



**FY 2013-14 APPROPRIATION REPORT
DEPARTMENT OF COMMUNITY HEALTH
Public Act 59 of 2013 (Article IV),
FY 2012-13 and FY 2013-14
Supplemental Actions to Date**

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**FY 2013-14 APPROPRIATION REPORT
DEPARTMENT OF COMMUNITY HEALTH
And FY 2012-13 and FY 2013-14 Supplemental Actions to Date**

This document is a technical legislative intent report of the enacted Department of Community Health Fiscal Year 2013-14 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 2012-13 and FY 2013-14 to date 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 Behavioral 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 59 of 2013, Article IV** is the appropriation act for the Department of Community Health that includes authorized funding for FY 2013-14 of \$15.4 billion Gross (\$2.9 billion GF/GP), including one-time basis only appropriations of \$29.9 million Gross (\$11.1 million GF/GP). Highlights of Public Act 59, Article IV and changes from the prior fiscal year follow.

1. Medicaid Expansion

The Executive budget recommendation included budgetary adjustments to reflect expansion of the Medicaid program as allowed under the federal Patient Protection and Affordable Care Act of 2010. P.A. 59 does not include the Executive's Medicaid expansion savings within the Department of Community Health budget which were projected to be \$181.7 million GF/GP and additional federal Medicaid revenue of \$1.5 billion, both covering three quarters of the fiscal year. Across the Department of Community Health and the Department of Corrections, the GF/GP savings were estimated to be \$205.9 million mainly from shifting current state costs to federal revenue, with one half of these savings to be deposited in a Budget Stabilization Fund sub-fund entitled the Michigan Health Savings Fund to pay future state costs when the state share of expansion costs increases from 0% to 5% in 2017 and then 10% in 2020. The expansion of the income criteria for Medicaid eligibility up to 133% of the federal poverty level (FPL) is estimated to qualify an additional 320,000 Michigan residents in FY 2013-14. The assumed expansion start date was January 1, 2014.

Note: While Medicaid Expansion was not included in P.A. 59 of 2013, the Legislature ultimately approved the expansion with P.A. 107 of 2013 (enrolled House Bill 4714). Additional information on P.A. 107 is available on page 8.

2. Medicaid Cost Increases

An increase is included for FY 2013-14 of \$197.9 million Gross (\$68.9 million GF/GP) to cover Medicaid caseload, utilization and inflation changes within Medical Services, Mental Health/Substance Abuse, Children's Special Health Care Services and the Federal Medicare Pharmaceutical programs. A FY 2012-13 Medicaid caseload, utilization and inflation adjustment reducing various Medicaid appropriation lines by \$183.0 million Gross (\$63.1 million GF/GP) is also recognized.

3. Health Insurance Claims Assessment (HICA)

P.A. 59 continues the FY 2012-13 base HICA authorization. In both FY 2011-12 and FY 2012-13 shortfalls occurred in the amount of HICA revenue collected.

4. Healthy Kids Dental Expansion

The statewide phase in of the Healthy Kids Dental program continues by increasing the budget \$11.6 million Gross (\$3.9 million GF/GP). The expansion includes the counties of Ingham, Ottawa and Washtenaw, enrolling an additional 70,500 children.

5. Economic Adjustments

A net increase of \$16,308,500 Gross (\$7,265,800 GF/GP) is included in the budget to finance negotiated lump sum salary and wage increase of 1.0%, insurance rate increases, actuarially-required retirement rate increase, and economic adjustments for worker's compensation, building occupancy, rent, and food costs for FY 2013-14.

6. Community Health Automated Medicaid Processing System (CHAMPS) One-Time Only Appropriation

The FY 2012-13 one-time only appropriation of \$30.0 million Gross (\$3.0 million GF/GP) is eliminated for CHAMPS. A FY 2013-14 one-time only appropriation of \$18.3 million Gross (\$2.3 million GF/GP) is included in the budget in order to finalize implementation of the medical codes for diagnosis and inpatient procedures (ICD-10) as required by federal law.

7. Jail Diversion Programs Initiative

A base funding reduction from Caro Regional Mental Health Center – Psychiatric Hospital and Walter P. Reuther Psychiatric Hospital that is partially financed by \$1.6 million GF/GP from the CMHSP, Purchase of State Services Contract line item is redirected for jail diversion programs initiative that would do the following: create an Advisory Council to advise the Department of Community Health on the state's jail diversion plan; and enhance current jail diversion efforts for individuals with mental illness, emotional disturbance, or developmental disabilities within five communities. Section 500 of Article IV, PA 59 of 2013 is related boilerplate to the new programs initiative and it requires priority be given to county sheriffs, including the St. Joseph County sheriff, and community court or similar projects, including the 36th District Court community court project.

8. Mental Health and Substance Abuse Services for Veterans

The appropriation for the Behavioral Health Program Administration line item is increased by \$60,000 GF/GP to support programs designed to improve mental health and substance abuse service quality for veterans and their families. The funds are to be allocated as follows: \$20,000 for credentialing CMHSPs and Substance Use Disorder (SUD) providers in TriCare, an insurance system that pays for the treatment of active duty/military families; \$10,000 for co-location and/or co-credentialing of CMHSPs and SUD providers by the Veterans Health Administration; \$20,000 for a law enforcement training program in recognizing post-traumatic stress disorder-related behavior; and \$10,000 for military cultural competency for all CMHSPs and at least one SUD provider in each coordinating agency area.

9. Behavioral Health Homes

Funding of \$900,000 Gross (\$90,000 GF/GP) is added to the budget for the implementation of three behavioral health homes demonstration projects ensuring better coordination of physical and behavioral health care for Medicaid beneficiaries with chronic conditions such as asthma, heart disease, obesity, mental condition, or substance use disorder. The demonstration projects will be located in the Washtenaw region (Washtenaw, Livingston, Lenawee, and Monroe counties), Northern Michigan (21 counties which include Manistee, Emmett, and Iosco), and either Saginaw County or the Genesee region (which includes St. Clair, Lapeer, and Sanilac counties).

10. Family Support Subsidy Program

The TANF funding for the Family Support Subsidy Program which provides \$222.11 monthly payment to an average of 7,189 income-eligible families with a child under age 18 living at home who is severely mentally impaired, severely multiply impaired, or autistic is increased by \$203,900, anticipating a 1.1% caseload increase in FY 2013-14.

11. Actuarially Sound Capitation Payment Rates Adjustment

A capitation rate increase of 2.5% for Health Plans and 1.25% for Prepaid Inpatient Health Plans (PIHPs) is included in the budget to ensure that capitation payment rates for these managed care entities are actuarially sound in FY 2013-14. This adjustment results in an additional \$112,546,900 Gross (\$37,905,800 GF/GP) for the Medicaid Mental Health Services, Medicaid Substance Abuse Services, and Health Plan Services line items.

12. Mental Health Services for Special Populations

The FY 2012-13 one-time appropriation of \$3.0 million GF/GP for mental health services for special populations is eliminated and the funds are included in the ongoing appropriation line item. The funding is 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.

13. Mental Health Innovation Grants One-Time Only Appropriation

One-time only FY 2013-14 appropriation of \$5.0 million GF/GP for mental health innovation grants are included in the budget and allocated as follows: \$2.5 million to finance and support home-based mental health services for children; \$1.0 million for care management and treatment of high-risk youth; and \$1.5 million for mental health training and awareness programs in identifying youth with mental health needs. Section 1901 of Article IV, PA 59 of 2012 is related boilerplate for the one-time only appropriation.

