893.0	893.0	893.0	0.0	893.0
Full-time equated classified positions	2,194.2	0.0	2,130.9	2,130.9	2,130.9	0.0	2,130.9
Caro Regional Mental Health Center - psychiatric hospit	56,772,200	0	62,314,100	62,226,900	62,292,300	0	62,292,300
* positions in above line	468.3	0.0	461.3	461.3	461.3	0.0	461.3
Average population	185.0	0.0	185.0	185.0	185.0	0.0	185.0
Kalamazoo Psychiatric Hospital - adult--* FTE positions	54,782,400	0	60,153,200	60,049,000	60,127,200	0	60,127,200
* positions in above line	483.1	0.0	466.1	466.1	466.1	0.0	466.1
Average population	189.0	0.0	189.0	189.0	189.0	0.0	189.0
Walter P. Reuther Psychiatric Hospital - adult--* FTE po	52,297,800	0	55,687,500	55,587,400	55,662,500	0	55,662,500
* positions in above line	433.3	0.0	420.8	420.8	420.8	0.0	420.8
Average population	234.0	0.0	234.0	234.0	234.0	0.0	234.0
Hawthorn Center - psychiatric hospital - children and ad	27,075,900	0	28,636,900	28,620,800	28,632,900	0	28,632,900
* positions in above line	230.9	0.0	226.4	226.4	226.4	0.0	226.4
Average population	75.0	0.0	75.0	75.0	75.0	0.0	75.0
Center for forensic psychiatry--* FTE positions	66,767,900	0	69,151,200	69,064,800	69,129,600	0	69,129,600
* positions in above line	578.6	0.0	556.3	556.3	556.3	0.0	556.3
Average population	210.0	0.0	210.0	210.0	210.0	0.0	210.0
Revenue recapture	750,000	0	750,000	750,000	750,000	0	750,000
IDEA, federal special education	120,000	0	120,000	120,000	120,000	0	120,000
Special maintenance	332,500	0	332,500	332,500	332,500	0	332,500
Purchase of medical services for residents of hospitals &	445,600	0	445,600	445,600	445,600	0	445,600
Gifts and bequests for patient living and treatment enviro	1,000,000	0	1,000,000	1,000,000	1,000,000	0	1,000,000
Sec. 4-104. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES (Exec. Rec. only, see NOTE below)							
Full-time equated classified positions	0.0	2,194.2	0.0	0.0	0.0	0.0	0.0
State psychiatric hospitals and forensic mental health se	0	278,689,500	0	0	0	0	0
GROSS APPROPRIATION	260,344,300	278,689,500	278,591,000	278,197,000	278,492,600	0	278,492,600
Appropriated from:							
Federal revenues:							
Total federal revenues	29,921,200	33,744,900	33,737,000	33,705,400	33,729,100	0	33,729,100
Special revenue funds:							
CMHSP, purchase of state services contracts	134,201,900	144,722,800	144,662,600	144,422,000	144,602,500	0	144,602,500
Other local revenues	17,494,500	18,718,600	18,713,000	18,690,600	18,707,400	0	18,707,400
Total private revenues	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	0	1,000,000
Total other state restricted revenues	15,948,400	16,546,700	16,542,000	16,523,000	16,537,300	0	16,537,300
State general fund/general purpose	61,778,300	63,956,500	63,936,400	63,856,000	63,916,300	0	63,916,300
NOTE - The Executive Recommendation Sec. 4-104 line item is a rollup of all line items from Section 105.							

PUBLIC HEALTH

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
PUBLIC HEALTH APPROPRIATION SUMMARY:							
Full-time equated classified positions	624.5	587.2	587.2	587.2	587.2	(8.0)	579.2
GROSS APPROPRIATION	584,369,700	578,361,300	576,111,800	579,806,000	584,861,200	(7,932,100)	576,929,100
Interdepartmental grant revenues:							
Total interdepartmental grants and intradepartmental tra	3,800,400	3,809,200	3,809,200	3,809,200	3,809,200	0	3,809,200
ADJUSTED GROSS APPROPRIATION	580,569,300	574,552,100	572,302,600	575,996,800	581,052,000	(7,932,100)	573,119,900
Federal revenues:							
Total federal revenues	394,568,800	385,034,700	383,909,600	383,690,400	384,509,600	(2,155,600)	382,354,000
Social security act, temporary assistance for needy fami	0	0	0	3,000,000	3,000,000	(3,000,000)	0
Special revenue funds:							
Total private revenues	86,963,100	88,054,300	88,054,300	88,054,300	88,054,300	(75,000)	87,979,300
Total local revenues	5,325,000	5,225,000	5,225,000	5,225,000	5,225,000	0	5,225,000
Total other state restricted revenues	38,963,100	39,728,900	39,728,900	39,728,900	41,728,900	(2,701,500)	39,027,400
State general fund/general purpose	54,749,300	56,509,200	55,384,800	56,298,200	58,534,200	0	58,534,200
<i>NOTE - For relevant comparison, the Executive Recommendation shown here includes the Section 4-105 and Section 4-106 rolled up line items, adjusted to exclude amounts related to Sec. 115 CSHCS Executive Recommendation.</i>							

PUBLIC HEALTH ADMINISTRATION

The Public Health Administration line item is adjusted for employee-related economics including an increase of \$27,500 Gross (\$24,100 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$185,900 Gross (\$158,100 GF/GP) for defined benefit retirement costs, an increase of \$4,500 Gross (\$3,800 GF/GP) for defined contribution retirement costs, and a reduction of \$4,900 Gross (\$4,200 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$79,100 Gross (\$65,000 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. A net \$0 Gross (\$0 GF/GP) subsequent fund shift of the OPEB adjustment is made of \$10,400 from an interdepartmental grant from the Department of Technology, Management and Budget to state restricted Michigan Health Initiative funds. An additional positive OPEB adjustment is made of \$116,500 Gross (\$99,000 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13.

The Healthy Michigan Fund Programs line item is renamed to Health and Wellness Initiatives. A total of 10.7 FTE positions are transferred to the line item, following the Healthy Michigan funds for these positions that were transferred to this new line item in FY 2011-12; including 2.2 FTEs from the Immunization Program Management and Field Support line item, 0.5 FTE from the Minority Health Grants and Contracts line item, 2.0 FTEs from the Smoking Prevention Program line item, and 6.0 FTEs from the Chronic Disease Control and Health Promotion Administration line item. The line item is then adjusted for employee-related economics including a reduction of \$23,400 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$21,200 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$6,400 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$77,600 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$120,000 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line is increased by \$1,000,000 Gross (all GF/GP) for a new community-based collaborative public health 4x4 wellness program to address obesity and promote healthy lifestyle focusing on 4 healthy behaviors and 4 key health measures; this funding and one-time basis funding of \$1.25 million appropriated in Section 121 will support public awareness and 5 local coalitions. An increase is provided of \$1,000,000 Gross (all GF/GP) for a new children's physical health before- and after-school initiative to address obesity that incorporates evidence-based best practices; section 654 is related new boilerplate. Note that new Section 121 includes related appropriations of \$5.0 million of one-time basis only

GF/GP funds for Health and Wellness Initiatives for public health projects in FY 2012-13, some of which was previously funded as one-time only under boilerplate Section 1901 in FY 2011-12.

The Minority Health Grants and Contracts line item is adjusted with a reduction of 0.5 FTE position which is transferred to the Health and Wellness Initiatives line item, following the Healthy Michigan funds supporting the position that were transferred from this line item to that new line item (as Healthy Michigan Fund Programs) in FY 2011-12.

The Promotion of Healthy Behaviors line item is eliminated with the completion of the following grants: \$675,900 Gross (\$0 GF/GP) from the federal Michigan Nutrition Network Food Stamp Nutrition Education grant, first funded in FY 2009-10, and \$300,000 Gross (\$0 GF/GP) from a 3-year private Generation With Promise grant from the W. K. Kellogg Foundation for promotion of healthy behaviors, first funded in FY 2006-07.

The Vital Records and Health Statistics line item is adjusted for employee-related economics including an increase of \$72,300 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$790,500 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$53,000 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$51,500 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$393,700 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. A net \$0 Gross (\$0 GF/GP) subsequent fund shift of the OPEB adjustment is made of \$279,400 from an interdepartmental grant from the Department of Technology, Management and Budget to state restricted vital records fee revenue. An additional positive OPEB adjustment is made of \$629,500 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13.

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Public Health Administration line item by \$79,100 Gross (\$65,000 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Healthy Michigan Fund Programs line item by \$77,600 Gross (\$0 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Vital Records and Health Statistics line item by \$393,700 Gross (\$0 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 106. PUBLIC HEALTH ADMINISTRATION							
Full-time equated classified positions	91.7	0.0	101.9	101.9	101.9	0.0	101.9
Public health administration--* FTE positions	1,557,200	0	1,594,000	1,594,000	1,594,000	0	1,594,000
* positions in above line	7.3	0.0	7.3	7.3	7.3	0.0	7.3
Healthy Michigan fund programs	5,000,000	0	0	0	0	0	0
Health and wellness initiatives--* FTE positions	0	0	5,146,700	6,146,600	7,146,600	0	7,146,600
* positions in above line	0.0	0.0	10.7	10.7	10.7	0.0	10.7
Minority health grants and contracts--* FTE positions	612,700	0	612,700	612,700	612,700	0	612,700
* positions in above line	3.0	0.0	2.5	2.5	2.5	0.0	2.5
Promotion of healthy behaviors	975,900	0	0	0	0	0	0
Vital records and health statistics--* FTE positions	9,442,800	0	9,643,300	9,643,300	9,643,300	0	9,643,300
* positions in above line	81.4	0.0	81.4	81.4	81.4	0.0	81.4
Sec. 4-105. PUBLIC HEALTH SERVICES (Exec. Rec. only, see NOTE below)							
Full-time equated classified positions	0.0	492.6	0.0	0.0	0.0	0.0	0.0
Public health services	0	265,572,700	0	0	0	0	0
GROSS APPROPRIATION							
	17,588,600	265,572,700	16,996,700	17,996,600	18,996,600	0	18,996,600
Appropriated from:							
Interdepartmental grant revenues:							
Interdepartmental grant from the department of human s	1,171,500	0	1,181,200	1,181,200	1,181,200	0	1,181,200
IDG from DTMB (OPEB)	0	0	0	0	0	0	0
Interdepartmental grant revenues	0	3,809,200	0	0	0	0	0
Federal revenues:							
Total federal revenues	4,887,900	136,989,900	4,229,700	4,229,700	4,229,700	0	4,229,700
Special revenue funds:							
Total local revenues	0	5,150,000	0	0	0	0	0
Total private revenues	300,000	28,562,700	0	0	0	0	0
Total other state restricted revenues	9,974,700	39,728,900	10,301,600	10,301,600	10,301,600	0	10,301,600
State general fund/general purpose							
	1,254,500	51,332,000	1,284,200	2,284,100	3,284,100	0	3,284,100
NOTE - The Executive Recommendation Sec. 4-105 line item is a rollup of all line items from Sections 106, 107, 108, 109, 110, 111, and 112.							

HEALTH POLICY

The Emergency Medical Services Program State Staff line item is adjusted for employee-related economics including an increase of \$13,000 Gross (\$4,800 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$17,700 Gross (\$4,900 GF/GP) for defined benefit retirement costs, an increase of \$3,400 Gross (\$900 GF/GP) for defined contribution retirement costs, and a reduction of \$4,700 Gross (\$1,300 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$40,400 Gross (\$11,300 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$66,100 Gross (\$18,300 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is reduced by \$448,400 Gross (\$0 GF/GP) of authorization for state restricted emergency medical services fee revenue to reflect actual fee revenue projected to be received for expenditure in this line item estimated at \$373,500.

There are no changes for the Emergency Medical Services Grants and Services line item.

The Health Policy Administration line item is adjusted for employee-related economics including an increase of \$40,500 Gross (\$35,700 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$202,700 Gross (\$160,300 GF/GP) for defined benefit retirement costs, a reduction of \$28,200 Gross (\$22,200 GF/GP) for defined contribution retirement costs, and a reduction of \$17,600 Gross (\$13,800 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$138,900 Gross (\$93,400 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$268,000 Gross (\$212,000 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is reduced by 0.3 FTE and \$45,100 Gross (all GF/GP) to recognize savings planned to be achieved in FY 2011-12 in a September 28, 2011 Contingency Plan of the Executive, eliminating 0.3 FTE of a vacant managerial non-bargaining employee position funded by this line item.

The Nurse Education and Research Program line item is adjusted for employee-related economics including an increase of \$7,200 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$44,200 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$2,100

Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$1,300 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$22,300 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$36,200 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13.

The Certificate of Need Program Administration line item is adjusted for employee-related economics including an increase of \$23,300 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$179,200 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$7,700 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$9,700 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$87,200 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$132,700 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is reduced by 0.7 FTE and \$95,800 Gross (\$0 GF/GP) to recognize savings planned to be achieved in FY 2011-12 in a September 28, 2011 Contingency Plan of the Executive, eliminating 0.7 FTE of a vacant managerial non-bargaining employee position funded by this line item. The total number of FTE positions in the line item is further reduced by 1.0 to correct to actual number of FTEs currently funded.

The Rural Health Services line item is adjusted for employee-related economics including an increase of \$1,000 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$2,200 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$600 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$200 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$4,900 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$3,100 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is increased by \$87,800 Gross (\$0 GF/GP) of federal authorization to recognize carryforward funds available from the federal Rural Health Flexibility Program grant, increasing the total grant authorization from \$512,200 to \$600,000, to support additional training and equipment for local emergency medical services staff. An increase is provided to the line item of \$25,000 Gross (all

GF/GP) for the state Center for Rural Health to pay for recruiting services for placement of providers in rural areas, replacing federal funds which can no longer be used for this purpose.

The Michigan Essential Health Provider line item is reduced by \$381,400 Gross (\$81,400 GF/GP) to complete the phasing out over the last several budgets of state funding support for the program; new health care provider participants can continue to be eligible for the federal funds with a local or private financial contribution from a service employer or other agency. The line item is increased by \$1,000,000 Gross (\$500,000 GF/GP) to fund a program reduction from 50% to 25% of the local and/or private share of loan repayment costs for obstetricians and gynecologists working in underserved areas; section 709 (2) is related new boilerplate.

The Primary Care Services line item is adjusted for employee-related economics including an increase of \$2,000 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$2,400 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$1,100 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$9,000 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$11,300 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is increased by \$330,200 Gross (\$111,000 GF/GP), to restore the primary care disproportionate share (DSH) funding for Bronson Methodist Hospital in Kalamazoo, supporting primary care services, to the FY 2010-11 gross funded level of \$2,025,000.

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Emergency Medical Services Program State Staff line item by \$40,400 Gross (\$11,300 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Health Policy Administration line item by \$138,900 Gross (\$93,400 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Nurse Education and Research Program line item by \$22,300 Gross (\$0 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Certificate of Need Program Administration line item by \$87,200 Gross (\$0 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Rural Health Services line item by \$4,900 Gross (\$0 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Primary Care Services line item by \$9,000 Gross (\$0 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

PUBLIC ACT 89 OF 2012 SUPPLEMENTAL ACTIONS

Public Act 89 of 2012 increases FY 2011-12 funding for the Primary Care Services line item by \$330,200 Gross (\$111,800 GF/GP) to restore the primary care disproportionate share (DSH) funding for Bronson Methodist Hospital in Kalamazoo supporting primary care services, to the FY 2010-11 funded gross level of \$2,025,000.

PUBLIC ACT 236 OF 2012 SUPPLEMENTAL ACTIONS

Public Act 236 of 2012 increases FY 2011-12 funding for the Primary Care Services line item by \$289,000 Gross (\$0 GF/GP) of federal American Recovery and Reinvestment Act of 2009 (ARRA) funding for statewide primary care provider retention and evaluation activities, including additional support for ARRA-funded clinicians and for program evaluation to measure effectiveness of ARRA-funded retention activities on increased access to primary care health services and reduction of health care workforce shortages.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 476 of 2012 reduces FY 2011-12 funding for the Health Policy Administration line item by 1.0 FTE and \$45,100 Gross (all GF/GP) to recognize contingency plan savings achieved through the elimination of a vacant managerial nonexclusively represented employee (NERE) position in this line item.