14. Health and Wellness Initiatives

One-time funding of \$5.0 million GF/GP is eliminated for health and wellness initiatives, and ongoing funding is increased by \$1.0 million GF/GP for a net \$4.0 million reduction. Most projects funded in FY 2012-13 are funded at reduced levels in FY 2013-14.

15. Fee Increases - Vital Records, EMS Licensure, CON

The budget includes \$3.2 million of additional state restricted revenue from proposed new fees and fee increases to maintain the following programs: emergency medical services (EMS) licensure and regulation (\$1.0 million), certificate of need (CON) (\$700,000), and vital records services (\$1.5 million). Required statutory changes are enacted for CON as Act 137 PA 2013 and for vital records as Act 136 PA 2013, but are not enacted for EMS (HB 4785) as of publication date.

16. HIV/AIDS Drug Assistance

The budget recognizes increased private pharmaceutical manufacturer rebate revenue of \$10.6 million for the HIV/AIDS drug assistance program.

17. Public Health Federal and Private Grants

The budget includes net adjustments of \$2.9 million from federal and private grants for public health programs and for family, maternal, and child health programs, including 10 new grants totaling \$4.0 million, 9 completed grants of \$2.1 million and net adjustments to 8 ongoing grants totaling \$1.0 million.

18. Health Care Service Delivery Innovation Grants

A new Health Innovations Grants program is funded at \$1.5 million GF/GP to address emerging issues and encourage innovative advances in health care and service delivery. The budget allocates \$250,000 of the funds for a chronic disease syndrome study. Section 717 is new boilerplate related to the funding.

19. Michigan Essential Health Provider Program

The budget includes an increase of \$1.0 million Gross (\$500,000 GF/GP) for the Michigan Essential Health Provider program, to assist primary care providers practicing in designated medically underserved and health professional shortage areas in the repayment of health education loans. Section 709 related boilerplate for this program is revised.

20. Essential Local Public Health Services

A \$2.0 million GF/GP funding increase for Essential Local Public Health Services funding to local health departments is included in the budget.

21. Traumatic Brain Injury Treatment Services

New funding of \$1.25 million GF/GP is provided for public health traumatic brain injury treatment services programming.

22. Childhood Lead Program

The budget partially restores funding for the childhood lead poisoning prevention program with a \$582,600 appropriation of available federal Maternal and Child Health Block Grant funding. The program had been significantly reduced in FY 2012-13 due to elimination of federal grants.

23. Lead Abatement

Increased funding of \$1.25 million GF/GP is included in the budget to expand lead abatement efforts under the Healthy Homes program for the safe removal of lead hazards from homes in areas with high incidence of lead-poisoned children, and to coordinate with Michigan Public Service Commission on window replacement. Section 851 is related new boilerplate.

24. Newborn Screening Fee Adjustments

The budget recognizes increased state restricted revenue of \$650,400 from fee adjustments for newborn screening for genetic diseases, including increases recommended by the Newborn Screening Quality Assurance Advisory Committee related to testing changes and program costs, and annual increases authorized by statute to adjust for Consumers Price Index (CPI) changes. \$352,300 is allocated for program services and \$298,100 for related laboratory services.

25. Infant Mortality Reduction Plan

4.0 new FTEs and increased funding of \$2.0 million GF/GP are provided to address infant mortality, to promote regional perinatal care systems, improve health of women of childbearing age, and encourage infant safe sleep practices, pursuant to the state Infant Mortality Reduction Plan of August 2012, Strategies and Goals 2012-2015.

26. Alternative Home Visit and Support Program

The budget provides \$700,000 GF/GP for a new pregnancy and parenting support services program as a pilot project, which promotes childbirth and alternatives to abortion. Section 1136 is related new boilerplate.

27. Infant Mortality Expanded Programming

The budget provides \$500,000 GF/GP to support evidence-based programs to reduce infant mortality including nurse family partnership programs, to enhance support, education, client recruitment, strategic planning, marketing and communications. Section 1137 is related new boilerplate.

28. Autism Center Grants - One-Time Funding

New one-time funding of \$2.0 million GF/GP is provided for four \$500,000 grants to autism education centers and programs at four higher education institutions, including Eastern Michigan University Autism Collaborative Center, recipient of current year \$500,000 GF/GP funding which is continued. Section 1902 is related boilerplate for the new one-time funding.

29. WIC Infrastructure and Children's Summer EBT Pilot

The budget includes a net federal funds increase of \$1.4 million for special projects of the Women, Infants, and Children Special Supplemental Food and Nutrition Program, recognizing completion of infrastructure and electronic benefits transfer (EBT) projects totaling \$1.3 million, and receipt of \$2.7 million federal WIC Summer EBT for Children pilot project grant, first awarded in FY 2010-11 and anticipated to continue.

30. Aging Nutrition Services

A \$500,000 GF/GP funding increase is provided for home-delivered and congregate meals and nutrition services for seniors.

31. Aging Respite Care Fund Shift for GF/GP Savings

The budget replaces \$400,000 of Merit Award Trust Fund state restricted revenue with a like amount of anticipated increased revenue from the state restricted Senior Respite Care Fund, for a net \$0 senior respite care program funding change. The Merit Award Trust Funds are transferred to the Medicaid program to replace GF/GP for savings.

32. Graduate Medical Education

The budget maintains graduate medical education funding.

33. Low-Income Rural Resident Hospitals

The budget maintains the hospital, low-income rural resident payments pool of \$12.0 million and associated federal match. Related boilerplate Section 1866 is modified.

34. Detroit Medical Center Reduction

The budget removes the Detroit Medical Center (DMC) hospital rate adjustment (HRA) payment of \$20.0 million Gross (\$6.7 million GF/GP) which was established in FY 2008-09 due to a conversion from a disproportionate share hospital (DSH) payment not financed with GF/GP. The conversion was due to an effort to establish more room under the DSH ceiling. DMC is the only hospital that receives a GF/GP financed HRA payment.

35. Integration of Care for Dual Eligibles

The budget includes \$24,541,900 Gross (\$8,265,7000 GF/GP) for a partial reinstatement of the \$29.8 million Gross (\$10.1 million GF/GP) which was removed from the FY 2012-13 budget as savings generated by integrating care for dual eligibles. The care integration pilot projects are scheduled to start in April 2014.

36. Transparency Database

Funding of \$300,000 GF/GP is included in the Medical Services Administration line item to create and develop a transparency database website contingent upon enactment of enabling legislation.

FY 2013-14 FUNDING ADJUSTMENTS

Two supplemental funding adjustments have been made to date to the enacted FY 2013-14 Community Health budget, **Public Acts 102 and 107 of 2013**. Additional detail is included within each appropriation section throughout this report.

Public 102 of 2013 (Enrolled House Bill 4112), effective July 3, 2013, provides a FY 2013-14 supplemental appropriation of \$89,300 Gross (all GF/GP) for the Health and Wellness Initiatives line item, to restore funding for the Michigan Care Improvement Immunization Registry (MCIR) to the FY 2012-13 funding level of \$2,092,800.

Public 107 of 2013 (Enrolled House Bill 4714), effective March 14, 2014, includes FY 2013-14 supplemental gross appropriations of \$1,549,115,700 and GF/GP appropriation savings of \$168,552,800 for the DCH. Due to implementation of the Healthy Michigan Plan/Medicaid Reform, funds totaling \$1,684,523,500 Gross (all federal Medicaid revenue) are appropriated for two new line items entitled Mental Health Reform and Medical Services Reform. General fund/general purpose savings of \$175,407,800 is anticipated for the Plan First Family Planning Waiver, Medicaid Adult Benefits Waiver (Mental and Physical Health), and Community Mental Health Non-Medicaid Services line items. An increase in state restricted health insurance claims assessment (HICA) authorization of \$13,145,000 within the Health Plan Services line item is offset with a reduction of \$13,145,000 GF/GP. The funding for the Medical Services Administration line item is increased by \$40.0 million Gross (\$20.0 million) for administering the Medicaid Reform/Healthy Michigan Plan.

FY 2012-13 FUNDING ADJUSTMENTS

Two supplemental funding adjustments have been made to the enacted FY 2012-13 Community Health budget, **Public Act 305 of 2012 and Public Act 102 of 2013**. Additional detail is included within each appropriation section throughout this report.

Public 305 of 2012 (Enrolled House Bill 5400), effective October 1, 2012, provides FY 2012-13 supplemental appropriation of \$2,932,100 Gross (\$0 GF/GP) for the Healthy Homes Program (formerly Lead Abatement Program). In the FY 2012-13 budget, the Governor vetoed funding for the Healthy Homes Program appropriation line item which included an additional \$2.0 million for the lead abatement program recommended by the Legislature. The supplemental restores funding as originally recommended by the Executive in February 2012, and does not include the additional \$2.0 million. The lead abatement and healthy homes program was first established in Michigan in 1994 and supports the following: safe removal of lead hazards from homes in areas of high incidence of blood poisoned children from lead paint, local oversight, education, outreach, certification of persons to perform abatement, and healthy homes indoor environmental asthma, injury, and housing assessment demonstration projects.

Public Act 102 of 2013 (Enrolled House Bill 4112), effective July 3, 2013, provides FY 2012-13 negative supplemental of \$96,589,200 Gross (\$30,270,200 GF/GP). In recognition of lower Medicaid caseload, utilization, and inflation cost projections for Medical Services, Mental Health/Substance Abuse, Children's Special Health Care Services, Federal Medicare Pharmaceutical and School-Based Services programs, various line items were reduced by a net \$157,244,500 Gross (\$50,155,800 GF/GP). State restricted health insurance claims assessment (HICA) authorization of \$137.0 million within the Health Plan Services line item is replaced with \$99.4 million of state restricted Medicaid Benefits Trust Fund revenue and \$37.6 million of Merit Award authorization which satisfies the current estimated HICA shortfall in FY 2012-13. The FY 2012-13 budget savings of \$29,828,700 Gross (\$10,025,400 GF/GP) generated by integrating care for dual eligibles is reinstated as the projects had yet to be started and are not anticipated to produce savings in FY 2013-14.

Various other Medicaid and non-Medicaid adjustments for the nursing home quality assurance assessment program (QAAP) payment adjustment, children's special health care services (CSHCS) eligibles to managed care, civil monetary fund shift between appropriation line items, dental settlement financing fund shift, state psychiatric hospital disproportionate share hospital (DSH) adjustment, enhanced medication program savings and hospital QAAP payment adjustment, results in a net appropriation increase of \$25,816,900 Gross (\$9,860,200 GF/GP). To recognize new private funds available from the Robert Wood Johnson Foundation and the University of Wisconsin Population Health Institute, \$9,700 is appropriated, for the state's use to take action in response to the annual release of County Health Rankings. To recognize private funds that

may become available from the Michigan-Illinois Alliance Medicaid Management Information Systems Project, \$5.0 million is allocated for the Michigan Medicaid Information System line item. This adjustment is consistent with changes included in the FY 2013-14 DCH budget as passed by the Legislature and signed into law by the Governor.

	FY 2012-13	FY 2013-14	FY 2013-14	(S.B. 198) FY 2013-14	FY 2013-14		FY 2013-14 Supplemental	FY 2013-14 Supplemental	FY 2013-14
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14	Appropriations	Appropriations	Year-to-Date
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED	P.A. 102 of 2013	P.A. 107 of 2013	Appropriations
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13	3-Jul-13	16-Sep-13	31-Jan-14
DEPARTMENT OF COMMUNITY HEALTH									
APPROPRIATION SUMMARY:									
Full-time equated unclassified positions	6.0	6.0	6.0	6.0	6.0	6.0	0.0	0.0	6.0
Full-time equated classified positions	3,546.6	3,583.6	3,571.6	3,593.6	3,585.6	3,585.6	0.0	0.0	3,585.6
Average population	893.0	893.0	893.0	893.0	893.0	893.0	0.0	0.0	893.0
GROSS APPROPRIATION	15,029,057,700	16,634,251,000	15,327,024,200	15,365,251,900	15,385,348,600	15,385,348,600	89,300	1,549,115,700	16,934,553,600
Interdepartmental grant revenues:									
Total interdepartmental grants and intradepartmental trans	10,023,800	10,056,100	10,056,100	10,056,100	10,056,100	10,056,100	0	0	10,056,100
ADJUSTED GROSS APPROPRIATION	15,019,033,900	16,624,194,900	15,316,968,100	15,355,195,800	15,375,292,500	15,375,292,500	89,300	1,549,115,700	16,924,497,500
Federal revenues:									
Total federal revenues	9,673,682,000	11,369,087,800	9,862,834,200	9,904,596,700	9,896,101,600	9,896,101,600	0	1,704,523,500	11,600,625,100
Social security act, temporary assistance for needy familie	19,341,500	19,545,400	19,545,400	19,545,400	19,545,400	19,545,400	0	0	19,545,400
Special revenue funds:									
Total local revenues	257,148,600	227,569,500	251,820,200	253,450,100	251,820,200	251,820,200	0	0	251,820,200
Total private revenues	93,364,000	106,333,300	126,342,400	106,342,400	126,342,400	126,342,400	0	0	126,342,400
Merit award trust fund	81,202,200	85,834,700	85,834,700	136,934,700	85,834,700	85,834,700	0	0	85,834,700
Total other state restricted revenues	2,076,857,800	2,090,291,700	2,079,589,500	2,089,583,500	2,079,601,100	2,079,601,100	0	13,145,000	2,092,746,100
State general fund/general purpose	2,817,437,800	2,725,532,500	2,891,001,700	2,844,743,000	2,916,047,100	2,916,047,100	89,300	(168,552,800)	2,747,583,600
NOTES:									
1) Executive Recommendation appropriation summary shown reflects calculated totals. As introduced in the Executive budget bill, federal revenue is overstated by \$3,836,700, local revenue is understated by \$23,900, and state restricted revenue is understated by \$3,812,800.									
2) Supplemental P. A. 107 was enacted on September 16, 2013. The effective date of P. A. 107 is March 14, 2014. Appropriation adjustments are also effective March 14, 2014. The related federal waiver is approved as of December 30, 2013, and implementation and open enrollment are planned to begin on April 1, 2014.									

SEC. 102. DEPARTMENTWIDE ADMINISTRATION

Funding for the Director and Other Unclassified line item is increased by \$7,000 GF/GP to finance a negotiated 1.0% lump sum payment for unclassified FTE positions.

Funding for the Departmental Administration and Management line item is increased by \$85,200 Gross (\$52,700 GF/GP) to finance a negotiated a 1.0% lump sum payment for nonexclusively represented employees (NEREs) and unionized employees. Employee defined benefit retirement costs supported by the Departmental Administration and Management line item are increased by \$97,100 Gross (\$60,500 GF/GP). Employee defined contribution retirement costs supported by the Departmental Administration and Management line item are increased by \$230,400 Gross (\$143,400 GF/GP). Other post-employment benefit (OPEB) costs supporting the Departmental Administration and Management line item are increased by \$72,800 Gross (\$45,800 GF/GP). Using a 1.6% weighted average factor for all insurances, employee insurance costs supported by the Departmental Administration and Management line item are increased by \$28,100 Gross (\$17,400 GF/GP).