Public Act 476 of 2012 reduces FY 2011-12 funding for the Health Policy Administration line item by \$10,900 Gross (all GF/GP) to reflect reduced retirement costs to the state due to a new 4% contribution paid by employees in the defined benefit retirement program who are supported by this line item, pursuant to Public Act 264 of 2011, effective April 1, 2012.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 107. HEALTH POLICY							
Full-time equated classified positions	66.8	0.0	64.8	64.8	64.8	0.0	64.8
Emergency medical services program state staff--* FTE	4,850,300	0	4,502,400	4,502,400	4,502,400	0	4,502,400
* positions in above line	23.0	0.0	23.0	23.0	23.0	0.0	23.0
Emergency medical services grants and services	660,000	0	660,000	660,000	660,000	0	660,000
Health policy administration--* FTE positions	4,150,800	0	4,304,600	4,304,600	4,304,600	0	4,304,600
* positions in above line	24.4	0.0	24.1	24.1	24.1	0.0	24.1
Nurse education and research program--* FTE positions	744,200	0	762,300	762,300	762,300	0	762,300
* positions in above line	3.0	0.0	3.0	3.0	3.0	0.0	3.0
Certificate of need program administration--* FTE positions	2,071,100	0	2,021,900	2,021,900	2,021,900	0	2,021,900
* positions in above line	14.0	0.0	12.3	12.3	12.3	0.0	12.3
Rural health services--* FTE positions	1,410,300	0	1,504,100	1,504,100	1,529,100	0	1,529,100
* positions in above line	1.0	0.0	1.0	1.0	1.0	0.0	1.0
Michigan essential health provider	872,700	0	491,400	491,300	1,491,300	0	1,491,300
Primary care services--* FTE positions	2,886,900	0	3,236,000	2,905,700	3,235,900	0	3,235,900
* positions in above line	1.4	0.0	1.4	1.4	1.4	0.0	1.4
GROSS APPROPRIATION	17,646,300	0	17,482,700	17,152,300	18,507,500	0	18,507,500
Appropriated from:							
Interdepartmental grant revenues:							
Interdepartmental grant from the department of treasury	116,300	0	112,400	112,400	112,400	0	112,400
Interdepartmental grant from the department of licensing	2,040,700	0	2,058,800	2,058,800	2,058,800	0	2,058,800
Federal revenues:		0					
Total federal revenues	5,432,600	0	5,645,800	5,426,600	6,145,800	0	6,145,800
Special revenue funds:							
Total local revenues	100,000	0	0	0	0	0	0
Total private revenues	255,000	0	255,000	255,000	255,000	0	255,000
Total other state restricted revenues	6,232,600	0	5,783,000	5,783,000	5,783,000	0	5,783,000
State general fund/general purpose	3,469,100	0	3,627,700	3,516,500	4,152,500	0	4,152,500

NOTE - The Executive Recommendation Sec. 4-105 rolled up line item includes all line items from Section 107, as well as Sections 106, 108, 109, 110, 111, and 112.

INFECTIOUS DISEASE CONTROL

The AIDS Prevention, Testing, and Care Programs line item is adjusted for employee-related economics including an increase of \$17,000 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$51,400 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$48,600 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$8,400 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$77,000 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. A net \$0 Gross (\$0 GF/GP) subsequent fund shift of the OPEB adjustment is made of \$66,300 from an interdepartmental grant from the Department of Technology, Management and Budget to state restricted Michigan Health Initiative funds. An additional positive OPEB adjustment is made of \$123,800 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is reduced by \$1,000,000 Gross (\$0 GF/GP) of federal authorization to recognize reduced funding from the federal HIV Prevention grant from \$7.4 million to \$6.4 million; the program will re-prioritize allocations for projects due to the reduction.

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

The Immunization Program Management and Field Support line item is adjusted for employee-related economics including an increase of \$16,500 Gross (\$2,300 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$141,600 Gross (\$20,600 GF/GP) for defined benefit retirement costs, a reduction of \$9,500 Gross (\$1,400 GF/GP) for defined contribution retirement costs, and a reduction of \$8,100 Gross (\$600 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$73,900 Gross (\$9,200 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$117,800 Gross (\$17,000 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is adjusted with a reduction of 2.2 FTE positions which are transferred to the Health and Wellness Initiatives line item, following the Healthy Michigan funds supporting the positions that were transferred from this line item to that new line item (as Healthy Michigan Fund Programs) in FY 2011-12.

The Pediatric AIDS Prevention and Control line item is adjusted for employee-related economics including an increase of \$100 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized

employees, and a reduction of \$200 Gross (\$0 GF/GP) for defined contribution retirement costs. A positive adjustment of \$7,100 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional OPEB adjustment is made with a reduction of \$5,300 Gross (\$0 GF/GP) to reduce prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13.

There are no changes to the Sexually Transmitted Disease Control Local Agreements line item.

The Sexually Transmitted Disease Control Management and Field Support line item is adjusted for employee-related economics including an increase of \$17,100 Gross (\$3,900 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$194,400 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$13,700 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$12,100 Gross (\$600 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$128,800 Gross (\$10,400 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. A net \$0 Gross (\$0 GF/GP) subsequent fund shift of the OPEB adjustment is made of \$118,400 from an interdepartmental grant from the Department of Technology, Management and Budget to state restricted Michigan Health Initiative funds. An additional positive OPEB adjustment is made of \$125,100 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The total number of FTE positions in the line item is reduced by 4.0 to correct to actual number of FTEs currently funded, related to early retirements and other loss of funding in recent years.

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the AIDS Prevention, Testing, and Care Programs line item by \$77,000 Gross (\$0 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Immunization Program Management and Field Support line item by \$73,900 Gross (\$9,200 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Pediatric AIDS Prevention and Control line item by \$7,100 Gross (\$0 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Sexually Transmitted Disease Control Management and Field Support line item by \$128,800 Gross (\$10,400 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 108. INFECTIOUS DISEASE CONTROL							
Full-time equated classified positions	50.7	0.0	44.5	44.5	44.5	0.0	44.5
AIDS prevention, testing, and care programs--* FTE pos	59,449,300	0	58,558,700	58,558,700	58,558,700	0	58,558,700
* positions in above line	12.7	0.0	12.7	12.7	12.7	0.0	12.7
Immunization local agreements	11,975,200	0	11,975,200	11,975,200	11,975,200	0	11,975,200
Immunization program management and field support--*	1,786,300	0	1,835,300	1,835,300	1,835,300	0	1,835,300
* positions in above line	15.0	0.0	12.8	12.8	12.8	0.0	12.8
Pediatric AIDS prevention and control--* FTE positions	1,231,400	0	1,233,100	1,233,100	1,233,100	0	1,233,100
* positions in above line	1.0	0.0	1.0	1.0	1.0	0.0	1.0
Sexually transmitted disease control local agreements	3,360,700	0	3,360,700	3,360,700	3,360,700	0	3,360,700
Sexually transmitted disease control management and f	3,743,300	0	3,794,100	3,794,100	3,794,100	0	3,794,100
* positions in above line	22.0	0.0	18.0	18.0	18.0	0.0	18.0
GROSS APPROPRIATION	81,546,200	0	80,757,100	80,757,100	80,757,100	0	80,757,100
Appropriated from:							
Interdepartmental grant revenues:							
IDG from DTMB (OPEB)	0	0	0	0	0	0	0
Federal revenues:							
Total federal revenues	43,541,200	0	42,597,900	42,597,900	42,597,900	0	42,597,900
Special revenue funds:							
Total private revenues	27,707,700	0	27,707,700	27,707,700	27,707,700	0	27,707,700
Total other state restricted revenues	7,470,600	0	7,605,200	7,605,200	7,605,200	0	7,605,200
State general fund/general purpose	2,826,700	0	2,846,300	2,846,300	2,846,300	0	2,846,300

NOTE - The Executive Recommendation Sec. 4-105 rolled up line item includes all line items from Section 108, as well as Sections 106, 107, 109, 110, 111, and 112.

LABORATORY SERVICES

The Laboratory Services line item is adjusted for employee-related economics including an increase of \$95,300 Gross (\$51,800 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$1,225,700 Gross (\$557,800 GF/GP) for defined benefit retirement costs, a reduction of \$70,700 Gross (\$32,200 GF/GP) for defined contribution retirement costs, and a reduction of \$85,000 Gross (\$38,700 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$620,800 Gross (\$340,600 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. A net \$0 Gross (\$0 GF/GP) subsequent fund shift of the OPEB adjustment is made of \$44,600 from an interdepartmental grant from the Department of Technology, Management and Budget to state restricted Michigan Health Initiative funds. An additional positive OPEB adjustment is made of \$900,700 Gross (\$409,900 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. An increase of \$388,000 Gross (\$0 GF/GP) is made to the line item to recognize a new 2-year federal grant for Severe Combined Immune Deficiency (SCID) Technology to help support the implementation of new screening testing for newborns for this disease, including laboratory methods, and public health and newborn screening community training and education; this testing has been provided in Michigan as of October 1, 2011. The line item is increased by \$216,100 Gross (\$0 GF/GP) to recognize federal funds from the University of Utah from the federal Novel Technologies in Newborn Screening grant through September 30, 2013; the laboratory will assist the University in the development of a newborn screening test for spinal muscular atrophy. The total number of FTE positions in the line item is reduced by 11.0 to correct to actual number of FTEs currently funded, related to early retirements and other loss of funding in recent years.

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Laboratory Services line item by \$620,800 Gross (\$340,600 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPOPRIATIONS

Public Act 476 of 2012 reduces FY 2011-12 funding for the Laboratory Services Administration line item by \$28,000 Gross (all GF/GP) to reflect reduced retirement costs to the state due to a new 4% contribution paid by employees in the defined benefit retirement program who are supported by this line item, pursuant to Public Act 264 of 2011, effective April 1, 2012.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 109. LABORATORY SERVICES							
Full-time equated classified positions	111.0	0.0	100.0	100.0	100.0	0.0	100.0
Laboratory services--* FTE positions	17,183,900	0	18,023,400	18,023,400	18,023,400	0	18,023,400
* positions in above line	111.0	0.0	100.0	100.0	100.0	0.0	100.0
GROSS APPROPRIATION	17,183,900	0	18,023,400	18,023,400	18,023,400	0	18,023,400
Appropriated from:							
Interdepartmental grant revenues:							
IDG from DTMB (OPEB)	0	0	0	0	0	0	0
Interdepartmental grant from the department of environr	471,900	0	456,800	456,800	456,800	0	456,800
Federal revenues:							
Total federal revenues	2,092,300	0	2,730,500	2,730,500	2,730,500	0	2,730,500
Special revenue funds:							
Total other state restricted revenues	8,267,600	0	8,310,400	8,310,400	8,310,400	0	8,310,400
State general fund/general purpose	6,352,100	0	6,525,700	6,525,700	6,525,700	0	6,525,700

NOTE - The Executive Recommendation Sec. 4-105 rolled up line item includes all line items from Section 109, as well as Sections 106, 107, 108, 110, 111, and 112.

EPIDEMIOLOGY

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

The Asthma Prevention and Control line item is eliminated with the following adjustments and transfers. The line item is increased by \$17,800 Gross (\$0 GF/GP) to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. The line item is eliminated with the transfer of all funds of \$874,700 Gross (\$0 GF/GP) into the Epidemiology Administration line item for administrative efficiencies. 1.6 FTEs are transferred to the Epidemiology Administration line item and 1.0 FTE is eliminated. This line item was created in FY 2002-03 as funding for asthma was increased with state and federal funds.

The Bioterrorism Preparedness line item is adjusted for employee-related economics including an increase of \$77,000 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$164,100 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$132,300 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$26,800 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$431,000 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$248,800 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is reduced by \$14,519,100 Gross (\$0 GF/GP) of federal authorization for bioterrorism and pandemic flu preparedness grants, recognizing completion of the federal H1N1 influenza pandemic flu grant received in 2009 and 2010 and expended through FY 2010-11, and excess authorization from the decline of funds from the ongoing federal public health and hospital preparedness and response for bioterrorism grants. The total number of FTE positions in the line item is reduced by 11.6 to correct to actual number of FTEs currently funded, related to early retirements and other loss of funding in recent years.

The Epidemiology Administration line item is adjusted for employee-related economics including an increase of \$58,800 Gross (\$29,900 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$205,700 Gross (\$72,400 GF/GP) for defined benefit retirement costs, a reduction of \$83,600 Gross (\$29,400 GF/GP) for defined contribution retirement costs, and a reduction of \$30,500 Gross (\$10,700 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$251,500 Gross (\$80,500 GF/GP) is made to

recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. A net \$0 Gross (\$0 GF/GP) subsequent fund shift of the OPEB adjustment is made of \$11,100 from an interdepartmental grant from the Department of Technology, Management and Budget to state restricted Michigan Health Initiative funds. An additional positive OPEB adjustment is made of \$468,600 Gross (\$164,800 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is reduced by \$757,200 Gross (\$0 GF/GP) to recognize a reduction in funding from the federal arthritis and lupus grant, from \$1.1 million to \$350,000; federal funding is not anticipated to be continued. The line item is increased by \$167,000 Gross (\$0 GF/GP) to recognize a new 3-year federal Sport Caught Fish grant to re-assess fish toxin in nine areas of the state, determine if progress has been made to enable removal from the annual fish consumption advisory, or revise consumption advisory status; community public outreach to promote safe sport-caught fish consumption will also be developed and implemented. The line item is increased by \$307,400 Gross (\$0 GF/GP) to recognize increased state restricted revenue from state licensing of body art facilities from \$92,600 to \$400,000 annually, enacted in 2007 with actual licensing beginning in 2009. The line item is increased by 1.6 FTEs and \$874,700 Gross (\$0 GF/GP) with the transfer of all funds from the Asthma Prevention and Control line item which is eliminated for administrative efficiencies.

The Lead Abatement Program line item is renamed to Healthy Homes Program. The line item is adjusted for employee-related economics including an increase of \$7,900 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$61,500 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$3,300 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$6,500 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$41,000 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$81,800 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is increased by 1.0 FTE and \$150,000 Gross (\$0 GF/GP) to recognize a new 3-year federal Department of Housing and Urban Development (HUD) Asthma Interventions in Public and Assisted Multi-Family Housing grant to provide home environmental assessment and asthma trigger reduction, and in-home asthma and healthy homes education in multi-housing properties, in collaboration with Ingham County and Lansing Housing Commission. The line item is increased by \$75,000 Gross (\$0 GF/GP) to recognize a new 3-year private Kresge Foundation Healthy Homes grant to conduct a comprehensive evaluation including cost benefit analysis and health outcomes for the DCH Healthy Homes University lead program for the years 2008-2011. The line item is increased by \$2,000,000 Gross (\$0

GF/GP) of funds from the state restricted Environmental Response Fund for expansion of lead abatement and lead hazard remediation. **VETO - The Governor vetoed the Healthy Homes Program line item, eliminating 8.0 FTEs and \$4,932,100 Gross (\$0 GF/GP), indicating that the Legislature increased funding using state restricted funds which are not available referring to the new \$2.0 million Environmental Response Fund appropriation, and that he will request supplemental funding to restore the program at the FY 2012-13 Executive Recommendation level of funding.**

The Newborn Screening Follow-Up and Treatment Services line item is adjusted for employee-related economics including an increase of \$11,700 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$26,200 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$15,100 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$7,200 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$62,300 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$103,500 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is increased by \$162,200 Gross (\$0 GF/GP) to recognize increased state restricted newborn screening fee revenue for the screening program; the current fee for newborn screening testing is \$97.69.

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

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Asthma Prevention and Control line item by \$17,800 Gross (\$0 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Bioterrorism Preparedness line item by \$431,000 Gross (\$0 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Epidemiology Administration line item by \$251,500 Gross (\$80,500 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Lead Abatement Program line item by \$41,000 Gross (\$0 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Newborn Screening Follow-Up and Treatment Services line item by \$62,300 Gross (\$0 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 110. EPIDEMIOLOGY							
Full-time equated classified positions	126.7	0.0	115.1	115.1	115.1	(8.0)	107.1
AIDS surveillance and prevention program	2,254,100	0	2,254,100	2,254,100	2,254,100	0	2,254,100
Asthma prevention and control--* FTE positions	856,900	0	0	0	0	0	0
* positions in above line	2.6	0.0	0.0	0.0	0.0	0.0	0.0
Bioterrorism preparedness--* FTE positions	49,286,900	0	35,201,400	35,201,400	35,201,400	0	35,201,400
* positions in above line	66.6	0.0	55.0	55.0	55.0	0.0	55.0
Epidemiology administration--* FTE positions	8,202,000	0	9,253,000	9,253,000	9,253,000	0	9,253,000
* positions in above line	40.0	0.0	41.6	41.6	41.6	0.0	41.6
Lead abatement program--* FTE positions	2,647,700	0	100	0	0	0	0
* positions in above line	7.0	0.0	0.0	0.0	0.0	0.0	0.0
Healthy homes program--* FTE positions	0	0	2,932,100	2,932,100	4,932,100	(4,932,100)	0
* positions in above line	0.0	0.0	8.0	8.0	8.0	(8.0)	0.0
Newborn screening follow-up and treatment services--*	5,337,800	0	5,629,000	5,629,000	5,629,000	0	5,629,000
* positions in above line	10.5	0.0	10.5	10.5	10.5	0.0	10.5
Tuberculosis control and prevention	867,000	0	867,000	867,000	867,000	0	867,000
GROSS APPROPRIATION	69,452,400	0	56,136,700	56,136,600	58,136,600	(4,932,100)	53,204,500
Appropriated from:							
Interdepartmental grant revenues:							
IDG from DTMB (OPEB)	0	0	0	0	0	0	0
Federal revenues:							
Total federal revenues	61,271,300	0	47,078,200	47,078,200	47,078,200	(2,155,600)	44,922,600
Special revenue funds:							
Total private revenues	25,000	0	100,000	100,000	100,000	(75,000)	25,000
Total other state restricted revenues	6,367,900	0	7,007,500	7,007,500	9,007,500	(2,701,500)	6,306,000
State general fund/general purpose	1,788,200	0	1,951,000	1,950,900	1,950,900	0	1,950,900

NOTE - The Executive Recommendation Sec. 4-105 rolled up line item includes all line items from Section 110, as well as Sections 106, 107, 108, 109, 111, and 112.