As an economic adjustment for Michigan Administrative Hearing System, funds for the Departmental Administration and Management line item are increased by \$69,400 Gross (\$34,700 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 \$33,700 Gross (\$16,800 GF/GP) for OPEB costs. As a technical adjustment, funding of \$1,180,800 GF/GP for 10.0 FTE positions is transferred from the Medical Services Administration line item to the Departmental Administration and Management line item for the establishment of the Office of Transformation within the Department of Community Health. Activities of the Office will focus on the collection and use of data to support health care innovation, integration, and service delivery within and outside of the DCH.

As an economic adjustment, funds for the Worker's Compensation Program line item are reduced by \$649,800 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 \$239,300 Gross (\$155,800 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 increased by \$165,500 Gross (\$120,100

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 \$6,100 Gross (all federal revenue) to finance a negotiated 1.0% lump sum payment for NEREs and unionized employees. Employee defined benefit retirement costs supported by the Developmental Disabilities Council and Projects line item are increased by \$5,300 Gross (all federal revenue). Employee defined contribution retirement costs supported by the Developmental Disabilities Council and Projects line item are increased by \$19,500 Gross (all federal revenue). Using a 1.6% weighted average factor for all insurances, employee insurance costs supported by the Developmental Disabilities Council and Projects line item are increased by \$1,900 Gross (all federal revenue). The OPEB costs supporting the Developmental Disabilities Council and Projects line item are increased by \$5,000 Gross (all federal revenue).

	FY 2012-13	FY 2013-14	FY 2013-14	(S.B. 198) FY 2013-14	FY 2013-14	FY 2013-14
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 102. DEPARTMENTWIDE ADMINISTRATION						
Full-time equated unclassified positions	6.0	6.0	6.0	6.0	6.0	6.0
Full-time equated classified positions	176.7	176.7	176.7	176.7	186.7	186.7
Director and other unclassified--* FTE positions	700,000	707,000	707,000	707,000	707,000	707,000
* positions in above line	6.0	6.0	6.0	6.0	6.0	6.0
Departmental administration and management--* FTE positions	24,453,200	25,069,900	25,069,900	25,069,900	26,250,700	26,250,700
* positions in above line	166.7	166.7	166.7	166.7	176.7	176.7
Worker's compensation program	7,612,800	6,963,000	6,963,000	6,963,000	6,963,000	6,963,000
Rent and building occupancy	9,386,500	9,791,300	9,791,300	9,791,300	9,791,300	9,791,300
Developmental disabilities council and projects--* FTE positions	2,986,900	3,024,700	3,024,700	3,024,700	3,024,700	3,024,700
* positions in above line	10.0	10.0	10.0	10.0	10.0	10.0
Human trafficking intervention services	0	0	0	100	0	0
GROSS APPROPRIATION	45,139,400	45,555,900	45,555,900	45,556,000	46,736,700	46,736,700
Appropriated from:						
Federal revenues:						
Total federal revenues	14,797,300	15,196,600	15,196,600	15,196,600	15,196,600	15,196,600
Special revenue funds:						
Total private revenues	34,600	35,200	35,200	35,200	35,200	35,200
Total other state restricted revenues	780,500	792,700	792,700	792,700	792,700	792,700
State general fund/general purpose	29,527,000	29,531,400	29,531,400	29,531,500	30,712,200	30,712,200

BEHAVIORAL HEALTH

	FY 2012-13	FY 2013-14	FY 2013-14	(S.B. 198) FY 2013-14	FY 2013-14	
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
MENTAL HEALTH APPROPRIATION SUMMARY:						
Full-time equated classified positions	2,243.4	2,244.4	2,244.4	2,243.4	2,244.4	2,244.4
Average population	893.0	893.0	893.0	893.0	893.0	893.0
GROSS APPROPRIATION	3,142,121,300	3,172,608,400	3,172,771,700	3,174,461,600	3,139,586,300	3,139,586,300
Interdepartmental grant revenues:						
Total interdepartmental grants and intradepartmental trans	6,194,900	6,194,900	6,194,900	6,194,900	6,194,900	6,194,900
ADJUSTED GROSS APPROPRIATION	3,135,926,400	3,166,413,500	3,166,576,800	3,168,266,700	3,133,391,400	3,133,391,400
Federal revenues:						
Total federal revenues	1,653,833,800	1,673,601,900	1,673,818,500	1,673,818,500	1,649,780,600	1,649,780,600
Social security act, temporary assistance for needy familie	19,341,500	19,545,400	19,545,400	19,545,400	19,545,400	19,545,400
Special revenue funds:						
Total local revenues	188,538,800	182,154,300	182,154,300	183,784,200	182,154,300	182,154,300
Total private revenues	1,400,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Total other state restricted revenues	41,799,200	42,013,300	42,013,300	42,013,300	42,013,300	42,013,300
State general fund/general purpose	1,231,013,100	1,247,898,600	1,247,845,300	1,247,905,300	1,238,697,800	1,238,697,800

SEC. 103. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS

Funding for the Behavioral Health Program Administration line item is reduced by \$200,000 to recognize completion of the private State Epidemiological Outcome Workgroup grant. The grant funds were used as follows: to continue substance abuse assessment, monitoring, and surveillance by using the federal “Strategic Prevention Framework” (SPF) in order to institutionalize data-driven decision making; and assess and learn how the Outcome Workgroup, through implementation of the SPF process, has influenced state and community level prevention planning. The Behavioral Health Program Administration appropriation line item is increased by \$60,000 Gross (all GF/GP) to improve mental health and substance abuse service quality for veterans and their families. The funds are to be allocated as follows: \$20,000 for credentialing CMHSPs and Substance Use Disorder (SUD) providers in TriCare, an insurance system that pays for the treatment of active duty/military families; \$10,000 for co-location and/or co-credentialing of CMHSPs and SUD providers by the Veterans Health Administration; \$20,000 for a law enforcement training program in recognizing post-traumatic stress disorder-related behavior; and \$10,000 for military cultural competency for all CMHSPs and at least one SUD provider in each coordinating agency area.

Base funding is redirected from Caro Regional Mental Health Center – Psychiatric Hospital - Adult and Walter P. Reuther Psychiatric Hospital - Adult to the Behavioral Health Program Administration line item that is financed by \$1,630,000 GF/GP from the CMHSP, Purchase of State Services Contracts line item for a jail diversion programs initiative. The funds support 1.0 FTE position and are to be used as follows: create an Advisory Council to advise the Department of Community Health on the state’s jail diversion plan; and enhance current jail diversion efforts for individuals with mental illness, emotional disturbance, or developmental disabilities within five communities. Section 500 of Article IV, PA 59 of 2013 is related boilerplate to the new programs initiative and it requires priority be given to county sheriffs, including the St. Joseph County Sheriff, and community court or similar projects, including the 36th District Court Community Court Project.

Funding for the Behavioral Health Program Administration line item is increased by \$64,800 Gross (\$48,700 GF/GP) to finance a negotiated 1.0% lump sum payment for NEREs and unionized employees. Employee defined benefit retirement costs supported by the Behavioral Health Program Administration line item are increased by \$68,300 Gross (\$51,400 GF/GP). Employee defined contribution retirement costs supported by the Behavioral Health Program Administration line item are increased by \$184,000 Gross (\$138,400 GF/GP). Using a 1.6% weighted average reduction factor for all insurances, employee insurance costs supported by the Behavioral Health Program Administration line item are increased by \$17,800 Gross (\$13,400 GF/GP). The OPEB costs supporting the Behavioral Health Program Administration line item are increased by \$54,100 Gross (\$40,700 GF/GP).