LOCAL HEALTH ADMINISTRATION AND GRANTS

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

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

The Local Health Services line item is adjusted for employee-related economics including an increase of \$3,200 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$17,100 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$3,800 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$1,200 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$43,300 Gross (\$0 GF/GP) is made to recognize new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item.

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

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS							
Full-time equated classified positions	2.0	0.0	2.0	2.0	2.0	0.0	2.0
Essential local public health services	37,386,100	0	37,386,100	37,386,100	37,386,100	0	37,386,100
Implementation of 1993 PA 133, MCL 333.17015	20,000	0	20,000	20,000	20,000	0	20,000
Local health services--* FTE positions	500,000	0	524,400	524,400	524,400	0	524,400
* positions in above line	2.0	0.0	2.0	2.0	2.0	0.0	2.0
Medicaid outreach cost reimbursement to local health d	9,000,000	0	9,000,000	9,000,000	9,000,000	0	9,000,000
GROSS APPROPRIATION	46,906,100	0	46,930,500	46,930,500	46,930,500	0	46,930,500
Appropriated from:							
Federal revenues:							
Total federal revenues	9,500,000	0	9,524,400	9,524,400	9,524,400	0	9,524,400
Special revenue funds:							
Total local revenues	5,150,000	0	5,150,000	5,150,000	5,150,000	0	5,150,000
State general fund/general purpose	32,256,100	0	32,256,100	32,256,100	32,256,100	0	32,256,100

NOTE - The Executive Recommendation Sec. 4-105 rolled up line item includes all line items from Section 111, as well as Sections 106, 107, 108, 109, 110, and 112.

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

The Cancer Prevention and Control Program line item is adjusted for employee-related economics including an increase of \$12,000 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$28,800 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$20,800 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$7,600 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$56,500 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$123,100 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is increased by \$500,000 Gross (\$0 GF/GP) to recognize ongoing private funding to the cancer program as a grant from the Karmanos Cancer Institute in Detroit for breast and cervical cancer screenings and follow-up services; prior to FY 2012-13 when this accounting change was made, the funds were provided directly by Karmanos to a third party medical biller for the program's screening costs. The total number of FTE positions in the line item is reduced by 1.0 to correct to actual number of FTEs currently funded, related to early retirements and other loss of funding in recent years.

The Chronic Disease Control and Health Promotion Administration line item is adjusted for employee-related economics including an increase of \$28,800 Gross (\$4,000 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$153,000 Gross (\$49,500 GF/GP) for defined benefit retirement costs, a reduction of \$39,100 Gross (\$12,700 GF/GP) for defined contribution retirement costs, and a reduction of \$13,100 Gross (\$4,200 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$213,300 Gross (\$66,800 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. A net \$0 Gross (\$0 GF/GP) subsequent fund shift of the OPEB adjustment is made of \$57,700 from an interdepartmental grant from the Department of Technology, Management and Budget to state restricted Michigan Health Initiative funds. An additional positive OPEB adjustment is made of \$168,900 Gross (\$54,700 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is reduced by 1.0 FTE and \$124,000 Gross (\$33,800 GF/GP) to recognize savings planned to be achieved in FY 2011-12 in a September 28, 2011 Contingency Plan of the Executive, eliminating 1.0 FTE vacant non-managerial non-bargaining employee position funded by this line item, resulting in reduced public health services. The line item is adjusted with a reduction of 6.0 FTE positions which are transferred to the Health and Wellness Initiatives line item, following the Healthy Michigan funds supporting the positions that were transferred from this line item

to that new line item (as Healthy Michigan Fund Programs) in FY 2011-12. The line item is reduced by \$20,000 Gross (\$0 GF/GP) to recognize completion of the federal Great Lakes Regional Stroke Network grant, first funded in FY 2005-06. The line item is also reduced by \$61,600 Gross (\$0 GF/GP) to recognize completion of the 2-year private Robert Wood Johnson Foundation grant through Michigan State University for building evidence to prevent childhood obesity, first funded in FY 2008-09. The line item is increased by 3.0 FTEs and \$883,500 Gross (\$0 GF/GP) to recognize federal funds from a new Coordinated Chronic Disease Prevention and Health Promotion grant to maximize resources of public and private partners on the five leading chronic disease causes of death and disability and their associated risk factors; the grant was to be for 3 years, however DCH has been advised it will be one year only and intends to spread the one year of funding over 2 years.

The Diabetes and Kidney Program line item is adjusted for employee-related economics including an increase of \$7,900 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$10,100 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$3,000 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$61,000 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. A net \$0 Gross (\$0 GF/GP) subsequent fund shift of the OPEB adjustment is made of \$7,200 from an interdepartmental grant from the Department of Technology, Management and Budget to state restricted Michigan Health Initiative funds. An additional positive OPEB adjustment is made of \$22,300 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The total number of FTE positions in the line item is reduced by 4.2 to correct to actual number of FTEs currently funded, related to early retirements and loss of Healthy Michigan funding for this program in recent years.

The Injury Control Intervention Project line item is restored with the appropriation of \$200,000 Gross (\$100,000 GF/GP) for use of EBM Care, Inc. traumatic brain injury treatment interactive software at 4 trauma hospitals. The program was last funded in FY 2010-11 however the funds were not expended. See also FY 2011-12 supplemental funding note below.

The Public Health Traffic Safety Coordination line item is increased by \$6,300 Gross (\$0 GF/GP) to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item.

The Smoking Prevention Program line item is adjusted for employee-related economics including an increase of \$10,500 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$47,300 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$15,500 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$4,900 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$59,900 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$94,400 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is adjusted with a reduction of 2.0 FTE positions which are transferred to the Health and Wellness Initiatives line item, following the Healthy Michigan funds supporting the positions that were transferred from this line item to that new line item (as Healthy Michigan Fund Programs) in FY 2011-12.

The Violence Prevention line item is adjusted for employee-related economics including an increase of \$2,200 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$4,900 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$5,600 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$1,400 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$13,600 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$30,900 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13.

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL ACTIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Cancer Prevention and Control Program line item by \$56,500 Gross (\$0 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Chronic Disease Control and Health Promotion Administration line item by \$213,300 Gross (\$66,800 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Diabetes and Kidney Program line item by \$61,000 Gross (\$0 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Public Health Traffic Safety Coordination line item by \$6,300 Gross (\$0 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Smoking Prevention Program line item by \$59,900 Gross (\$0 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Violence Prevention line item by \$13,600 Gross (\$0 GF/GP) to recognize newly established prefunding of other post- employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

PUBLIC ACT 89 OF 2012 SUPPLEMENTAL ACTIONS

Public Act 89 of 2012 creates a FY 2011-12 Injury Control Intervention Project line item with an appropriation of \$200,000 Gross (\$100,000 GF/GP) to restore funding for pilot programs to encourage trauma hospital use of traumatic brain injury treatment models. The program was last supported in FY 2010-11 however the funds were not expended.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 476 of 2012 reduces FY 2011-12 funding for the Chronic Disease Control and Health Promotion Administration line item by 1.0 FTE and \$33,800 Gross (all GF/GP) to recognize contingency plan savings achieved through the elimination of a vacant non-managerial nonexclusively represented employee (NERE) position in this line item. The reduction will result in reduced public health services.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION							
Full-time equated classified positions	75.5	0.0	64.3	64.3	64.3	0.0	64.3
Cancer prevention and control program--* FTE positions	14,298,200	0	14,932,600	14,932,600	14,932,600	0	14,932,600
* positions in above line	12.0	0.0	11.0	11.0	11.0	0.0	11.0
Chronic disease control and health promotion administration	5,950,100	0	6,833,800	6,833,800	6,833,800	0	6,833,800
* positions in above line	33.4	0.0	29.4	29.4	29.4	0.0	29.4
Diabetes and kidney program--* FTE positions	1,777,600	0	1,855,700	1,855,700	1,855,700	0	1,855,700
* positions in above line	12.2	0.0	8.0	8.0	8.0	0.0	8.0
Injury control intervention project	0	0	100	0	200,000	0	200,000
Public health traffic safety coordination--* FTE positions	87,500	0	93,800	93,800	93,800	0	93,800
* positions in above line	1.0	0.0	1.0	1.0	1.0	0.0	1.0
Smoking prevention program--* FTE positions	2,075,000	0	2,172,100	2,172,100	2,172,100	0	2,172,100
* positions in above line	14.0	0.0	12.0	12.0	12.0	0.0	12.0
Violence prevention--* FTE positions	2,123,200	0	2,158,000	2,158,000	2,158,000	0	2,158,000
* positions in above line	2.9	0.0	2.9	2.9	2.9	0.0	2.9
GROSS APPROPRIATION	26,311,600	0	28,046,100	28,046,000	28,246,000	0	28,246,000
Appropriated from:							
Interdepartmental grant revenues:							
IDG from DTMB (OPEB)	0	0	0	0	0	0	0
Federal revenues:							
Total federal revenues	23,884,200	0	25,083,400	25,083,400	25,183,400	0	25,183,400
Special revenue funds:							
Total private revenues	61,600	0	500,000	500,000	500,000	0	500,000
Total other state restricted revenues	649,700	0	721,200	721,200	721,200	0	721,200
State general fund/general purpose	1,716,100	0	1,741,500	1,741,400	1,841,400	0	1,841,400

NOTE - The Executive Recommendation Sec. 4-105 rolled up line item includes all line items from Section 112, as well as Sections 106, 107, 108, 109, 110, and 111.

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

The Childhood Lead Program line item is adjusted for employee-related economics including an increase of \$2,800 Gross (\$600 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$5,100 Gross (\$1,900 GF/GP) for defined contribution retirement costs, and a reduction of \$2,400 Gross (\$900 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$36,300 Gross (\$3,500 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$3,400 Gross (\$1,200 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. Federal funds for the above employee-related economics changes are reduced by \$32,500 Gross (\$0 GF/GP) due to the federal withdrawal of an anticipated new healthy homes lead grant, which may affect funding available for FTE costs. The line item is reduced by 3.5 FTEs and \$947,000 Gross (\$0 GF/GP) to recognize federal termination on June 30, 2011 of the Childhood Lead Poisoning Prevention and Surveillance grant program funded by the Centers for Disease Control and Prevention since 1992; the anticipated replacement grant program for healthy homes and lead poisoning prevention was eliminated early effective August 1, 2012 and requires no authorization adjustment.

The Dental Programs line item is adjusted for employee-related economics including an increase of \$4,100 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$4,900 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$3,100 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$1,700 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$17,800 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$15,100 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is reduced by \$160,000 Gross (\$0 GF/GP) to recognize completion of the 4-year federal Children's Oral Healthcare Access grant, first funded in FY 2008-09. The line item is increased by \$250,000 Gross (\$0 GF/GP) to recognize private funds from the Delta Dental Foundation for the following: \$25,000 for dental care services for children birth through age one at five pilot sites, and \$225,000 for competitive community grants for fluoridation equipment and for dental sealant programs (SEAL) for 170 schools in nine grantee communities where a majority of students don't have access to dental care. The line item is increased by \$25,000 Gross (all GF/GP) to restore the appropriation for contractual services to coordinate Donated Dental

Program services for uninsured persons who have difficulty accessing dental services to the FY 2008-09 funding level of \$150,000 (see also FY 2011-12 supplemental below).

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

The Family, Maternal, and Children's Health Services Administration line item is adjusted for employee-related economics including an increase of \$59,600 Gross (\$33,800 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$513,900 Gross (\$257,400 GF/GP) for defined benefit retirement costs, a reduction of \$28,100 Gross (\$14,100 GF/GP) for defined contribution retirement costs, and a reduction of \$28,100 Gross (\$14,100 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$271,700 Gross (\$142,100 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$439,500 Gross (\$220,200 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is reduced by 2.0 FTEs and \$217,800 Gross (\$47,300 GF/GP) to recognize savings planned to be achieved in FY 2011-12 in a September 28, 2011 Contingency Plan of the Executive, from elimination of 2.0 FTEs funded by this line item, including elimination of 1.0 FTE vacant non-managerial non-bargaining employee position and reassignment of 1.0 FTE unionized employee, resulting in reduced public health services. The line item is increased by \$623,400 Gross (\$0 GF/GP) to recognize private funds from a new W. K. Kellogg foundation grant to address social determinants of racial disparities in infant mortality, a \$1.3 million grant award through 2013; the funds will be used to develop and pilot a strategy to systematically examine racial disparities, and move to establish interventions and policies that improve the systems affecting this issue.

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

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

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

The Prenatal Care Outreach and Service Delivery Support line item is increased by \$4,307,200 Gross (\$0 GF/GP), a transfer of funding for the federal Maternal, Infant and Early Childhood Home Visiting Program from the Special Projects line item to consolidate funding for infant mortality and prenatal wellness and home visit programs; existing funding of \$2.2 million is transferred as well as increased funding of \$2.1 million. The line item is increased by \$2,000,000 Gross (\$0

GF/GP) of federal Temporary Assistance for Needy Families (TANF) grant funding for a new initiative planned for 2 years for a real alternatives pregnancy and parenting support services program as a pilot project to provide enhanced counseling and support for women during pregnancy through 12 months after birth; section 1136 is related new boilerplate. The line item is increased by \$1,000,000 Gross (\$0 GF/GP) of federal TANF grant funding for a new initiative planned for 2 years to enhance support and education for the nurse family partnership program including strategic planning and awareness for a Detroit-based nurse family partnership program; section 1137 is related new boilerplate. **PARTIAL VETO - The Governor vetoed Section 1136 boilerplate because "funds are not available", and thereby eliminates the related \$2,000,000 federal funds appropriation. PARTIAL VETO - The Governor vetoes Section 1137 boilerplate because "funds are not available", and thereby eliminates the related \$1,000,000 federal funds appropriation.**

The Special Projects line item is adjusted for employee-related economics including an increase of \$600 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$2,900 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$1,000 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$15,500 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$4,300 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is increased by \$2,107,200 Gross (\$0 GF/GP) to recognize additional funding from the federal Patient Protection and Affordable Care Act (ACA) grant for the Maternal, Infant and Early Childhood Home Visiting Program, funded at \$2.2 million since FY 2010-11, to expand the program in target high-risk communities and create statewide uniform system components and data systems; all funding for the program of \$4,307,200 Gross (\$0 GF/GP) is transferred to the Prenatal Care Outreach and Service Delivery Support line item to consolidate funding with other infant mortality and prenatal wellness and visit programs. The line item is increased by \$1,707,400 Gross (\$0 GF/GP) to recognize additional funds from the federal Personal Responsibility Education Program grant for abstinence, contraception and comprehensive sex education and adulthood preparation education for targeted populations with high teen birth rates; the programs are provided through local health departments, community-based organizations, and schools. The line item is increased by \$500,000 Gross (all GF/GP), pursuant to the Leadership Target Agreement of May 23, 2012, for the Eastern Michigan University Autism Collaborative Center; this funding was included in the FY 2011-12 Michigan Higher Education budget as a one-time appropriations (Section 294, Article III, Act 62 PA 2011).

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

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL ACTIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Childhood Lead Program line item by \$36,300 Gross (\$3,500 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Dental Programs line item by \$17,800 Gross (\$0 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Family, Maternal, and Children's Health Services Administration line item by \$271,700 Gross (\$142,100 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

Public Act 64 of 2012 increases FY 2011-12 funding for the Special Projects line item by \$15,500 Gross (\$0 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

PUBLIC ACT 89 OF 2012 SUPPLEMENTAL ACTIONS

Public Act 89 of 2012 increases FY 2011-12 funding for the Dental Programs line item by \$25,000 Gross (all GF/GP) to restore the appropriation for contractual services to coordinate Donated Dental Program services for uninsured persons who have difficulty accessing dental services to the FY 2008-09 funding level of \$150,000.

PUBLIC ACT 236 OF 2012 SUPPLEMENTAL ACTIONS

Public Act 236 of 2012 increases the Dental Programs line item for FY 2011-12 by \$273,600 Gross (\$0 GF/GP) to recognize funds available from two private grants: \$250,000 from Delta Dental Foundation for the fluoridation equipment program, infant oral health program, SEAL Michigan dental sealant program, and other oral health programs; and \$23,600 grant from the National Association of Chronic Disease Directors for a senior oral health survey project in Jackson County.

Public Act 236 of 2012 increases the Family, Maternal, and Children's Health Services Administration line item for FY 2011-12 by \$569,000 Gross (\$0 GF/GP) to recognize private funds available from the W. K. Kellogg Foundation to address social determinants of racial disparities in infant mortality, part of a multi-year \$1.3 million grant award first appropriated in FY 2010-11.