Funding for the Gambling Addiction line item is increased by \$400 Gross (all state restricted revenue) to finance a negotiated 1.0% lump sum payment for one FTE position. Employee defined contribution retirement costs supporting the Gambling Addiction line item are increased by \$1,900 Gross (all state restricted revenue). The OPEB costs supporting the Gambling Addiction line item are increased by \$400 Gross (all state restricted revenue). Using a 1.6% weighted average factor for all insurances, employee insurance costs supporting the Gambling Addiction line item are increased by \$100 Gross (all state restricted revenue).

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

As 16 state-administered residential leases in Oakland County and 2 residential leases in Macomb County have expired, \$557,000 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 reduced by \$1,630,400 to recognize completion of the federal Medicaid Infrastructure grant. These federal funds were used to identify and address barriers to employment for individuals with disabilities which included designing a plan for system changes that would more effectively support employment opportunities. Funding for the Federal and Other Special Projects line item is increased by \$1.2 million to recognize a new federal Strategic Prevention Framework for Success II grant. The federal funds will be used for the coordination of activities related to underage drinking among persons aged 12 to 20, and prescription drug misuse among persons aged 12 to 25. The grant period is September 30, 2013 through September 29, 2015.

The TANF revenue authorization for the Family Support Subsidy line item is increased by \$203,900 anticipating a 1.0% caseload increase in FY 2013-14.

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

				(S.B. 198)		
	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 103. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS						
Full-time equated classified positions	103.0	104.0	104.0	103.0	104.0	104.0
Behavioral health program administration--* FTE positions	17,810,400	19,689,400	19,629,400	18,059,500	19,689,400	19,689,400
* positions in above line	102.0	103.0	103.0	102.0	103.0	103.0
Gambling addiction--* FTE positions	3,000,000	3,002,800	3,002,800	3,002,800	3,002,800	3,002,800
* positions in above line	1.0	1.0	1.0	1.0	1.0	1.0
Protection and advocacy services support	194,400	194,400	194,400	194,400	194,400	194,400
Community residential and support services	1,549,100	992,100	992,100	992,100	992,100	992,100
Federal and other special projects	3,541,600	2,861,200	3,111,200	3,111,200	3,111,200	3,111,200
Family support subsidy	19,161,000	19,364,900	19,364,900	19,364,900	19,364,900	19,364,900
Housing and support services	11,322,500	11,322,500	11,322,500	11,322,500	11,322,500	11,322,500
GROSS APPROPRIATION	56,579,000	57,427,300	57,617,300	56,047,400	57,677,300	57,677,300
Appropriated from:						
Federal revenues:						
Total federal revenues	20,260,000	19,676,000	19,926,000	19,926,000	19,926,000	19,926,000
Social security act, temporary assistance for needy familie	19,341,500	19,545,400	19,545,400	19,545,400	19,545,400	19,545,400
Special revenue funds:						
Total private revenues	400,000	200,000	200,000	200,000	200,000	200,000
Total other state restricted revenues	3,000,000	3,002,800	3,002,800	3,002,800	3,002,800	3,002,800
State general fund/general purpose	13,577,500	15,003,100	14,943,100	13,373,200	15,003,100	15,003,100

SEC. 104. BEHAVIORAL HEALTH SERVICES

The budget includes a decrease of \$1,416,900 in federal Medicaid revenue supporting the Medicaid Mental Health Services line item, in conjunction with a corresponding increase in GF/GP, to recognize the Medicaid match rate change from 66.39% to 66.32%. Funds for the Medicaid Mental Health Services line item are reduced by \$15,681,400 Gross (\$5,281,500 GF/GP) to reflect a decline in the caseload Medicaid eligible growth from 1,841,699 in FY 2010-11 to 1,820,331 in FY 2011-12. Funds for the Medicaid Mental Health Services line item are reduced by \$18,577,500 Gross (\$6,256,900 GF/GP) based on Medicaid consensus expenditures agreed to by the House and Senate Fiscal Agencies, and State Budget Office on May 10, 2013. The budget includes a decrease of \$16,700 in QAAP revenue supporting the Medicaid Mental Health Service line item, in conjunction with a corresponding increase in GF/GP, to recognize the Medicaid match rate change from 66.39% to 66.32% on the state retainer for PIHPs hospital reimbursement adjustor payment. The budget includes a decrease of \$31,500 in federal Medicaid revenue supporting the Medicaid Mental Health Services line item, in conjunction with a corresponding increase in GF/GP, to recognize the Medicaid match rate change from 66.39% to 66.32% on the provider benefit for PIHPs hospital reimbursement adjustor payment.

Funds for the Medicaid Mental Health Services line item are increased by \$26,262,800 Gross (\$8,845,300 GF/GP) to recognize a 1.25% capitation rate increase for PIHPs and ensure that the payment rates for this managed care entity are actuarially sound in FY 2013-14. Funds for the Medicaid Mental Health Services line item are increased by \$900,000 Gross (\$90,000 GF/GP) for the implementation of three behavioral health homes demonstration projects ensuring better coordination of physical and behavioral health care for Medicaid beneficiaries with chronic conditions such as asthma, heart disease, obesity, mental condition, or substance abuse disorder. The demonstration projects will be located in the Washtenaw region (Washtenaw, Livingston, Lenawee, and Monroe counties), Northern Michigan (21 counties which include Manistee, Emmett, and Iosco), and either Saginaw County or the Genesee region (which includes St. Clair, Lapeer, and Sanilac counties).

As 16 state-administered residential leases in Oakland County and 2 residential leases in Macomb County have expired, \$557,000 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. Funds totaling \$8,995,500 Gross (all GF/GP) is redirected from the CMHSP, Purchase of State Services Contracts line item to the Community Mental Health Non-Medicaid Services line item, enabling CMHSPs to provide services to individuals with mental illness who are not covered by Medicaid or who require services that are not benefits under the state Medicaid plan in the community. This budgetary adjustment recognizes changes in the utilization of days of care at state-operated psychiatric hospitals by CMHSPs from FY 2005-06 through FY 2010-11.

The federal Medicaid revenue supporting the Medicaid Adult Benefits Waiver line item is reduced by \$66,500 to recognize a decrease in the match rate from 66.39% to 66.32%.

Based on the Leadership Target Agreement, the FY 2012-13 one-time appropriation of \$3.0 million GF/GP is eliminated and added to the ongoing Mental Health Services for Special Populations appropriation of \$5,842,800 GF/GP.

The federal Medicaid revenue supporting the Medicaid Substance Abuse Services line item is reduced by \$32,900, in conjunction with a corresponding increase in GF/GP, to recognize a change in the Medicaid match rate from 66.39% to 66.32%. Funds for the Medicaid Substance Abuse Services line item are reduced by \$506,500 Gross (\$170,300 GF/GP) to reflect a decline in the caseload from 1,841,699 in FY 2011-12 to 1,820,331 in FY 2012-13. Funds for the Medicaid Substance Abuse Services line item are reduced by \$967,800 Gross (\$325,900 GF/GP) based on Medicaid consensus expenditures agreed to by the House and Senate Fiscal Agencies, and State Budget Office on May 10, 2013. Funding for the Medicaid Substance Abuse Services line item is increased by \$625,200 Gross (\$210,600 GF/GP) to recognize a 1.25% capitation rate increase for PIHPs and ensure payment rates are actuarially sound in FY 2013-14.

Funding for the CMHSP, Purchase of State Services Contracts line item is increased by \$34,900 Gross (all GF/GP) to recognize the federal Medicaid match rate change from 66.39% to 66.32% for state-operated psychiatric hospitals. Funds totaling \$8,995,500 GF/GP is redirected from the CMHSP, Purchase of State Services Contracts line item to the Community Mental Health Non-Medicaid Services line item, enabling CMHSPs to provide services to individuals with mental illness who are not covered by Medicaid or who require services that are not benefits under the state Medicaid plan in the community. This budgetary adjustment recognizes changes in the utilization of days of care at state-operated hospitals by CMHSPs from FY 2005-06 through FY 2010-11.

Funding for the CMHSP, Purchase of State Services Contracts line item is reduced by \$1,630,000 GF/GP to reflect base funding reductions for Caro Regional Mental Health Center – Psychiatric Hospital - Adult and Walter P. Reuther Psychiatric Hospital - Adult. The GF/GP funds are then redirected to the Behavioral Health Program Administration line item for the Jail Diversion Programs initiative. Funding for the CMHSP, Purchase of State Services Contracts line item is increased by \$3,749,700 Gross (all GF/GP) to recognize the following economic adjustments for state-operated psychiatric hospitals: (1) an increase of \$585,500 to finance a negotiated 1.0% lump sum payment for NEREs and unionized employees; (2) an increase of \$387,000 for employee defined benefit retirement costs; (3) an increase of \$2,072,400 for employee defined contribution retirement costs; (4) an increase of \$193,100 for employee insurance costs; (5) an increase of \$33,400 for clients food costs; and (6) an increase of \$478,300 for other post-employment benefit (OPEB) costs.

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 \$2,500 Gross (all federal revenue) to finance a negotiated 1.0% lump sum payment for NEREs and unionized employees. Employee defined benefit retirement costs supporting the Federal Mental Health Block Grant line item are increased by \$2,600 Gross (all federal revenue). Employee defined contribution retirement costs supporting the Federal Mental Health Block Grant line item are increased by \$7,000 Gross (all federal revenue). Using a 1.6% weighted average factor for all insurances, employee insurance costs supporting the Federal Mental Health Block Grant line item are increased by \$900 Gross (all federal revenue). Other post-employment benefit (OPEB) costs supporting the Federal Mental Health Block Grant line item are increased by \$2,100 Gross (all federal revenue).

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 reduced by \$6,600, in conjunction with a corresponding increase in GF/GP, to recognize a match rate change from 66.39% to 66.32% for the Adults Benefit Waiver component of these programs.

The federal Medicaid revenue supporting the Children's Waiver Home Care Program line item is increased by \$2,100,100 in recognition of cost adjustor payments to CMHSPs that partially cover the costs of home- and community-based services provided by CMHSPs and funded with non-Medicaid resources. The federal Medicaid revenue supporting the Children's Waiver Home Care Program line item is reduced by \$14,400, in conjunction with a corresponding increase in GF/GP, to recognize the match rate change from 66.39% to 66.32%.

Funding for the Nursing Home PAS/ARR-OBRA line item is increased by \$3,000 Gross (\$1,300 GF/GP) to finance a negotiated 1.0% lump sum payment for NEREs and unionized employees. Employee defined benefit retirement costs supported by the Nursing Home PAS/ARR-OBRA line item are increased by \$3,000 Gross (\$1,300 GF/GP). Employee defined contribution retirement costs supported by the Nursing Home PAS/ARR-OBRA line item are increased by \$9,100 Gross (\$3,900 GF/GP). Using a 1.6% weighted average factor for all insurances, employee insurance costs supported by the Nursing Home PAS/ARR-OBRA line item are increased by \$800 Gross (\$300 GF/GP). Other post-employment benefit (OPEB) costs supporting the Nursing Home PAS/ARR-OBRA line item are increased by \$2,600 Gross (\$1,100 GF/GP). The federal Medicaid revenue supporting the Nursing Home PAS/ARR-OBRA line item is reduced by \$10,000, in conjunction with a corresponding increase in GF/GP, to recognize the match rate change from 66.39% to 66.32%.

The federal Medicaid revenue supporting the Children with Serious Emotional Disturbance Waiver line item is reduced by \$9,900, in conjunction with a corresponding increase in GF/GP, to recognize the match rate change from 66.39% to 66.32%.

FY 2012-13 SUPPLEMENTAL ACTIONS

PUBLIC ACT 102 of 2013 SUPPLEMENTAL APPROPRIATIONS

Public Act 102 of 2013 reduces FY 2012-13 funding for the Medicaid Mental Health Services line item by \$50,386,300 Gross (\$16,768,800 GF/GP) to reflect caseload, utilization, and inflation costs as determined at the May 10, 2013 Medicaid consensus meeting between the House and Senate Fiscal Agencies, and State Budget Office.

Public Act 102 of 2013 reduces FY 2012-13 funding for the Medicaid Substance Abuse Services line item by \$2,843,000 Gross (\$1,121,600 GF/GP) to reflect caseload, utilization, and inflation costs as determined at the May 10, 2013 Medicaid consensus meeting between the House and Senate Fiscal Agencies, and State Budget Office.

	FY 2012-13	FY 2013-14	FY 2013-14	(S.B. 198) FY 2013-14	FY 2013-14	FY 2013-14
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 104. BEHAVIORAL HEALTH SERVICES						
Full-time equated classified positions	9.5	9.5	9.5	9.5	9.5	9.5
Medicaid mental health services	2,160,013,200	2,187,650,100	2,187,650,100	2,187,650,100	2,152,917,100	2,152,917,100
Community mental health non-Medicaid services	274,136,200	283,688,700	283,688,700	283,688,700	283,688,700	283,688,700
Medicaid adult benefits waiver	32,056,100	31,989,600	31,989,600	31,989,600	31,989,600	31,989,600
Mental health services for special populations	5,842,800	5,842,800	5,842,800	5,842,900	8,842,800	8,842,800
Medicaid substance abuse services	47,033,500	47,696,700	47,696,700	47,696,700	46,184,400	46,184,400
CMHSP, purchase of state services contracts	144,602,500	137,761,600	137,761,600	139,391,500	137,761,600	137,761,600
Civil service charges	1,499,300	1,499,300	1,499,300	1,499,300	1,499,300	1,499,300
Federal mental health block grant--* FTE positions	15,424,900	15,440,000	15,440,000	15,440,000	15,440,000	15,440,000
* positions in above line	2.5	2.5	2.5	2.5	2.5	2.5
State disability assistance program substance abuse serv	2,018,800	2,018,800	2,018,800	2,018,800	2,018,800	2,018,800
Community substance abuse prevention, education, and tr	80,093,000	80,119,900	80,093,000	80,093,000	80,093,000	80,093,000
Children's waiver home care program	19,444,800	21,544,800	21,544,900	21,544,900	21,544,900	21,544,900
Nursing home PAS/ARR-OBRA--* FTE positions	12,233,600	12,252,100	12,252,100	12,252,100	12,252,100	12,252,100
* positions in above line	7.0	7.0	7.0	7.0	7.0	7.0
Children with serious emotional disturbance waiver	12,651,000	12,651,000	12,651,000	12,651,000	12,651,000	12,651,000
Family independence program recipient substance abuse	0	0	100	0	0	0
GROSS APPROPRIATION	2,807,049,700	2,840,155,400	2,840,128,700	2,841,758,600	2,806,883,300	2,806,883,300
Appropriated from:						
Interdepartmental grant revenues:						
Interdepartmental grant from the department of human ser	6,194,900	6,194,900	6,194,900	6,194,900	6,194,900	6,194,900
Federal revenues:						
Total federal revenues	1,599,844,700	1,619,396,600	1,619,363,200	1,619,363,200	1,595,325,300	1,595,325,300
Special revenue funds:						
Total local revenues	25,228,900	25,228,900	25,228,900	25,228,900	25,228,900	25,228,900
Total other state restricted revenues	22,261,900	22,276,700	22,276,700	22,276,700	22,276,700	22,276,700
State general fund/general purpose	1,153,519,300	1,167,058,300	1,167,065,000	1,168,694,900	1,157,857,500	1,157,857,500