Public Act 236 of 2012 increases the Special Projects line item for FY 2011-12 by \$139,500 Gross (\$0 GF/GP) to recognize private funds available from two multi-year private grants to DCH: a \$99,955 Early Childhood Investment Corporation (ECIC) and W. K. Kellogg Foundation grant for developmental screening training and assistance for pediatricians and family practitioners serving young children, and a \$63,000 W. K. Kellogg Foundation grant to support nurse family partnership programs in Berrien County.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 476 of 2012 reduces FY 2011-12 funding for the Family, Maternal, and Children's Health Services Administration line item by 2.0 FTEs and \$47,300 Gross (all GF/GP) to recognize contingency plan savings achieved through the elimination of 1.0 FTE vacant non-managerial nonexclusively represented employee (NERE) position in this line item, and the reassignment of 1.0 FTE union employee in this line item. The reductions will result in reduced public health services.

Public Act 476 of 2012 reduces FY 2011-12 funding for the Family, Maternal, and Children's Health Services Administration line item by \$10,000 Gross (all GF/GP) to reflect reduced retirement costs to the state due to a new 4% contribution paid by employees in the defined benefit retirement program who are supported by this line item, pursuant to Public Act 264 of 2011, effective April 1, 2012.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES							
Full-time equated classified positions	55.1	0.0	49.6	49.6	49.6	0.0	49.6
Childhood lead program--* FTE positions	1,598,400	0	653,900	653,900	653,900	0	653,900
* positions in above line	6.0	0.0	2.5	2.5	2.5	0.0	2.5
Dental programs--* FTE positions	992,000	0	1,109,400	1,134,300	1,134,300	0	1,134,300
* positions in above line	3.0	0.0	3.0	3.0	3.0	0.0	3.0
Dental program for persons with developmental disabilities	151,000	0	151,000	151,000	151,000	0	151,000
Family, maternal, and children's health services administration	6,047,700	0	6,654,000	6,030,800	6,654,000	0	6,654,000
* positions in above line	43.6	0.0	41.6	41.6	41.6	0.0	41.6
Family planning local agreements	9,085,700	0	9,085,700	9,085,700	9,085,700	0	9,085,700
Local MCH services	7,018,100	0	7,018,100	7,018,100	7,018,100	0	7,018,100
Pregnancy prevention program	602,100	0	602,100	602,100	602,100	0	602,100
Prenatal care outreach and service delivery support	3,794,200	0	3,794,200	11,724,600	11,101,400	(3,000,000)	8,101,400
Special projects--* FTE positions	8,397,800	0	12,228,900	7,921,700	8,421,700	0	8,421,700
* positions in above line	2.5	0.0	2.5	2.5	2.5	0.0	2.5
Sudden infant death syndrome program	321,300	0	321,300	321,300	321,300	0	321,300
Sec. 4-106. CHILDREN'S AND FAMILY SERVICES (Exec. Rec. only - see NOTE below)							
Full-time equated classified positions	0.0	141.4	0.0	0.0	0.0	0.0	0.0
Children's and family services	0	613,904,200	0	0	0	0	0
GROSS APPROPRIATION							
Appropriated from:	38,008,300	613,904,200	41,618,600	44,643,500	45,143,500	(3,000,000)	42,143,500
Federal revenues:							
Total federal revenues	32,846,800	415,931,500	35,518,100	35,518,100	35,518,100	0	35,518,100
Social security act, temporary assistance for needy families	0	0	0	3,000,000	3,000,000	(3,000,000)	0
Special revenue funds:							
Total local revenues	75,000	75,000	75,000	75,000	75,000	0	75,000
Total private revenues	0	60,488,400	873,200	873,200	873,200	0	873,200
Total other state restricted revenues	0	3,848,500	0	0	0	0	0
State general fund/general purpose	5,086,500	133,560,800	5,152,300	5,177,200	5,677,200	0	5,677,200
NOTE - The Executive Recommendation Sec. 4-106 line item is a rollup of all line items from Sections 113, 114, and 115.							

WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

The Women, Infants, and Children Program Administration and Special Projects line item is adjusted for employee-related economics including an increase of \$61,900 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$244,300 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$109,700 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$27,600 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$281,000 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$432,400 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13.

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

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL ACTIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Women, Infants, and Children Program Administration and Special Projects line item by \$281,000 Gross (\$0 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM							
Full-time equated classified positions	45.0	0.0	45.0	45.0	45.0	0.0	45.0
Women, infants, and children program administration and	15,900,800	0	16,294,500	16,294,500	16,294,500	0	16,294,500
* positions in above line	45.0	0.0	45.0	45.0	45.0	0.0	45.0
Women, infants, and children program local agreements	253,825,500	0	253,825,500	253,825,500	253,825,500	0	253,825,500
GROSS APPROPRIATION	269,726,300	0	270,120,000	270,120,000	270,120,000	0	270,120,000
Appropriated from:							
Federal revenues:							
Total federal revenues	211,112,500	0	211,501,600	211,501,600	211,501,600	0	211,501,600
Special revenue funds:							
Total private revenues	58,613,800	0	58,618,400	58,618,400	58,618,400	0	58,618,400
State general fund/general purpose	0	0	0	0	0	0	0

NOTE - The Executive Recommendation Sec. 4-106 rolled up line item includes all line items from Section 114, as well as Sections 113 and 115.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

The Children's Special Health Care Services (CSHCS) Administration line item is adjusted for employee-related economics including decreases of \$544,300 Gross (\$283,000 GF/GP) for defined benefit retirement costs, \$27,300 Gross (\$14,200 GF/GP) for defined contribution retirement costs, and a 5% decrease of \$30,900 Gross (\$16,100 GF/GP) for overall insurance costs. Reduces funding \$89,500 Gross (\$50,600 GF/GP) to recognize savings planned to be achieved in FY 2011-12 in a 9/28/11 Contingency Plan of the Executive, eliminating 1.0 FTE.

Recognizes FY 2011-12 pending supplemental, an increase of \$241,600 Gross (\$129,100 GF/GP), to establish new prefunding of Other Post-Employment Benefit (OPEB) costs, including health, dental and vision benefits, supported by this line item. Increases funding by \$64,500 Gross (\$34,200 GF/GP) for a 3% salary increase for NERE FTEs and a 1% salary increase for unionized FTEs funded by this line item, effective October 1, 2012. Increases funding for FY 2012-13 by \$39,300 Gross (\$228,300 GF/GP) for other post-employment health, dental and vision benefit (OPEB) costs supported by this line item. The line is increased \$86,500 federal due to the receipt of a HRSA integrated services grant.

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

The Outreach and Advocacy line item receives \$1,471,800 GF/GP from the Medical Care and Treatment line traded for an equal amount of federal Maternal and Child Health (MCH) block grant funding. The line is increased \$1,763,500 federal authorization to recognize additional Title XIX funding.

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

The Medical Care and Treatment line is decreased by \$5,655,300 Gross (\$3,076,500 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$600,000 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%.

The line is increased \$500,000 Gross (\$168,800 GF/GP) representing the Medical Care and Treatment portion of the total increase of \$560,000 Gross (\$188,900 GF/GP) reflecting annualized FY 2011-12 costs due to a change in State Medicaid policy to include cochlear implants for both ears rather than just one ear. Other appropriation lines affected are Physician Services and Auxiliary Medical Services. The line includes a transfer of \$1,471,800 GF/GP to the Outreach and Advocacy line item in return for federal Maternal and Child Health (MCH) block grant funding. Estimated savings of \$3.0

million Gross (\$2.1 million GF/GP) may be generated by requiring a contracted vendor to work with prescribers and pharmacies to implement dose management education and training to increase efficient use of hemophilia related medications. No formal policy changes are required to implement the education and training initiative.

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Children's Special Health Care Services line item by \$241,600 Gross (\$129,100 GF/GP) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

PUBLIC ACT 236 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 236 of 2012 reduces FY 2011-12 funding for the Medicaid Mental Health Services line item by \$10,885,300 Gross (\$3,685,800 GF/GP) to reflect caseload, utilization, and inflation costs as determined at the May 10, 2012 Medicaid consensus meeting between the House and Senate Fiscal Agencies, and State Budget Office.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 476 of 2012 reduces FY 2011-12 funding for the Children's Special Health Care Services Administration line item by \$50,600 Gross (all GF/GP) to recognize contingency plan savings achieved through the elimination of a funded and vacant 1.0 unionized employee position.

Public Act 476 of 2012 reduces FY 2011-12 funding for the Children's Special Health Care Services Administration line item by \$6,000 Gross (all GF/GP) to reflect savings from a new 4% contribution paid by employees supported by this line item in the defined benefit retirement program pursuant to Public Act 264 of 2011.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES							
Full-time equated classified positions	47.8	0.0	46.8	46.8	46.8	0.0	46.8
Children's special health care services administration--*	5,245,700	0	5,385,600	5,299,100	5,385,600	0	5,385,600
* positions in above line	45.0	0.0	44.0	44.0	44.0	0.0	44.0
Bequests for care and services--* FTE positions	1,511,400	0	1,511,400	1,511,400	1,511,400	0	1,511,400
* positions in above line	2.8	0.0	2.8	2.8	2.8	0.0	2.8
Outreach and advocacy	3,773,500	0	5,510,000	5,510,000	5,510,000	0	5,510,000
Nonemergency medical transportation	2,679,300	0	2,679,300	2,679,300	2,679,300	0	2,679,300
Medical care and treatment	294,056,500	0	286,029,400	285,615,800	285,901,200	0	285,901,200
GROSS APPROPRIATION	307,266,400	0	301,115,700	300,615,600	300,987,500	0	300,987,500
Appropriated from:							
Federal revenues:							
Total federal revenues	175,308,200	0	167,886,700	167,555,500	168,451,400	0	168,451,400
Special revenue funds:							
Total private revenues	996,800	0	996,800	996,800	996,800	0	996,800
Total other state restricted revenues	3,843,600	0	3,848,500	3,848,500	3,848,500	0	3,848,500
State general fund/general purpose	127,117,800	0	128,383,700	128,214,800	127,690,800	0	127,690,800

NOTE - The Executive Recommendation Sec. 4-106 rolled up line item includes all line items from Section 115, as well as Sections 113 and 114.

**CRIME VICTIM
SERVICES COMMISSION**

CRIME VICTIM SERVICES COMMISSION

The Grants Administration Services line item is adjusted for employee-related economics including an increase of \$12,700 Gross (\$0 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$116,600 Gross (\$0 GF/GP) for defined benefit retirement costs, a reduction of \$10,100 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$7,900 Gross (\$0 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$66,700 Gross (\$0 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$103,900 Gross (\$0 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is increased by \$600,000 Gross (\$0 GF/GP) to recognize a new federal Michigan VINE Enhancement grant to upgrade and enhance the Statewide Automated Michigan Crime Victim Information and Notification program which uses the VINE (Victim Information and Notification Everyday) computer application system; some grant funds may be expended in FY 2011-12.

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

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

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL ACTIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Grants Administration Services line item by \$66,700 Gross (\$0 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 116. CRIME VICTIM SERVICES COMMISSION							
Full-time equated classified positions	13.0	0.0	13.0	13.0	13.0	0.0	13.0
Grants administration services--* FTE positions	1,811,300	0	2,460,000	2,460,000	2,460,000	0	2,460,000
* positions in above line	13.0	0.0	13.0	13.0	13.0	0.0	13.0
Justice assistance grants	19,106,100	0	19,106,100	19,106,100	19,106,100	0	19,106,100
Crime victim rights services grants	16,570,000	0	16,570,000	16,570,000	16,570,000	0	16,570,000
GROSS APPROPRIATION	37,487,400	0	38,136,100	38,136,100	38,136,100	0	38,136,100
Appropriated from:							
Federal revenues:							
Total federal revenues	23,467,200	0	24,083,800	24,083,800	24,083,800	0	24,083,800
Special revenue funds:							
Total other state restricted revenues	14,020,200	0	14,052,300	14,052,300	14,052,300	0	14,052,300
State general fund/general purpose	0	0	0	0	0	0	0

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

**OFFICE OF SERVICES
TO THE AGING**

OFFICE OF SERVICES TO THE AGING

The Office of Services to Aging Administration line item is adjusted for employee-related economics including an increase of \$70,200 Gross (\$35,800 GF/GP) for a 3% salary increase for non-bargaining employees and a 1% salary increase for unionized employees, a reduction of \$505,600 Gross (\$215,800 GF/GP) for defined benefit retirement costs, an increase of \$96,500 Gross (\$41,200 GF/GP) for defined contribution retirement costs, and a reduction of \$26,900 Gross (\$11,500 GF/GP) for an overall insurance cost reduction of 5.0%. A positive adjustment of \$292,100 Gross (\$124,000 GF/GP) is made to recognize Act 64 PA 2012 FY 2011-12 supplemental appropriation which establishes new annual budgeted prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs to be supported by this line item. An additional positive OPEB adjustment is made of \$460,200 Gross (\$196,400 GF/GP) to increase prefunding of future retiree other post-employment health, dental and vision benefit costs supported by this line item for FY 2012-13. The line item is reduced by 1.0 FTE and \$71,200 Gross (\$17,800 GF/GP) to recognize savings planned to be achieved in FY 2011-12 in a September 28, 2011 Contingency Plan of the Executive, eliminating 1.0 FTE vacant non-managerial non-bargaining employee position funded by this line item. The total number of FTE positions in the line item is reduced by 2.5 to correct to actual number of FTEs currently funded, related to early retirements and other loss of funding in recent years.

The Community Services line item is increased by \$1,100,000 Gross (all GF/GP) to be allocated to area agencies on aging for locally-determined aging community services needs.

There are no changes to the Nutrition Services line item.

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

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

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

The Employment Assistance line item is reduced by \$292,500 Gross (\$0 GF/GP) to recognize reduced federal funding from the ongoing Senior Community Services Employment grant for subsidized part-time community service interim employment opportunities for low-income seniors.

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

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL ACTIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Office of Services to Aging Administration line item by \$292,100 Gross (\$124,000 GF/GP) to recognize newly established prefunding of other post-employment benefit (OPEB) future retiree health, dental and vision benefit costs supported by this line item.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 476 of 2012 reduces FY 2011-12 funding for the Office of Services to Aging Administration line item by 1.0 FTE and \$17,800 Gross (all GF/GP) to recognize contingency plan savings achieved through the elimination of a vacant non-managerial nonexclusively represented employee (NERE) position in this line item.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 117. OFFICE OF SERVICES TO THE AGING							
Full-time equated classified positions	43.5	0.0	40.0	40.0	40.0	0.0	40.0
Office of services to aging administration--* FTE position	6,408,800	0	6,724,200	6,724,100	6,724,100	0	6,724,100
* positions in above line	43.5	0.0	40.0	40.0	40.0	0.0	40.0
Community services	35,314,400	0	35,314,600	35,314,400	36,414,400	0	36,414,400
Nutrition services	35,430,200	0	35,430,200	35,430,200	35,430,200	0	35,430,200
Foster grandparent volunteer program	2,233,600	0	2,233,600	2,233,600	2,233,600	0	2,233,600
Retired and senior volunteer program	627,300	0	627,300	627,300	627,300	0	627,300
Senior companion volunteer program	1,604,400	0	1,604,400	1,604,400	1,604,400	0	1,604,400
Employment assistance	3,792,500	0	3,500,000	3,500,000	3,500,000	0	3,500,000
Respite care program	5,868,700	0	5,868,700	5,868,700	5,868,700	0	5,868,700
Sec. 4-107. OFFICE OF SERVICES TO THE AGING (Exec. Rec. only - see NOTE below)							
Full-time equated classified positions	0.0	40.0	0.0	0.0	0.0	0.0	0.0
Office of services to the aging	0	92,152,700	0	0	0	0	0
GROSS APPROPRIATION	91,279,900	92,152,700	91,303,000	91,302,700	92,402,700	0	92,402,700
Appropriated from:							
Federal revenues:							
Total federal revenues	57,159,200	57,029,700	57,029,700	57,029,700	57,029,700	0	57,029,700
Special revenue funds:							
Total private revenues	677,500	677,500	677,500	677,500	677,500	0	677,500
Merit award trust fund	4,468,700	4,468,700	4,468,700	4,468,700	4,468,700	0	4,468,700
Total other state restricted revenues	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	0	1,400,000
State general fund/general purpose	27,574,500	28,576,800	27,727,100	27,726,800	28,826,800	0	28,826,800
<i>NOTE - The Executive Recommendation Sec. 4-107 rolled up line item includes all line items from Section 117.</i>							

MEDICAL SERVICES

MEDICAL SERVICES ADMINISTRATION

The Medical Services Administration line is reduced \$2,441,700 Gross (\$722,100 GF/GP) to recognize savings planned to be achieved in FY 2011-12 in a 9/28/11 Contingency Plan of the Executive, eliminating 14.0 FTEs. An increase of \$2,285,800 Gross (\$907,900 GF/GP) recognizes the FY 2011-12 supplemental which establishes new prefunding of Other Post-Employment Benefit (OPEB) costs, including health, dental and vision benefits, supported by this line item. Increases funding by \$628,300 Gross (\$289,900 GF/GP), a 3% salary increase for NERE FTEs and a 1% salary increase for unionized FTEs funded by this line item, effective October 1, 2012. The line is increased \$50,000 Gross (\$25,000 GF/GP) to fund 1/2 FTE with this position to provide administrative support for the urgent care centers to become Medicaid providers. Also, 5.0 FTE positions are created with a cost of \$500,000 Gross (\$250,000 GF/GP) to provide staff support for the integration of dual eligibles into managed care.

Savings are expected to be generated by an additional 9.0 FTEs and the savings are budgeted in the Hospital Services and Therapy line. These 9.0 FTEs established in the Office of Inspector General will cost \$1,177,400 Gross (\$588,700). The additional FTEs will enable greater data analysis as well as more investigation for referral to the Attorney General. The Medical Services Administration line item is adjusted for employee-related economics including decreases of \$2,779,800 Gross (\$927,900 GF/GP) for defined benefit retirement costs, \$1,792,300 Gross (\$598,300 GF/GP) for defined contribution retirement costs, and a 5% decrease of \$297,300 Gross (\$99,200 GF/GP) for overall insurance costs.

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

For the MIChild Administration line no changes were adopted.

The Electronic Health Records Incentive Program line is increased by \$24,692,600 Gross (reduces GF/GP \$60,800) and makes a technical adjustment by incorporating 24.0 FTEs. The FY 2011-12 base authorization of \$119.4 million Gross included funding for administration for the program but no FTEs. All of the FY 2012-13 authorization is for electronic health record (EHR) incentive payments. The Department of Community Health will provide incentive payments to eligible professionals, eligible hospitals and critical access hospitals as they adopt, implement, upgrade or demonstrate meaningful use of certified EHR technology. An EHR is an electronic record of patient health information generated by one or more encounters in any care delivery setting.

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases FY 2011-12 funding for the Medical Services Administration line item by \$2,285,800 Gross (\$907,900 GF/GP) to recognize other post-employment benefits (OPEB) provided to state retirees as required by law. The OPEB include health, dental and vision benefits, as well as life insurance coverage.

PUBLIC ACT 278 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 278 of 2011 increases FY 2011-12 funding for Medicaid Mental Health Services line item by \$68,369,300 Gross (\$23,149,800 GF/GP) to recognize the continuation of use tax on PIHPs for the first two quarters of the fiscal year and the removal of health insurance claims assessment (HICA) for one quarter.

Public Act 278 of 2011 creates a new appropriation line in FY 2011-12 within the Medical Services Administration unit entitled Electronic Health Record Incentive Program. The appropriated amount of \$119.4 million Gross (\$1.4 million GF/GP) will fund the first full-year of the State's electronic health record (EHR) incentive program. A supplemental appropriation of \$82.1 million Gross (\$1.5 million GF/GP) was made for this purpose in the FY 2010-11 budget. The Department of Community Health will provide incentive payments to eligible professionals, eligible hospitals and critical access hospitals as they adopt, implement, upgrade or demonstrate meaningful use of certified EHR technology. An EHR is an electronic record of patient health information generated by one or more encounters in any care delivery setting. The EHR incentive program is expected to be active for the next 10 years.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 476 of 2012 reduces FY 2011-12 funding for the Medical Services Administration line item by \$1,116,700 Gross (\$390,800 GF/GP) to recognize contingency plan savings achieved through the elimination of funded and vacant 4.0 nonexclusively represented employees (NEREs) and 10.0 unionized employees. Cancellation of a Michigan Public Health Institute Medicaid billing support contract saves \$1,325,000 Gross (\$331,300 GF/GP).

Public Act 476 of 2012 reduces FY 2011-12 funding for the Medical Services Administration line item by \$341,200 Gross (\$100,900 GF/GP) to reflect savings from a new 4% contribution paid by employees supported by this line item in the defined benefit retirement program pursuant to Public Act 264 of 2011.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 118. MEDICAL SERVICES ADMINISTRATION							
Full-time equated classified positions	415.0	0.0	435.5	432.0	439.5	0.0	439.5
Medical services administration--* FTE positions	65,057,000	0	66,277,400	65,861,200	66,711,200	0	66,711,200
* positions in above line	415.0	0.0	435.5	432.0	439.5	0.0	439.5
Facility inspection contract	132,800	0	132,800	132,800	132,800	0	132,800
MICchild administration	4,327,800	0	4,327,800	4,327,800	4,327,800	0	4,327,800
Electronic health record incentive program	119,388,800	0	144,081,400	144,081,400	144,081,400	0	144,081,400
Sec. 4-108. MEDICAL SERVICES ADMINISTRATION (Exec. Rec. only - see NOTE below)							
Full-time equated classified positions	0.0	440.5	0.0	0.0	0.0	0.0	0.0
Medical services administration	0	215,319,300	0	0	0	0	0
GROSS APPROPRIATION	188,906,400	215,319,300	214,819,400	214,403,200	215,253,200	0	215,253,200
Appropriated from:							
Federal revenues:							
Total federal revenues	165,466,800	190,644,900	190,394,900	190,286,800	190,711,800	0	190,711,800
Special revenue funds:							
Total local revenues	105,900	105,900	105,900	105,900	105,900	0	105,900
Total private revenues	100,000	100,000	100,000	100,000	100,000	0	100,000
Total other state restricted revenues	110,100	115,400	115,400	115,400	115,400	0	115,400
State general fund/general purpose	23,123,600	24,353,100	24,103,200	23,795,100	24,220,100	0	24,220,100

NOTE - The Executive Recommendation Sec. 4-108 rolled up line item includes all line items from Section 118.

MEDICAL SERVICES

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

Medical Services Line Item	Initial Medicaid Base Adjustment	Staff Consensus Base Adjustment
Hospital Services and Therapy	\$69,261,500	\$57,060,200
Physician Services	\$8,974,400	\$17,722,300
Medicare Premium Payments	\$2,973,000	(\$5,169,400)
Pharmaceutical Services	(\$67,799,700)	(\$62,096,800)
Home Health Services	(\$2,406,100)	(\$2,551,500)
Hospice Services	(\$36,358,900)	(\$34,843,400)
Transportation	\$883,100	\$1,665,800
Auxiliary Medical Services	(\$2,714,700)	(\$2,710,900)
Dental Services	\$11,617,600	\$6,260,400
Ambulance Services	\$1,889,900	\$1,353,000
Long Term Care Services	\$55,559,300	\$49,678,300
Adult Home Help	\$6,184,800	\$2,939,900
Personal Care Services	(\$738,700)	(\$173,600)
Health Plan Services ¹	\$42,107,300	(\$13,414,000)
Plan First Family Planning Waiver	\$1,206,300	\$1,206,300
Medicaid Adult Benefits Waiver	\$0	\$0
Federal Medicare Pharmaceutical Program	\$6,610,500	(\$1,129,000)
Total	\$97,249,600	\$15,797,600

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

The Hospital Services and Therapy line is increased by \$57,060,200 Gross (\$19,177,800 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$1,490,800 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%. Federal funding is increased by \$8,900 and GF/GP decreased by the same amount to reflect a change in the federal SCHIP matching rate from 76.30% to 76.47%. State restricted hospital quality assurance assessment program (QAAP) revenue of \$1,562,500 is replaced with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%. An additional \$594,900 of state restricted hospital quality assurance assessment program (QAAP) state retained revenue is available to offset a like amount of GF/GP due to an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%.

The line is increased \$842,800 GF/GP to replace Healthy Michigan Fund revenue adjusting to projected levels. The line is reduced \$3.0 million Gross (\$1,008,300 GF/GP) recognizing savings to be achieved by contracting with a vendor to identify credit balances and recoveries payable from hospitals. The line is reduced \$6,426,100 Gross (\$2,159,800 GF/GP) recognizing savings to be achieved by contracting with a vendor to identify third party payors. The line is reduced \$28,925,900 million Gross (\$9,722,000 GF/GP) recognizing savings to be achieved by contracting with a vendor to analyze Medicaid paid claims data to identify and recover improper payments made to providers. Savings of \$6.0 million Gross (\$2,016,600 GF/GP) are expected to be generated by an additional 10.0 FTEs established in the Office of Inspector General. The additional FTEs will enable greater data analysis as well as more investigation for referral to the Attorney General. The line is reduced \$1.0 million Gross (\$336,100 GF/GP) recognizing savings to be generated by enrolling urgent care centers as Medicaid providers. This will give Medicaid clients an alternative to expensive emergency room use.

The line is increased \$9,640,500 Gross (\$3,240,200 state restricted), a shift from the Special Medicaid Reimbursement line, to restore the hospital assessment DSH payments to FY 2010-11 levels. Adds \$25,757,800 Gross (\$8.7 million GF/GP) to the Hospital Services and Therapy line to bring graduate medical education funding to \$162,888,300 for FY 2012-13 in the DCH budget. Transfers \$4,314,200 Gross (\$1,450,000 GF/GP) to the Hospital Services and Therapy line of the One-Time Basis Only Appropriations Unit, resulting in a graduate medical education funding level of \$162,888,300 for FY 2012-13 in the DCH budget. Includes \$35,484,000 Gross (\$12.0 million GF/GP) to fund hospitals that meet the criteria set forth in boilerplate Sec. 1866.

The Hospital Disproportionate Share Payments line includes a replacement of \$112,500 GF/GP with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%.

The Physician Services line is increased by \$17,722,300 Gross (\$5,956,500 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$757,900 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%. The line is increased \$1,200 Gross (\$400 GF/GP) representing the Physician Services line portion of the total increase of \$560,000 Gross (\$188,900 GF/GP) reflecting annualized FY 2011-12 costs due to a change in State Medicaid policy to include cochlear implants for both ears rather than just one ear. Other appropriation lines affected are Medical Care and Treatment and Auxiliary Medical Services. Savings of \$2,744,100 Gross (\$922,300 GF/GP) are proposed resulting from a policy change which will encourage physicians to administer generic injectable drugs instead of brand name drugs. These drugs are outpatient, physician administered, typically oncology products. The reimbursement rates will be increased to incentivize doctors to use them. The policy change will begin in FY 2011-12.

The line is increased \$53,400,000 federal of the \$281.8 million federal funds that will be available to provide an increase in the reimbursement rates for primary care doctors, family doctors and pediatricians up to 100% of Medicare rates. Not included in the rate increase are nurse practitioners, physician assistants and OB/GYNs. This reimbursement level change is a requirement of the Affordable Care Act of 2010 and is entirely federally funded. The balance of the funding is in the Health Plan Services line. Of the total \$11,901,200 Gross (\$4.0 million GF/GP) provided Departmentwide for a 20% increase in Medicaid OBGYN rates, \$2,100,400 Gross (\$705,900 GF/GP) is allocated to the Health Plan Services line. The balance is found in the Health Plan Services line item. Companion boilerplate may be found in Sec. 1862 of boilerplate.

The Medicare Premium Payments line is decreased by \$5,169,400 Gross (\$1,737,400 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$960,000 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%. The line is increased \$26,804,100 federal from the 40% of the Medicaid match that is earned by the school-based services program and this amount replaces a like amount of GF/GP in the Medicare premium payments line.

The Pharmaceutical Services line is decreased by \$62,098,800 Gross (\$20,870,800 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$842,400 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%. Savings removed in FY 2011-12 as a result of including behavioral health drugs on the preferred drug list are restored in the amount of \$18.7 million Gross (\$6,285,100 GF/GP). The Pharmaceutical Services line is reduced \$4,476,000 Gross (\$1,504,400 GF/GP) resulting from an initiative to encourage evidence-based prescribing of behavioral health drugs by physicians. Savings are achieved by either direct doctor consultations or mailings to the top 10% of

doctors who are non-compliant prescribers. This policy change will begin in FY 2011-12. Through an informal technical request from the Executive the line is increased \$669,400 million Gross (\$225,000 GF/GP) to align Michigan Medicaid wheel chair payment rates with Medicare. The Pharmaceutical Services line is reduced \$11,901,200 Gross (\$4.0 million GF/GP) in recognition of additional pharmaceutical rebates identified by the Department.

The Home Health Services line is decreased by \$2,551,500 Gross (\$857,600 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$16,900 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%.

The Hospice Services line is decreased by \$34,843,400 Gross (\$11,710,800 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$349,100 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%.

The Transportation line is increased by \$1,665,800 Gross (\$559,900 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$35,100 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%. The line is increased \$1,976,000 Gross (\$988,000 GF/GP) to recognize full year funding of a proposed increase in mileage rates for personal and volunteer transportation. This will align the Medicaid mileage rates with IRS rates.

The Auxiliary Medical Services line is decreased by \$2,710,900 Gross (\$911,100 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$15,500 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%. The line is increased \$58,800 Gross (\$19,700 GF/GP) representing the Auxiliary Medical Services line portion of the total increase of \$560,000 Gross (\$188,900 GF/GP) reflecting annualized FY 2011-12 costs due to a change in State Medicaid policy to include cochlear implants for both ears rather than just one ear. Other appropriation lines affected are Medical Care and Treatment and Physician Services. The Auxiliary Services line is increased \$900,000 Gross (\$302,500 GF/GP) to restore Medicaid coverage of chiropractic services. Includes \$4,463,000 Gross (\$1.5 million GF/GP) to fully restore Medicaid adult vision services to a prior level.

The Dental Services line is increased by \$6,260,400 Gross (\$2,104,100 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$405,000 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%. The Dental Services line is increased \$808,800 Gross (\$271,900 GF/GP) to fund a CMS requirement that the Department

implement risk-based contracts where cost settlements will not occur and actuarially sound rates will be required to be paid. Provides \$16,666,700 Gross (\$5,601,700 GF/GP) to expand the Healthy Kids Dental program to the following counties; Bay, Berrien, Calhoun, Cass, Grand Traverse, Jackson, Mecosta, Montcalm, Osceola and Wexford.

The Ambulance Services line is increased by \$1,353,000 Gross (\$454,700 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$27,000 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%.

The Long-Term Care Services line is increased by \$49,678,300 Gross (\$16,696,900 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$2,982,000 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%. Within the line, \$1,266,300 state restricted nursing home quality assurance assessment program (QAAP) revenue replaces the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%. An additional \$730,700 GF/GP is saved due to the availability of additional state retained nursing home QAAP retainer resulting from an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%.

Savings removed in FY 2011-12 as a result of passing legislation that would strengthen Michigan's estate recovery laws are restored in the amount of \$16,661,700 Gross (\$5.6 million GF/GP). A transfer out of this line of \$2,485,000 Gross (\$835,200 GF/GP) to the PACE line will support increased PACE enrollment. A shortage of Merit Award Trust Fund revenue in the amount of \$5,542,300 is replaced with a like amount of GF/GP. The line is reduced by \$52,560,000 Gross (\$11,883,800 GF/GP) representing increased transitions from nursing homes to the MIChoice program. Included in the reduction is a transfer of \$24,560,000 Gross (\$9,160,900 GF/GP) to the Medicaid Home- and Community-Based Services Waiver line item to support the increased transitions. The balance of \$28.0 million Gross (\$2,722,900 GF/GP) are savings. To fund the expansion of the PACE program into Berrien County \$1.6 million Gross (\$537,800 GF/GP) is transferred from this line to the PACE line.

The Medicaid Home- and Community-Based Services Waiver line includes and increase of federal funds within the line item are increased by \$379,000 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%. The line is increased \$23,980,500 Gross (\$9,087,400 GF) to support transitioning additional nursing home occupants to the MIChoice program. A net reduction of \$35.3 million Gross (\$7.5 million GF/GP) is the result when considering an associated reduction in the Long-Term Care Services appropriation line. The line is increased by \$11,812,100 Gross (\$4.0 million GF/GP) to reduce the numbers of those

individuals waiting for MIChoice services. A transfer-in from the Long-Term Care Services line item of \$24,560,000 Gross (\$9,160,900 GF/GP) will be used to increase nursing home transitions. Includes \$16.1 million Gross (\$6,077,700 GF/GP) for costs associated with the annualization of nursing home transition costs.

The Adult Home Help Services line is increased by \$2,939,900 Gross (\$988,100 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$730,900 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%.

The Personal Care Services line is decreased by \$173,600 Gross (\$58,400 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$36,100 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%.

The Program of All-Inclusive Care for the Elderly line federal funds are increased by \$76,800 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%. To fund the expansion of the PACE program into Berrien County \$1.6 million Gross (\$537,800 GF/GP) is transferred-in from the Long-Term Care Services line to the PACE line. A transfer-in of \$2,485,000 Gross (\$835,200 GF/GP) from the Long-Term Care Services line will support increased PACE enrollment.

A new line is created called Autism Services. Of the total \$20,866,200 Gross (\$6,683,000 GF/GP) provided Departmentwide for Medicaid autism services coverage \$17,544,600 Gross (\$5,896,700 GF/GP) is allocated to this. The balance is found in the MICHild Program line item.