SEC. 105. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Funding for state-operated psychiatric hospitals is reduced by \$8,995,500 Gross (all CMHSP, Purchase of State Services Contracts revenue) to recognize changes in the utilization of days of care by CMHSPs from FY 2005-06 through FY 2010-11. The funds are then redirected to the Community Mental Health Non-Medicaid Services line item, enabling CMHSPs to provide services to individuals with mental illness who are not covered by Medicaid or who require services that are not benefits under the state Medicaid plan in the community. (This adjustment is related to the \$8,995,500 decrease in funding for the CMHSP, Purchase of State Services Contracts line item within the Behavioral Health Services appropriation unit.) As a technical adjustment, the CMHSP, Purchase of State Services Contracts revenue authorization for state-operated hospitals is realigned as follows: \$5,190,700 reduction for Caro Regional Mental Health Center – Psychiatric Hospital - Adult; \$6,919,600 increase for Kalamazoo Psychiatric Hospital – Adult; 2,236,900 reduction for Walter P. Reuther Psychiatric Hospital – Adult; and \$508,000 increase for Hawthorn Center – Psychiatric Hospital – Children and Adolescents. The federal Medicaid revenue supporting state-operated psychiatric hospitals is reduced by \$34,900, in conjunction with a corresponding increase in the CMHSP, Purchase of State Services Contract revenue, to recognize a decrease in the match rate from 66.39% to 66.32%. (This adjustment is related to the \$34,900 increase in funding for the CMHSP, Purchase of State Services Contracts line item within the Behavioral Health Services appropriation unit.)

Funding for state-operated psychiatric hospitals is increased by \$785,300 Gross (\$585,500 CMHSP, Purchase of State Services Contracts revenue) to finance a negotiated 1.0% lump sum payment for NEREs and unionized employees (This adjustment is part of the \$3,749,900 increase in funding for the CMHSP, Purchase of State Services Contracts line item within the Behavioral Health Services appropriation unit.) Employee defined benefit retirement costs supporting state-operated psychiatric hospitals are increased by \$537,400 Gross (\$387,000 CMHSP, Purchase of State Services Contracts revenue). (This adjustment is part of the \$3,749,900 increase in funding for the CMHSP, Purchase of State Services Contracts line item within the Behavioral Health Services appropriation unit.) Employee defined contribution retirement costs supporting state-operated psychiatric hospitals are increased by \$2,818,800 Gross (\$2,072,400 CMHSP, Purchase of State Services Contracts revenue). (This adjustment is part of the \$3,749,900 increase in funding for the CMHSP, Purchase of State Services Contracts line item within the Behavioral Health Services appropriation unit.)

Using a 1.6% weighted average factor for all insurances, employee insurance costs supporting state-operated psychiatric hospitals are increased by \$259,000 Gross (\$193,100 CMHSP, Purchase of State Services Contracts revenue). (This adjustment is part of the \$3,749,900 increase in funding for the CMHSP, Purchase of State Services Contracts line item within the Behavioral Health Services appropriation unit.) Using a 1.3% weighted average factor for food costs at institutions providing 24-hour care to clients, funding for state-operated psychiatric hospitals is increased by \$44,200 Gross (\$33,400

CMHSP, Purchase of State Services Contracts revenue). (This adjustment is part of the \$3,749,700 increase in funding for the CMHSP, Purchase of State Services Contracts line item within the Behavioral Health Services appropriation unit.) Other post-employment benefit (OPEB) costs of \$655,700 Gross (\$478,300 CMHSP, Purchase of State Services Contracts revenue) are recognized for state-operated psychiatric hospitals. (This adjustment is part of the \$3,749,700 increase for CMHSP, Purchase of State Services Contracts line item within the Behavioral Health Services appropriation unit.) Base funding for Caro Regional Mental Health – Psychiatric Hospital – Adult and Walter P. Reuther Psychiatric Hospital – Adult by respectively \$1,130,000 and \$500,000 (all CMHSP, Purchase of State Services Contracts revenue). The GF/GP funding of \$1,630,000 from the CMHSP, Purchase of State Services Contracts line item within the Behavioral Health Services appropriation unit is then redirected to the Behavioral Health Program Administration line item for the Jail Diversion Programs initiative.

Funds for the Center for Forensic Psychiatry line item are increased by \$349,700 Gross (\$314,000 GF/GP) to finance a negotiated 1.0% lump sum payment for NEREs and unionized employees. Employee defined benefit retirement costs supporting the Center for Forensic Psychiatry line item are increased by \$182,900 Gross (\$170,700 GF/GP). Employee defined contribution retirement costs supporting the Center for Forensic Psychiatry line item are increased by \$884,200 Gross (\$836,200 GF/GP). Employee supplemental retirement costs supporting the Center for Forensic Psychiatry line item are increased by \$237,000 Gross (\$221,200 GF/GP). Employees of the Department of Corrections are covered by a different retirement plan. Using a 1.6% weighted average factor for all insurances, employee insurance costs supporting the Center for Forensic Psychiatry line item are increased by \$103,000 Gross (\$96,100 GF/GP). Using a 1.3% 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 \$9,300 Gross (\$9,200 GF/GP). In recognition of other post-employment benefit (OPEB) costs, funding for the Center for Forensic Psychiatry line item is increased by \$292,100 Gross (\$273,500 GF/GP).

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

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

The enacted budget includes no changes for the Special Maintenance 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.

				(S.B. 198)		
	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 105. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES						
Total average population	893.0	893.0	893.0	893.0	893.0	893.0
Full-time equated classified positions	2,130.9	2,130.9	2,130.9	2,130.9	2,130.9	2,130.9
Caro Regional Mental Health Center - psychiatric hospital	62,292,300	60,210,400	55,019,700	56,149,600	55,019,700	55,019,700
* positions in above line	461.3	461	461.3	461.3	461.3	461.3
Average population	185.0	185	185.0	185.0	185.0	185.0
Kalamazoo Psychiatric Hospital - adult--* FTE positions	60,127,200	56,729,700	63,649,300	63,649,300	63,649,300	63,649,300
* positions in above line	466.1	466	466.1	466.1	466.1	466.1
Average population	189.0	189	189.0	189.0	189.0	189.0
Walter P. Reuther Psychiatric Hospital - adult--* FTE posit	55,662,500	56,323,900	54,087,000	54,587,000	54,087,000	54,087,000
* positions in above line	420.8	421	420.8	420.8	420.8	420.8
Average population	234.0	234	234.0	234.0	234.0	234.0
Hawthorn Center - psychiatric hospital - children and adole	28,632,900	27,925,800	28,433,800	28,433,800	28,433,800	28,433,800
* positions in above line	226.4	226	226.4	226.4	226.4	226.4
Average population	75.0	75	75.0	75.0	75.0	75.0
Center for forensic psychiatry--* FTE positions	69,129,600	71,187,800	71,187,800	71,187,800	71,187,800	71,187,800
* positions in above line	556.3	556	556.3	556.3	556.3	556.3
Average population	210.0	210	210.0	210.0	210.0	210.0
Revenue recapture	750,000	750,000	750,000	750,000	750,000	750,000
IDEA, federal special education	120,000	120,000	120,000	120,000	120,000	120,000
Special maintenance	332,500	332,500	332,500	332,500	332,500	332,500
Purchase of medical services for residents of hospitals an	445,600	445,600	445,600	445,600	445,600	445,600
Gifts and bequests for patient living and treatment environ	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
GROSS APPROPRIATION	278,492,600	275,025,700	275,025,700	276,655,600	275,025,700	275,025,700
Appropriated from:						
Federal revenues:						
Total federal revenues	33,729,100	34,529,300	34,529,300	34,529,300	34,529,300	34,529,300
Special revenue funds:						
CMHSP, purchase of state services contracts	144,602,500	137,761,600	137,761,600	139,391,500	137,761,600	137,761,600
Other local revenues	18,707,400	19,163,800	19,163,800	19,163,800	19,163,800	19,163,800
Total private revenues	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total other state restricted revenues	16,537,300	16,733,800	16,733,800	16,733,800	16,733,800	16,733,800
State general fund/general purpose	63,916,300	65,837,200	65,837,200	65,837,200	65,837,200	65,837,200