The Health Plan Services line is decreased by \$13,414,000 Gross (\$4,508,300 GF/GP) for Medicaid inflation, caseload and utilization adjustments. The line is reduced \$812,700 Gross (\$273,100 GF/GP) due to increased PlanFirst! Program enrollment. Replaces \$7,578,300 GF/GP with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%. Replaces \$1,834,400 of state restricted hospital quality assurance assessment program (QAAP) revenue with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%. An additional \$666,200 of state restricted hospital quality assurance assessment program (QAAP) state retained revenue is available to offset a like amount of GF/GP due to an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%.

Replaces \$495,000 of specialty network access fee (SNAF) revenue with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%. Replaces \$180,500 GF/GP with the

same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39% related to certified public expenditures (CPES). Replaces \$329,300 GF/GP with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39% related to state psychiatric disproportionate share hospital (DSH) payments. The line is increased by \$47,263,700 Gross (\$15,885,300 GF/GP) recognizing a 1.5% adjustment to keep Medicaid managed care plans actuarially sound. Reverses the FY 2011-12 supplemental PA 278 of 2011 that provided use tax (GF/GP) funding, which corrected authorization necessary to implement the State's final Health Insurance Claim Assessment (HICA) legislation.

This line is reduced \$130,183,200 Gross (\$143,294,200 GF/GP) but including the PIHPs the entire reduction is \$201.1 million Gross (\$167.3 million GF/GP). An increase of Medicaid Benefits Trust Fund revenue offset the reduction of \$8,306,400 GF/GP. The line is increased by \$1,195,000 of health insurance claims assessment (HICA) revenue offsetting a like amount of GF/GP to correct for anticipated revenue. The line is increased \$228,400,000 federal of the \$281.8 million federal funds that will be available to provide an increase in the reimbursement rates for primary care doctors, family doctors and pediatricians up to 100% of Medicare rates. Not included in the rate increase are nurse practitioners, physician assistants and OB/GYNs. This reimbursement level change is a requirement of the Affordable Care Act of 2010 and is entirely federally funded. The balance of the funding is in the Physician Services line.

The line is reduced by \$151,400 of state restricted revenue offset with an increase in GF/GP to correct for the anticipated disproportionate share hospital (DSH) payment level. The line is reduced \$3,031,400 GF/GP and replaced with state restricted revenue representing an adjustment to the state psychiatric disproportionate share hospital payment level. Of the total \$11,901,200 Gross (\$4.0 million GF/GP) provided Departmentwide for a 20% increase in Medicaid OBGYN rates, \$9,800,800 Gross (\$3,294,100 GF/GP) is allocated to the Health Plan Services line. The balance is found in the Physician Services line item. There is companion boilerplate language found in Sec. 1862.

The MICHild Program line is decreased by \$11,157,200 Gross (\$2,625,300 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funding is increased by \$88,000 and GF/GP decreased by the same amount to reflect a change in the federal SCHIP matching rate from 76.30% to 76.47%. The line is increased by \$12,500 Gross (\$2,900 GF/GP) recognizing a substance abuse service rate increase. Of the total \$20,866,200 Gross (\$6,683,000 GF/GP) provided Departmentwide for Medicaid autism services coverage \$3,341,600 Gross (\$786,300 GF/GP) is allocated to the MICHild Program line. The balance is found in the Autism Services line item.

The Plan First Family Planning Waiver line is increased by \$1,206,300 Gross (\$120,700 GF/GP) for Medicaid inflation, caseload and utilization adjustments.

The Medicaid Adult Benefits Waiver line includes a replacement of \$1.2 million of tobacco tax revenues with a like amount of GF/GP. This action is in recognition of a tobacco tax shortfall related to Wayne County and the funding of its Medicaid Adult Benefits Waiver program. Replaces \$6,653,800 of funding received from Wayne County for support of the Medicaid Adult Benefits Waiver program with a like amount of revenue from the Medicaid Benefits Trust Fund (MBTF). For many years Wayne County has provided the Department Wayne's portion of the Airport Parking Tax which the Department uses for support of the Medicaid Adult Benefits Waiver program. This change would eliminate the Airport Parking fee payment to Wayne County and the subsequent payment back to the State of Michigan by simply directing Wayne County's portion of the Airport Parking Tax to the Medicaid Benefits Trust Fund. Legislation would be necessary to make this adjustment and is anticipated in FY 2011-12. Federal funds within the line item are increased by \$264,700 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%.

The Special Indigent Care Payments line includes a federal funds increase of \$221,300 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 66.14% to 66.39%. The line is increased \$7,220,400 Gross (\$2,426,800 local) to restore county health plan funding to FY 2010-11 levels.

The Federal Medicare Pharmaceutical Program line includes a decrease of \$1,129,000 GF/GP based on utilization projections from FY 2011-12 to FY 2012-13.

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

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

The School-Based Services line is increased by \$40,206,200 federal funding representing Michigan school district's 60% portion of the federal Medicaid funds earned by the school district match. The other 40% of federal funding (\$26.8 million) is retained by the State and is used to offset GF/GP in the Medicare Premium Payments line.

The Special Medicaid Reimbursement line includes a replacement of \$37,900 of local revenue and \$383,200 of state restricted revenue with the same amounts of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%, both adjustments related to physician adjustor payments. Also replaced is \$6,900 of state restricted revenue with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%, relating to the Bronson Hospital disproportionate share hospital (DSH) payment. State restricted revenue is replaced in the amount of \$25,900 with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%, relating to the University of Detroit dental

services disproportionate share hospital (DSH) payment. Also replaced is \$39,400 of local revenue with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%, relating to dental adjustor disproportionate share hospital (DSH) payments. And, \$10,700 GF/GP is replaced with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%, related to poison control services payments. The final replacement, \$329,300 of state restricted revenue is replaced with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 66.14% to 66.39%, relating to the state psychiatric disproportionate share hospital (DSH) payment.

The line is increased by \$3,693,600 Gross (\$662,200 state restricted) to reflect a full year of certification for the state psychiatric forensic center. Increases the line \$53.8 million Gross (\$16,997,300 state restricted, \$1,084,900 local) reflecting the addition of the Oakland University Medical School in the physician adjustor program. A portion of the increase represents continued growth of the existing universities participating in the program. Local authorization is decreased by \$1,680,500 to projected necessary levels. The line is decreased \$12,499,100 Gross (\$4,232,200 private) to remove excess private authorization. The line is decreased \$228,900 Gross (\$77,500 state restricted) which aligns the state psychiatric DSH payment to the level allowable under federal law. The line is increased \$8,520,900 Gross (\$2,863,900 state restricted) to restore the Hutzler hospital psychiatric residency program DSH payment to FY 2010-11 levels.

FY 2011-12 FUNDING ADJUSTMENTS

PUBLIC ACT 278 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 278 of 2011 (Enrolled House Bill 5014), effective December 20, 2011, provides FY 2011-12 budget authorization included in PA 63 of 2011, Article IV for the Department of Community Health is corrected for the subsequent passage of the health insurance claims assessment (HICA) bills, PA 141 and PA 142 of 2011, which will replace the existing Use Tax. Rather than four quarters of HICA revenue authorization as originally appropriated, the adjustment of \$130,183,200 Gross (\$143,294,200 GF/GP) acknowledges an extension of two quarters of Use Tax revenue and the removal of one quarter of HICA. The Use Tax generates additional General Fund revenue which is not currently appropriated within the DCH budget.

PUBLIC ACT 89 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 89 of 2012 (Enrolled House Bill 4289), effective April 12, 2012, provides that the Special Indigent Care Payments line is increased by \$7,220,400 Gross (\$2,444,800 local) to support additional indigent care agreement (ICA) services through the disproportionate share hospital (DSH) pool. This action brings the FY 2011-12 level of ICA support up to that of FY 2010-11. The increased FY 2011-12 amount is included in PA 200 of 2012, Article IV. The Auxiliary Medical Services line is increased by \$450,000 Gross (\$152,400 GF/GP), restoring Medicaid chiropractic services beginning April 1, 2012. This amount is annualized in PA 200 of 2012, Article IV. The Special Medicaid Reimbursement line is increased by \$9,640,500 Gross (\$3,264,300 state restricted) to support additional hospital assessment financed disproportionate share hospital (DSH) pool payments. This action brings the FY 2011-12 level of hospital assessment financed DSH payments up to that of FY 2010-11 and equals the amount included in the Hospital Services and Therapy line in PA 200 of 2012, Article IV. The Special Medicaid Reimbursement line is increased by \$8,520,900 Gross (\$2,885,200 state restricted) to reinstate DSH funding for the psychiatric residency program at Wayne State University.

Funding of \$8,520,900 Gross (\$2,863,900 state restricted) is also included in PA 200 of 2012, Article IV for the Wayne State program through the DSH pool. The Hospital Services and Therapy line is increased by \$8,860,000 Gross (\$3.0 million GF/GP) to reinstate a portion of the FY 2011-12 graduate medical education (GME) program reduction. The restoration of \$8.9 million reduces the \$14.7 million FY 2011-12 reduction to \$5.8 million, resulting in funding available for the GME program of \$162.4 million. General fund/general purpose funding of \$106.9 million appropriated for Medicaid within the Health Plan Services line is replaced with an equal amount of Medicaid Benefits Trust Fund (MBTF) revenue, in order to then transfer \$106.9 million from General Fund to the Budget Stabilization Fund (see boilerplate section 203 of PA 89 of 2012). This amount is equal to one-half of the amount (\$213.8 million) previously deposited in the MBTF for use in the event of a federal Medicaid disallowance and/or settlement.

PUBLIC ACT 236 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 236 of 2012 (Enrolled Senate Bill 871), effective June 29, 2012, provides a FY 2011-12 supplemental appropriation which includes a net reduction, or savings, of \$4,375,000 Gross (\$1,481,400 GF/GP) resulting from increased nursing home transitions by approximately 120 individuals. The Long-Term Care Services line is reduced by \$8,212,500 Gross and the Medicaid Home- and Community-Based Services Waiver Program line item is increased by \$3,837,500 Gross to create the savings. General fund/general purpose funding of \$10.0 million appropriated for the Medicaid program within the Health Plan Services line is replaced with an equal amount of revenue from the Medicaid Benefits Trust Fund, freeing up \$10.0 million GF/GP for an appropriation to the Education Achievement Authority. Based

on costs identified at the May 10, 2012 Medicaid consensus meeting between the House and Senate Fiscal Agencies and the State Budget Office and presented as part of the May 16, 2012 Consensus Revenue Estimating Conference, various Medicaid lines are adjusted with a net reduction of \$179,454,500 Gross (\$67,883,900 GF/GP) due to changes related to caseload, utilization and inflation; a reduction of \$2,466,600 Gross (\$835,200 GF/GP) for the Medicaid Adult Benefits Waiver program expenditures due to changes in projected costs related to caseload, utilization, and inflation; a reduction of \$1.1 million of Wayne County Tobacco Tax revenue which is offset by an increase in GF/GP; an increase of \$18,108,000 in federal funds from the 40% of the Medicaid match that is earned by the school-based services is replaced with a like amount of GF/GP in the Medicaid Premium Payments line; an increase of \$72,751,200 Gross (\$24,633,600 state restricted) within the Hospital Services and Therapy line in order to increase Medicaid payment rates to hospitals as part of the quality assurance assessment program (QAAP); and a reduction of \$21.0 million of state restricted revenue authorization is replaced with a like amount of GF/GP due to lower special financing earnings generated by the state psychiatric Forensic Center disproportionate share hospital (DSH) payment.

PUBLIC ACT 296 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 296 of 2012 (Enrolled House Bill 5015), effective August 1, 2012, provides a FY 2011-12 supplemental appropriation of \$0 Gross (\$10,000,000 GF/GP). Medicaid Benefits Trust Fund (MBTF) state restricted revenue of \$10.0 million, appropriated for the Medicaid program within the Health Plan Services line, is replaced with an equal amount of GF/GP. Public Act 236 of 2012 (Enrolled Senate Bill 871) had replaced \$10.0 million in GF/GP supporting the Health Plan Services line with \$10.0 million from the MBTF.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 119. MEDICAL SERVICES							
Hospital services and therapy	1,273,299,300	0	1,317,201,300	1,294,379,200	1,351,575,600	0	1,351,575,600
Hospital disproportionate share payments	45,000,000	0	45,000,100	45,000,000	45,000,000	0	45,000,000
Physician services	303,223,900	0	363,599,600	357,854,200	373,703,700	0	373,703,700
Medicare premium payments	409,169,400	0	412,142,400	412,142,400	404,000,000	0	404,000,000
Pharmaceutical services	338,717,500	0	287,141,800	274,352,200	279,612,900	0	279,612,900
Home health services	6,791,100	0	4,385,000	4,385,000	4,239,600	0	4,239,600
Hospice services	139,637,700	0	103,278,800	103,278,800	104,794,300	0	104,794,300
Transportation	16,009,800	0	18,868,900	16,892,900	19,651,600	0	19,651,600
Auxiliary medical services	6,252,100	0	3,596,400	3,537,400	8,963,000	0	8,963,000
Dental services	162,930,800	0	175,357,300	183,267,600	186,666,700	0	186,666,700
Ambulance services	10,900,000	0	12,790,000	12,789,900	12,253,000	0	12,253,000
Long-term care services	1,686,454,600	0	1,731,358,900	1,731,358,900	1,696,149,600	0	1,696,149,600
Medicaid home- and community-based services waiver	229,921,000	0	232,991,100	241,015,700	282,393,100	0	282,393,100
Adult home help services	289,032,800	0	295,217,600	295,217,600	291,972,700	0	291,972,700
Personal care services	14,421,500	0	13,682,800	13,682,800	14,247,900	0	14,247,900
Program of all-inclusive care for the elderly	30,707,800	0	34,792,800	34,792,800	34,792,800	0	34,792,800
Autism services	0	0	100	20,519,900	17,544,600	0	17,544,600
Health plan services	4,223,995,600	0	4,410,770,700	4,410,770,700	4,365,050,200	0	4,365,050,200
MIChild program	51,753,100	0	67,461,400	81,002,600	66,264,400	0	66,264,400
Plan first family planning waiver	13,089,200	0	14,295,500	14,295,500	14,295,500	0	14,295,500
Medicaid adult benefits waiver	105,877,700	0	105,877,700	105,877,700	105,877,700	0	105,877,700
Special indigent care payments	88,518,500	0	95,738,900	95,738,900	95,738,900	0	95,738,900
Federal Medicare pharmaceutical program	185,599,300	0	192,209,800	192,209,800	184,470,300	0	184,470,300
Maternal and child health	20,279,500	0	20,279,500	20,279,500	20,279,500	0	20,279,500
Subtotal basic medical services program	9,651,582,200	0	9,958,038,400	9,964,642,000	9,979,537,600	0	9,979,537,600
School-based services	91,296,500	0	131,502,700	131,502,700	131,502,700	0	131,502,700
Special Medicaid reimbursement	339,382,000	0	390,962,100	390,962,100	390,962,100	0	390,962,100
Subtotal special medical services payments	430,678,500	0	522,464,800	522,464,800	522,464,800	0	522,464,800
Sec. 4-109. MEDICAL SERVICES (Exec. Rec. only - see NOTE below)							
Full-time equated classified positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Medical services	0	10,532,763,500	0	0	0	0	0
GROSS APPROPRIATION	10,082,260,700	10,532,763,500	10,480,503,200	10,487,106,800	10,502,002,400	0	10,502,002,400
Appropriated from:							
Federal revenues:							
Total federal revenues	6,665,318,700	7,122,716,100	7,086,654,900	7,092,728,300	7,104,340,200	0	7,104,340,200
<i>(Continued on next page)</i>							

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 119. MEDICAL SERVICES - continued							
Special revenue funds:							
Total local revenues	68,249,700	63,128,500	63,128,500	63,128,500	63,128,500	0	63,128,500
Total private revenues	6,332,200	2,100,000	2,100,000	2,100,000	2,100,000	0	2,100,000
Merit award trust fund	82,275,800	76,733,500	76,733,500	76,733,500	76,733,500	0	76,733,500
Total other state restricted revenues	1,841,677,500	1,961,421,700	1,961,421,700	1,961,421,700	1,972,928,900	0	1,972,928,900
State general fund/general purpose	1,418,406,800	1,306,663,700	1,290,464,600	1,290,994,800	1,282,771,300	0	1,282,771,300

NOTE - The Executive Recommendation Sec. 4-109 line item is a rollup of all line items from Section 119.

INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY

Funding for the Information Technology Services and Projects line item is increased by \$883,300 Gross (\$362,200 GF/GP) to recognize FY 2011-12 other post-employment (OPEB) supplemental costs. Funding for the Information Technology Services and Projects line item is increased by \$1.0 million Gross (all GF/GP) to provide full-year funding for the data warehouse. Funding for the Information Technology Services and Projects line item is increased by \$262,700 Gross (\$86,700 GF/GP) to finance a negotiated 3% salary increase for NEREs and 1% salary increase to unionized employees. Employee defined benefit retirement costs supporting the Information Technology Services and Projects line item are reduced by \$1,293,100 Gross (\$426,700 GF/GP). Employee defined contribution retirement costs supporting the Information Technology Services and Projects line item are increased by \$299,800 Gross (\$98,900 GF/GP).

Using a -5% weighted average reduction factor for all insurances, employee insurance costs supporting the Information Technology Services and Projects line item are reduced by \$91,900 Gross (\$30,300 GF/GP). As an economic adjustment for building and occupancy charges, funding for the Information Technology Services and Projects line item is increased by \$11,500 Gross (all GF/GP). As an economic adjustment for worker's compensation, funding for the Information Technology Services and Projects line item is reduced by \$1,700 Gross (all GF/GP). Funding for the Information Technology Services and Projects line item is increased by \$1,436,300 Gross (\$474,000 GF/GP) for OPEB costs.

Full-year funding of \$13.4 million Gross (\$5.9 million GF/GP) is added to the Medicaid Michigan Information System line item. Funding for the Medicaid Michigan Information System line item is reduced by \$8,922,600 Gross (\$1,154,600 GF/GP) to recognize completion of the Health Insurance Portability and Accountability Act (HIPAA) 5010 project which required enhancements related to the Community Health Automated Medicaid Processing System (CHAMPS).

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 64 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 64 of 2012 increases funding for the Information Technology Services and Projects line item by \$883,300 Gross (\$362,200 GF/GP) to recognize other post-employment benefits (OPEB) provided to state retirees as required by federal law. The OPEB includes health, dental and vision benefits, as well as life insurance coverage.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 476 of 2012 reduces FY 2011-12 funding for the Information Technology Services and Projects line item by \$17,800 Gross (all GF/GP) to reflect savings from the new 4% contribution paid by employees supported by this line item in the defined benefit retirement program pursuant to Public Act 264 of 2011.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
		(NOTE)					
Sec. 120. INFORMATION TECHNOLOGY							
Information technology services and projects	33,521,400	0	35,028,400	35,028,300	36,028,300	0	36,028,300
Michigan Medicaid information system	25,723,700	0	30,201,100	16,801,100	30,201,100	0	30,201,100
GROSS APPROPRIATION	59,245,100	0	65,229,500	51,829,400	66,229,400	0	66,229,400
Appropriated from:							
Federal revenues:							
Total federal revenues	44,191,200	0	44,780,800	37,280,800	44,780,800	0	44,780,800
Special revenue funds:							
Total other state restricted revenues	1,865,900	0	1,940,600	1,940,600	1,940,600	0	1,940,600
State general fund/general purpose	13,188,000	0	18,508,100	12,608,000	19,508,000	0	19,508,000

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

ONE-TIME BASIS ONLY APPROPRIATIONS

ONE-TIME BASIS ONLY APPROPRIATIONS

The State Employee Lump Sum-Payments line item is created for a one-time only allocation of \$4,285,300 Gross (\$2,571,500 GF/GP) for a negotiated lump sum payments to state classified employees that equal to 1% of annual salary for unionized employees and 2% of annual salary for non-unionized employees.

The new Health and Wellness Initiatives line item is created for a one-time appropriation of \$5,000,000 Gross (all GF/GP). This line item continues one-time basis only funding that was appropriated in boilerplate section 1901 in FY 2011-12 in a one-time Healthy Michigan Funds Program line item of \$3,000,000 GF/GP for the following public health prevention programs: cancer, diabetes, health disparities, school health education, and pregnancy prevention; the allocation of the \$3.0 million is modified to provide an increase of \$50,000 for diabetes programs and a new allocation of \$50,000 for nurse family partnership programs. New one-time funding is included of \$1,250,000 GF/GP for a new community-based collaborative public health 4x4 wellness program to address obesity and promote healthy lifestyle focusing on 4 healthy behaviors and 4 key health measures; this one-time funding combined with \$1.0 million of new funding in the Section 106 Health and Wellness Initiatives line item will support public awareness and 5 local coalitions. The line item includes new one-time funding of \$750,000 GF/GP to expand maternal and child health and infant mortality programming, and implement the state Infant Mortality Reduction Plan. Note that Section 106 includes related appropriations of \$5.0 million of GF/GP funds for Health and Wellness Initiatives for public health prevention projects in FY 2012-13.

The Hospital Services and Therapy - Graduate Medical Education line item is created to assist in the funding of the graduate medical education. Graduate medical education is clinical training in an approved residency program following graduation from schools of medicine, osteopathy, dentistry and podiatry. All states require residency training to be licensed. The residents who are serving a form of apprenticeship provide patient care under the supervision of a teaching physician, primarily in teaching hospitals. This funding relates to the Medicaid portion of physician services within hospitals

The Mental Health Services for Special Populations line item is created to recognize continuation of the FY 2011-12 one-time allocation of \$3.0 million GF/GP for multicultural populations. The funds for this line item are allocated as follows: \$250,000 for Hispanic/Latino Commission within the Department of Civil Rights; \$700,000 for ACCESS; \$700,000 for Arab/Chaldean; \$650,000 for Chaldean Chamber Foundation; and \$700,000 for Michigan Jewish Federation.

The Michigan Medicaid Information System line item is created for a one-time allocation of \$30.0 million Gross (\$3.0 million GF/GP) for implementation of medical codes for diagnosis and inpatient procedures (ICD-10) for the Community Health Automated Medical Processing System (CHAMPS) as required by federal law.

The Primary Care Services - Island Health Clinics line item is created for a one-time appropriation of \$325,000 Gross (all GF/GP). This line item continues one-time basis only funding of \$300,000 GF/GP appropriated in FY 2011-12 in boilerplate section 1901, under the same line item name, to support provision of primary care services at island health clinics. Funds are allocated to Beaver Island Rural Health Center, Mackinac Island Medical Center, and Drummond Island Medical Center. The funding for primary care services - island health clinics is increased with a new one-time appropriation of \$25,000 GF/GP to support Bois Blanc Island medical care access and services.

		(H.B. 5500, Article 4)	(S.B. 950)	(H.B. 5365, Article IV)	(H.B. 5365, Article IV)		(H.B. 5365, Article IV)
	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2012-13	(H.B. 5365, Article IV)	PA 200, Article IV
FY 2012-13	COMM.HEALTH	EXECUTIVE	SENATE	HOUSE	ENROLLED	FY 2012-13	FY 2012-13
P.A. 200 of 2012, Article IV (H. B. 5365)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-12	9-Feb-12	24-Apr-12	25-Apr-12	31-May-12	26-Jun-12	26-Jun-12
	(NOTE)	(NOTE)					
Sec. 121. ONE-TIME BASIS ONLY APPROPRIATIONS							
Mental health services for special populations	3,000,000	0	100	3,000,000	3,000,000	0	3,000,000
Healthy Michigan fund programs	3,000,000	0	0	0	0	0	0
Health and wellness initiatives	0	5,000,000	3,000,100	0	5,000,000	0	5,000,000
Primary care services - island health clinics	300,000	0	100	0	325,000	0	325,000
Hospital services and therapy - graduate medical educa	17,129,400	0	0	17,988,400	4,314,200	0	4,314,200
Hospital services and therapy - rural and sole communit	29,533,400	0	0	0	0	0	0
State employee lump sum payments	0	4,285,300	4,285,300	4,285,300	4,285,300	0	4,285,300
Laboratory services	0	200,000	100	0	0	0	0
Michigan Medicaid information system	0	40,000,000	40,000,000	0	30,000,000	0	30,000,000
Office of services to aging administration	0	250,000	100	0	0	0	0
Office of services to aging community services	0	0	0	0	0	0	0
Outstate uncompensated care - disproportionate share	0	0	0	10,000,000	0	0	0
GROSS APPROPRIATION	52,962,800	49,735,300	47,285,800	35,273,700	46,924,500	0	46,924,500
Appropriated from:							
Interdepartmental grant revenues:							
Total interdepartmental grant revenues	0	19,700	19,700	19,700	19,700	0	19,700
Federal revenues:							
Total federal revenues	30,862,800	37,279,400	37,279,400	19,817,800	31,143,600	0	31,143,600
Special revenue funds:							
Total local revenues	0	150,400	150,400	150,400	150,400	0	150,400
Total private revenues	0	800	800	800	800	0	800
Total other state restricted revenues	0	263,500	263,500	263,500	263,500	0	263,500
State general fund/general purpose	22,100,000	12,021,500	9,572,000	15,021,500	15,346,500	0	15,346,500

NOTE - The FY 2011-12 YTD and FY 2012-13 Executive Recommendation One-Time Basis Only appropriations were included in boilerplate (Sections 1901 and 4-1901, respectively).

BOILERPLATE

PART 2
GENERAL SECTIONS BOILERPLATE

Sec. 201. State Spending

Total FY 2012-13 state spending from state resources under Part 1 and state spending from state resources to be paid to local units of government.

Sec. 202. Authorized Appropriations

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

Sec. 203. Terms and Acronyms

Provides definitions for terms and acronyms used in Article IV, 2012 PA 200.

Sec. 206. Contingency Funds

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

Sec. 207. Principal Measurable Outcomes

Requires the Department to identify 10 principal measurable outcomes to be affected by the expenditure of appropriated funds and submit a report to the House and Senate Appropriations Committees, House and Senate Fiscal Agencies, and State Budget Director that ranks the outcomes by level of importance and contains current data on those outcomes. Requires the Department to provide biannual updates on changes in those measurable outcomes and departmental efforts to improve the outcomes.

Sec. 208. Internet Reporting Requirements

Requires that DCH use the Internet to fulfill the reporting requirements of article IV, 2012 PA 200.

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

Prohibits the purchase of foreign goods or services, or both, if competitively priced and comparable quality American goods or services, or both, are available. Requires that preference be given to goods or services, or both, manufactured

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

Sec. 211. Fee Revenue and Restricted Fund Balances

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

Sec. 212. Fund Sources Supporting Line Items

Requires report on or before February 1, 2013, on detailed name and amounts of revenue sources by line item that support FY 2012-13 appropriations. Requires report on amounts and detailed revenue sources by line item proposed to support FY 2013-14 Executive budget recommendation, upon release of the proposal.

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

Requires state departments, agencies, and commissions receiving tobacco tax and Healthy Michigan funds to report on programs utilizing these funds by April 1, 2013, to the House and Senate Appropriations Committees, House and Senate Fiscal Agencies, and State Budget Director.

Sec. 216. Use of Prior-Year Revenue

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

Sec. 218. Basic Health Services

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

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

Allows DCH to contract with the Michigan Public Health Institute for the design and implementation of projects and other public health-related activities. Requires DCH to report on each funded project by January 1, 2013. Requires DCH to provide, by September 30, 2013, copies of all reports, studies, and publications produced by the Institute.

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

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

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

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

Sec. 264. Submission and Applications for Medicaid Waivers

Requires DCH to notify the House and Senate Appropriations Subcommittees on Community Health and House and Senate Fiscal Agencies upon the submission of a Medicaid waiver, a Medicaid state plan amendment, or similar proposal to the Centers for Medicare and Medicaid Services. Requires written and verbal biannual reports on the status of discussions with federal agencies on potential or future Medicaid waiver applications. Requires DCH to inform the House and Senate Appropriations Subcommittees on Community Health and House and Senate Fiscal Agencies of any alterations or adjustments made to the published plan for integrated care for individuals who are dual Medicare/Medicaid eligibles when the final version of the plan has been submitted to the federal Centers for Medicare and Medicaid Services or Department of Health and Human Services. Requires DCH to submit the plan for integrated care for individuals who are dual Medicare/Medicaid eligibles to the Legislature for review at least 30 days before implementation of the plan

Sec. 265. Retention of Reports

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

Sec. 266. Out-of-State Travel

Requires departments and agencies to prepare a report on out-of-state travel by classified and unclassified employees funded by Part 1 appropriations in the preceding fiscal year which includes the dates of each travel occurrence and the total transportation and related costs of each travel occurrence. Requires the State Budget Director to report monthly on any exceptions made to the specified out-of-state travel conditions.

Sec. 267. Disciplinary Action Against State Employee

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

Sec. 270. Notification from Attorney General on Legal Actions

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

Sec. 276. Legal Services of Attorney General

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

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

Requires DCH to establish uniform definitions, standards, and instructions for the classification, allocation, assignment, calculation, recording, and reporting of administrative costs by the following entities: coordinating agencies on substance abuse, Salvation Army Harbor Light program, and area agencies on aging and local providers. Requires DCH to provide a written draft of its proposed definitions, standards, and instructions by May 15, 2013.

Sec. 287. General Fund/General Purpose Lapses

Requires DCH to report on the estimated general fund/general purpose appropriations lapses at the close of the previous fiscal year by no later than November 30, 2012.

Sec. 292. Publicly Accessible Internet Website

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

Sec. 294. Information Technology (IT) Work Projects

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

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

Requires annual report on estimated state restricted fund balances, projected revenues, and expenditures for FY 2011-12 and FY 2012-13 within 14 days after the release of the Executive budget recommendation.

Sec. 297. Statewide Office Space Consolidation Plan

Expresses Legislature's intent that all principal executive departments and agencies cooperate with the development and implementation of the Department of Technology, Management, and Budget statewide office space consolidation plan.

BEHAVIORAL HEALTH SERVICES BOILERPLATE

BEHAVIORAL HEALTH SERVICES

Sec. 401. Comprehensive System of CMH Services

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

Sec. 402. Contracts Between DCH and CMHSPs/PIHPs

Requires final authorizations to CMHSPs or PIHPs be made upon the execution of contracts between DCH and CMHSPs or PIHPs. Requires each contract with a CMHSP or PIHP to include a provision that it is not valid unless the total dollar obligation of all contracts entered into between DCH and CMHSPs or PIHPs for FY 2012-13 does not exceed Part 1 appropriations. Requires DCH to report immediately to the House and Senate Appropriations Subcommittees on Community Health, House and Senate Fiscal Agencies, and State Budget Director if there are new contracts or amendments to contracts with CMHSPs or PIHPs that would affect enacted rates or expenditures.

Sec. 403. Mental Health Services for Special Populations

Requires DCH to ensure CMHSPs or PIHPs meet with multicultural service providers to develop a workable framework for contracting, service delivery, and reimbursement. Prohibits appropriations for mental health services for special populations from being utilized for services to illegal immigrants, fugitive felons, and individuals who are not residents of the state. Requires January 1, 2013 annual report from independent organizations receiving mental health services for special populations funding.

Sec. 404. Report on CMHSPs

Requires DCH to report by May 31, 2013, on the following for CMHSPs or PIHPs: expenditures and services data, information about access to CMHSPs, lapses and carry-forwards during FY 2011-12, information on the CMH Medicaid managed care program, performance indicator information required to be submitted to DCH in contracts with CMHSPs or PIHPs, and an estimate of the number of mental health direct care workers.

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

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

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

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

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

Requires DCH to report by April 1, 2013, on expenditures and services data on substance abuse prevention, education, and treatment programs for FY 2011-12.

Sec. 410. Substance Abuse Treatment for DHS Recipients

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

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

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

Sec. 412. Non-Medicaid Substance Abuse Services

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

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

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

Sec. 424. Timely Claims Process for PIHPs

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

Sec. 428. Contingency Appropriation for PIHPs

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

Sec. 435. County Matching Funds to CMHSP

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

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

Requires DCH to report by April 15, 2013, on the following: an updated plan for implementing each recommendation of the Michigan Mental Health Commission report on October 15, 2004; a cost-benefit analysis of establishing secure residential facilities of fewer than 17 beds for adults with serious mental illness including residential facilities' potential impact on the state's need for adult mental health facilities; and a cost-benefit analysis of establishing specialized mental health court program that diverts adults with serious mental illness alleged to have committed an offense deemed nonserious into treatment prior to the filing of any charges.

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

Directs DCH to establish written expectations, such as the coordination and consolidation of administrative functions, for CMHSPs, PIHPs, coordinating agencies, and counties on the integration of mental health and substance abuse services for those coordinating agencies that have voluntarily incorporated into CMH authorities and accepted funding from DCH for administrative costs incurred when incorporating into authorities. Requires May 1, 2013 status report on the integration of mental health and substance abuse services.

Sec. 474. Guardianship of Recipients

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

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

Requires the Department to develop a plan to maximize uniform and consistent standards required of providers contracting directly with PIHPs and CMHSPs. Requires the standards to include contract language, training requirements for direct support staff, performance indicators, financial and program audits, and billing procedures. Requires a status report on implementation of the plan by July 1, 2013.

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

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

Sec. 492. *Mental Health Services to County Jail Inmates*

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

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

Requires the Department to utilize applicable national accreditation review criteria to determine compliance with corresponding state requirements for CMHSPs, PIHPs, or subcontracting provider agencies that have been reviewed and accredited by a national accrediting entity for behavioral health care services, in order to avoid duplication of efforts. Requires a progress report by July 1, 2013 on implementation of the section.

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

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

Sec. 496. *CMHSPs and PIHPs Funding Reductions*

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

Sec. 497. *Distribution of Substance Abuse Block Grant Funds*

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

Sec. 498. *Effectiveness of Substance Use Disorders Treatment Programs*

Requires DCH to use standard program evaluation measures to assess the effectiveness of heroin and other opiates treatment programs provided through coordinating agencies and service providers in reducing and preventing the incidence of substance use disorders. Requires a May 1, 2013 report on the effectiveness of treatment programs for heroin and other opiates.

Sec. 499. *Mental Health Needs of Deaf and Hard-of-Hearing Persons*

Requires the Department to explore ways to use mental health funding to address the mental health needs of deaf and hard-of-hearing persons.

STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

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

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

Sec. 602. Gifts and Bequests

Specifies that gifts and bequests are to provide specific enhancements for individuals residing at state-operated facilities consistent with the stipulation of the donor.

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

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

Sec. 606. Patient Reimbursement

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

Sec. 608. Privatization of Food and Custodial Services

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

PUBLIC HEALTH BOILERPLATE

PUBLIC HEALTH ADMINISTRATION

Sec. 650. Fish Consumption Advisory

Directs DCH to report to the Legislature by April 1, 2013 on the criteria and methodology used to derive information provided to residents in the annual Michigan fish advisory.

Sec. 654. Pilot Before- and After-School Healthy Exercise Program

Provides that new funding of \$1.0 million be allocated for a pilot before- and after-school healthy exercise program for children kindergarten through grade 6. Department shall develop a model incorporating evidence-based best practices, and establish guidelines for sites. Format shall encourage local determination of site activities and participation of youth in site activity decisions. Program goals are indicated and a 20% match requirement is established. Department shall seek third party financial support for program or program sites.

HEALTH POLICY

Sec. 704. Emergency Medical Services (EMS) Personnel Serving Rural Areas

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

Sec. 709. Michigan Essential Health Care Provider Program

Allows funds appropriated for Michigan Essential Health Care Provider Program to be used to provide loan repayment for dentists that meet the criteria established in Part 27 of the Public Health Code. Allows DCH to use appropriated funds to reduce local and private share of loan repayment costs to 25% for obstetricians and gynecologists working in underserved areas.

Sec. 712. Free Health Clinic Funding

Allocates \$250,000 to free health clinics from the funds appropriated for primary care services. Requires DCH to distribute funds equally to each free health clinic. Defines free health clinic as a nonprofit organization that uses volunteer health professionals to provide care to uninsured individuals.

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

Requires DCH to continue support of multicultural agencies that provide primary care services from the funds appropriated in Part 1.

Sec. 715. Options for Incentivizing Primary Care Medical School Students to Stay in Michigan

Requires DCH to evaluate options for incentivizing students attending medical schools in Michigan to meet their primary care residency requirements in Michigan, and to practice in Michigan.

Sec. 716. Incentivizing Medical Students To Serve in Counties Under 100,000 Population

Encourages the Department to create a pilot program incentivizing students attending Michigan medical schools to provide primary care or other designated specialty medical services in counties of less than 100,000 residents with a medically underserved population. Requires an evaluation of the pilot, and a report to the Legislature by September 30, 2013.

INFECTIOUS DISEASE CONTROL

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

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

LOCAL HEALTH ADMINISTRATION AND GRANTS

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

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

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

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

Sec. 904. Essential Local Public Health Services

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

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Sec. 1004. Cancer Rate Investigations

Establishes Legislative intent that DCH continue to collaborate with St. Clair County and the City of Detroit's southwest community to investigate and evaluate cancer rates.

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

Sec. 1103. Report of Sexual and Maternal Health Demographics and Expenditures by Marital Status

Requires DCH to submit an annual report to the Legislature by January 3, 2013 of an estimate of public funds administered by DCH for family planning, sexually transmitted infection prevention and treatment, pregnancies, and births, and to report demographics collected by DCH that are voluntarily self-reported by individuals utilizing those services. Requires DCH to provide actual or estimated expenditure data by marital status, and permits the use of state Plan First!, MIChild, Healthy Kids, public assistance, or other official state application form to determine actual or estimated public expenditures based on marital status.

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

Requires DCH to report to the Legislature by April 1, 2013 on funding allocations, breakdown of expenditures by urban and rural, and prior fiscal year service and expenditure data by population groups for the local maternal and child health, prenatal care, family planning, and pregnancy prevention programs. DCH shall ensure that needs of rural communities are considered in distribution of funds for these programs. Defines "rural" entity as having a population of 30,000 or less.

Sec. 1106. Family Planning Federal Title X Funding Compliance

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

Sec. 1108. Prohibit Use of Pregnancy Prevention Funding for Abortion Counseling, Referrals, or Services

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

Sec. 1109. Volunteer Dental Services Program for the Uninsured

Allocates funds from dental program line item to the Michigan Dental Association to administer a volunteer program of dental services to the uninsured; and requires a report to the Legislature by December 1, 2012 on program services provided in the prior fiscal year.

Sec. 1117. Stillbirth Awareness

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

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

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

Sec. 1135. School Health Education Curriculum Model and State Steering Committee

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

Sec. 1136. Real Alternatives Pregnancy and Parenting Support Services Pilot - VETOED

Provides that new funding of \$2.0 million be allocated for a new 2-year initiative for a real alternatives pregnancy and parenting support services pilot program to provide enhanced counseling and support for women during pregnancy through 12 months after birth. Stated goals include increase of counseling support, childbirth choice, and adoption knowledge, and improvement in parenting skills and knowledge of reproductive health. Funding is from federal temporary assistance for needy families (TANF) grant.

Sec. 1137. Enhanced Nurse Family Partnership Program Support - VETOED

Provides that new funding of \$1.0 million be allocated for a 2-year new initiative for the nurse family partnership program to enhance support and education to nursing teams, strengthen client recruitment in high need communities, and support

strategic planning, recruitment and awareness to expand and sustain the Detroit-based nurse family partnership program. Funding is from federal temporary assistance for needy families (TANF) grant.

Sec. 1138. Maternal and Child Health Contractual Services

Requires that funds appropriated for family, maternal, and children's health services be allocated by DCH pursuant to section 1 of Public Act 360 of 2002, according to a system of prioritization for awarding contracts for family planning and pregnancy prevention services with consideration for a contractor's provision of abortion services or referrals.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

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

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

Sec. 1204. CSHCS Eligibles and Medicaid HMOs

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

CRIME VICTIM SERVICES COMMISSION BOILERPLATE

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

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

OFFICE OF SERVICES TO THE AGING BOILERPLATE

Sec. 1403. Home-Delivered Meals Waiting Lists

Requires area agency on aging regions to report home-delivered meals waiting lists by February 1, 2013 to the Office of Services to the Aging and the Legislature; establishes standard criteria for persons included on the waiting list, including an initial determination of likely eligibility for home-delivered meals services.

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

Requires DCH to report to the Legislature by March 30, 2013 on total allocation of state resources to each area agency on aging by program and administration, and detail of expenditures by each area agency on aging of all state and local funds by program and administration.

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

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

Sec. 1421. Allocation of \$1.1 Million for Locally-Determined Needs

Provides that new funding of \$1.1 million appropriated for community services be allocated to area agencies on aging for locally-determined needs.

MEDICAL SERVICES BOILERPLATE

Sec. 1501. Electronic Health Records Incentive Program Work Project

Establishes unexpended funds for the Electronic Health Records Incentive program as a work project appropriation with the completion date estimated to be September 30, 2017.

Sec. 1601. Remedial Services Costs and Medicaid Eligibility

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

Sec. 1603. Medical Services Buy-In Program

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

Sec. 1605. Medicaid Protected Income Level

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

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

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

Sec. 1607. Medicaid Presumptive Eligibility for Pregnant Women

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

Sec. 1611. Medicaid Payment Rates

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

Sec. 1620. Pharmacy Dispensing Fee and Prescription Drug Copayments

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

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

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

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

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

Sec. 1630. Medicaid Podiatric, Dental Services, Chiropractic and Vision Services

Continues podiatric and adult dental services at not less than the level in effect on October 1, 2002. Contingent on the availability of funds, chiropractic and vision services shall continue at not less than the level in effect on October 1, 2002.

Sec. 1631. Medical Services Copayments

Requires copayments on dental, podiatric, and vision services unless prohibited by law or regulation. Specifies copayments of \$6 for a hospital emergency room visit, \$50 for the first day of an in-patient hospital stay, and \$1 for an out-patient hospital visit.

Sec. 1641. Institutional Provider Costs Reports

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

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

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

Sec. 1659. Applicable Boilerplate Sections for Medicaid Managed Care

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

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

Directs DCH to assure that an external quality review of each HMO is performed resulting in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services either contracted or directly provided to

Medicaid beneficiaries; requires Medicaid HMOs to provide EPSDT utilization data and well child health measures; directs DCH to submit copies of analysis of HMO HEDIS reports and annual external quality review report within 30 days.

Sec. 1670. MICHild Program Eligibility

Specifies that funds appropriated for MICHild program are to be used to provide health care to children under age 19 in families with income below 200% of federal poverty level who have not had health insurance within six months of making application for MICHild benefits. Allows DCH to provide up to one year of continuous eligibility for MICHild program unless family members no longer meet eligibility criteria or family fails to pay the monthly premium. Assures continuity of care for persons whose category of MICHild eligibility changes due to family income. Specifies income level and verification requirements to determine MICHild program eligibility. Requires DCH to contract with any qualified HMO, dental care corporation, health care corporation or other entity which offers to provide MICHild health care benefit at the capitated rate. Allows DCH to obtain certain MICHild services contractually through community mental health agencies. Requires DCH to assure that an external quality review of each MICHild services contractor is performed, which analyzes quality, timeliness, and access to health care services provided by the contractor to MICHild beneficiaries. Requires DCH to develop automatic enrollment algorithm based on quality and performance factors. MICHild services shall include treatments for autism spectrum disorders for children 18 years old or younger.

Sec. 1673. MICHild Premiums and Prohibition on MICHild Copayments

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

Sec. 1677. MICHild Benefits

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

Sec. 1682. OBRA Nursing Home Enforcement Provisions

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

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

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

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

Requires an annual report on HCBS allocations and expenditures by region, net cost savings by moving individuals from nursing home to the HCBS program, number of individuals transitioned and on HCBS waiting lists by region, amount of funds transferred during the year, and number of persons served and days of care for the HCBS program and in nursing homes. Requires DCH to develop system to collect and analyze information on persons on HCBS waiting list to identify community support and assistance they receive and the extent to which these supports help individuals to avoid entry into a nursing home.

Sec. 1692. Medicaid School-Based Services

Provides authorization for Medicaid reimbursement of school-based services.

Sec. 1693. Special Medicaid Reimbursement Payments Increase

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

Sec. 1694. Poison Control Services

Authorizes distribution of \$1,122,300 for poison control services to an academic health care system that includes a children's hospital with high indigent care volume. A report on the adequacy of the funding amount shall be provided by the Department.

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

Authorizes separate payments for hospitals serving a disproportionate share of indigent patients in the amount of \$45.0 million, and those hospitals providing GME training programs. Distribution is based on a methodology used in FY 2003-04. A distribution report is due by September 30 of the current fiscal year.

Sec. 1724. Injectable Drugs for Respiratory Syncytial Virus

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

Sec. 1740. Graduate Medical Education Funds Distribution

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

Sec. 1741. Nursing Home Interim Payments

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

Sec. 1756. Beneficiary Monitoring Program

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

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

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

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

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

Sec. 1770. Quarterly Medicaid Policy Changes

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

Sec. 1775. Medicaid Managed Care for Dual Eligibles

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

Sec. 1777. Nursing Home Dining Assistants

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

Sec. 1793. Pilot Project On Preventable Hospitalizations

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

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

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

Sec. 1815. Cap on Health Plan Capitation Withhold

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

Sec. 1820. Recognition of Medicaid Health Plan Accreditation

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

Sec. 1822. Coverage for Mental Health Prescription Drugs

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

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

Requires DCH to continue efforts to standardize forms, formats and documents, and the reporting of accepted and rejected encounter records received in the data warehouse. DCH shall convene a workgroup on making e-billing mandatory and a report will be provided to the Legislature by April 1. Also by April 1, DCH shall provide a report detailing the percentage of Medicaid reimbursement claims that were initially rejected in the first quarter of FY 2012-13.

Sec. 1835. HMO Encounter Data & Administrative Cost Minimization

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

Sec. 1836. Coverage for Certain Optical Services

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

Sec. 1837. Telemedicine and Telepsychiatry Use in Underserved Areas

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

Sec. 1842. Hospital Outpatient Medicaid Rate Adjustment

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

Sec. 1846. Graduate Medical Education Funding Effectiveness

Requires the Department to conduct research on the effectiveness of graduate medical education (GME) funding. The research shall; identify physician shortages; efforts of other states using GME to address shortages; consider policy changes to GME to address shortages. A final report of the research will be produced.

Sec. 1847. Ambulance Quality Assurance Assessment Program

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

Sec. 1850. Eligibility Redetermination by Medicaid Health Plans

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

Sec. 1854. Kidney Dialysis and Renal Care Health Homes

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

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

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

Sec. 1857. Legislative Intent of Wheelchair Reimbursement

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

Sec. 1858. Autism Spectrum Disorder Treatment

Includes treatment for autism spectrum disorders as a required service for those who are Medicaid eligible and are 18 years of age or younger.

Sec. 1860. Nursing Facilities Reimbursement Reports

The Department may receive separate reports from the Health Care Association of Michigan, the Michigan County Medical Care Facility Council, and Aging Services of Michigan regarding each group's proposal in designing and implementing a new reimbursement payment system for nursing facilities. Copies of the reports will be available from the Department by July 1, 2013.

Sec. 1861. Nonemergency Medical Transportation Competitive Bid

Allows nonemergency medical transportation to be competitively bid; may take into consideration a minimum of two bids; one bid must be a public transportation agency; and defines qualified vendor.

Sec. 1862. Obstetrical Rate Increase

Requires the Department to use \$11,901,200 to increase the rates for obstetrical services by 20%.

Sec. 1863. Quality Indicators In HMO Contract Rebid

Requires the Department to study the possibility of including quality indicators to exclude certain Medicaid managed care organizations in the next contract rebidding process.

Sec. 1865. Integrated Care for Dual Eligibles Administration Plan & Organizational Chart

Requires the Department to report on how it intends to administer and oversee a federally approved proposal for integrated care for dual eligibles. The report shall include how the Department intends to organize staff in an integrated manner for effective implementation.

Sec. 1866. Rural Hospital Payments

Requires the Department to award \$12.0 million GF/GP, and any associated federal Medicaid match, to hospitals providing services to low-income rural residents with those hospitals meeting certain criteria established by the

Department. No hospital or hospital system may receive more than 5% of the total distribution and a report is due from the Department by April 1, 2013.

**PART 2A
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2013-2014**

GENERAL SECTIONS

Sec. 2001. Fiscal Year 2013-14 Anticipated Appropriations

Expresses Legislature's intent to provide appropriations for FY 2013-14 for the line items listed in Part 1 for FY 2012-13, except the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. Provides that the adjustments will be determined after the January 2013 Consensus Revenue Estimating Conference.

FY 2011-12 SUPPLEMENTAL ACTIONS

PUBLIC ACT 89 of 2012 SUPPLEMENTAL APPROPRIATIONS

Sec. 301. Hospital Uncompensated Care DSH Funding - VETOED

Requires appropriation of \$10.0 million Gross (\$3,386,000) in the Special Medicaid Reimbursement line to hospitals that meet certain criteria only if there is room in the current year disproportionate share hospital (DSH) pool and if the Centers for Medicare and Medicaid Services approves the distribution methodology. The Department projects that potentially 23 hospitals would benefit from this distribution.

PUBLIC ACT 236 of 2012 SUPPLEMENTAL APPROPRIATIONS

Sec. 221. Contingent Medicaid Pharmacy Dispensing Fees Survey, Services Fee Study and Fee Change

Requires the Department to complete a cost of dispensing survey if the Medicaid prescription pricing methodology is changed to actual or average acquisition cost, evaluate the survey results, and, if appropriate, recommend to the

Legislature and the fiscal agencies an adjustment to the pharmacy dispensing fee. The Department will not be required to complete the survey if the Centers for Medicare and Medicaid Services conducts a national, regional, or state survey.

Sec. 223. "Employment Works!" Policy

Requires DCH's "Employment Works! Policy for individuals who are seriously mentally ill and developmentally disabled define "competitive employment" and "integrated setting" by using the definitions for those terms as listed in 34 CFR 361.

Sec. 224. Medicaid Adult Benefits Waiver Program Assurances

Requires that if the Department opens enrollment in the Medicaid Adult Benefits Waiver program, there is assurance that over enrollment does not occur and that the Department stays within the line appropriation.

PUBLIC ACT 476 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Sec. 401. Medicaid Benefits Trust Fund Withdrawal

Allows the Department of Community Health to withdraw up to \$15.0 million of Medicaid Benefits Trust Fund revenue to finance expenditures within the Health Plan Services appropriation line.