PUBLIC HEALTH

				(S.B. 198)			FY 2013-14	
FY 2013-14	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	Supplemental	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14	Appropriations	Year-to-Date
DEPARTMENT OF COMMUNITY HEALTH	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED	P.A. 102 of 2013	Appropriations
	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13	3-Jul-13	31-Jan-14
PUBLIC HEALTH APPROPRIATION SUMMARY:								
Full-time equated classified positions	587.2	596.2	592.2	615.2	596.2	596.2	0.0	596.2
GROSS APPROPRIATION	579,861,200	607,859,500	605,225,600	605,070,600	614,875,500	614,875,500	89,300	614,964,800
Interdepartmental grant revenues:								
Total interdepartmental grants and intradepartmental trans	3,809,200	3,861,200	3,861,200	3,861,200	3,861,200	3,861,200	0	3,861,200
ADJUSTED GROSS APPROPRIATION	576,052,000	603,998,300	601,364,400	601,209,400	611,014,300	611,014,300	89,300	611,103,600
Federal revenues:								
Total federal revenues	384,509,600	387,985,300	390,301,300	390,801,300	390,801,300	390,801,300	0	390,801,300
Special revenue funds:								
Total private revenues	88,054,300	101,223,800	101,223,800	101,223,800	101,223,800	101,223,800	0	101,223,800
Total local revenues	5,225,000	5,225,000	5,225,000	5,225,000	5,225,000	5,225,000	0	5,225,000
Total other state restricted revenues	39,728,900	44,077,200	44,077,200	40,871,100	44,077,200	44,077,200	0	44,077,200
State general fund/general purpose	58,534,200	65,487,000	60,537,100	63,088,200	69,687,000	69,687,000	89,300	69,776,300

SEC. 106. PUBLIC HEALTH ADMINISTRATION

The Public Health Administration line item is adjusted for employee-related economics including an increase of \$10,100 Gross (\$8,600 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$18,000 Gross (\$15,300 GF/GP) for defined benefit retirement costs, an increase of \$14,000 Gross (\$11,900 GF/GP) for defined contribution retirement costs, and an increase of \$1,400 Gross (\$1,200 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$8,500 Gross (\$7,200 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. Federal funds authorization is removed from the line item with a reduction of \$96,500 Gross (\$0 GF/GP) as no federal grant fund revenues are anticipated in FY 2013-14 for this line item.

The Health and Wellness Initiatives line item is adjusted for employee-related economics including an increase of \$6,500 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$3,200 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$26,000 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$2,000 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$5,500 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. FTEs for the line item are increased by 1.0 FTE for a public health consultant position for a project to regionalize perinatal care systems, funded by Healthy Michigan Funds beginning in FY 2012-13. The line item is increased by \$1,000,000 Gross (all GF/GP) to partially offset the elimination of one-time funding of \$5.0 million Gross (all GF/GP) for Health and Wellness Initiatives in Section 121; allocations are established as follows for public health projects to be funded at the reduced total funding amount. The net funding reduction is \$4.0 million for both line items.

<i>Project</i>	<i>FY 2012-13</i>	<i>FY 2013-14</i>
4x4 wellness program	\$2,250,000	\$850,000
Cancer prevention and control	862,500	0
Cardiovascular health	670,000	207,900
Children's physical health pilot	1,000,000	1,000,000
Diabetes and kidney program	650,000	650,000
Health disparities	489,600	480,500
Infant mortality perinatal regionalization	146,600	152,500
Local accreditation and training	151,200	126,200
Infant mortality, maternal and infant health	750,000	750,000
Michigan Care Improvement Registry (MCIR)	2,098,800	2,009,500
<i>(continued on next page)</i>		

<i>(continued from prior page)</i>		
<i>Project</i>	<i>FY 2012-13</i>	<i>FY 2013-14</i>
Nurse family partnership	50,000	50,000
Pregnancy prevention program	862,500	112,500
Michigan Model for school health	335,400	300,700
Smoking prevention program	1,830,000	1,500,000
TOTAL	\$12,146,600	\$8,189,800
<i>Fund Sources: Healthy Michigan Fund</i>	\$5,146,600	\$5,189,800
<i>Fund Sources: GF/GP</i>	\$7,000,000	\$3,000,000

There were no changes to the Minority Health Grants and Contracts line item.

The Vital Records and Health Statistics line item is adjusted for employee-related economics including an increase of \$38,300 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$46,200 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$97,200 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$13,600 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$32,000 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is increased by \$1,500,000 Gross (\$0 GF/GP) of state restricted revenue from increases in fees for vital records program services, pursuant to the Leadership Target Agreement of May 21, 2013. Fees were increased from rates of \$7 - \$40 per service to \$14 - \$50 per service, and had last been increased in 2004. The statutory changes required to establish the increased fees were enacted October 15, 2013 under Act 136, PA 2013 (HB 4786).

FY 2013-14 SUPPLEMENTAL ACTIONS

PUBLIC ACT 102 OF 2013 SUPPLEMENTAL APPROPRIATIONS

Public Act 102 of 2013 increases FY 2013-14 funding for the Health and Wellness Initiatives line item by \$89,300 Gross (all GF/GP) to restore FY 2013-14 funding for the Michigan Care Improvement Immunization Registry (MCIR) to the FY 2012-13 funding level of \$2,098,800.

				(S.B. 198)			FY 2013-14	
	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	Supplemental	FY 2013-14
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14	Appropriations	Year-to-Date
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED	P.A. 102 of 2013	Appropriations
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13	3-Jul-13	31-Jan-14
Sec. 106. PUBLIC HEALTH ADMINISTRATION								
Full-time equated classified positions	101.9	102.9	102.9	102.9	102.9	102.9	0.0	102.9
Public health administration--* FTE positions	1,594,000	1,549,500	1,549,500	1,549,500	1,549,500	1,549,500	0	1,549,500
* positions in above line	7.3	7.3	7.3	7.3	7.3	7.3	0.0	7.3
Health and wellness initiatives--* FTE positions	7,146,600	8,689,800	7,189,800	7,190,200	8,189,800	8,189,800	89,300	8,279,100
* positions in above line	10.7	11.7	11.7	11.7	11.7	11.7	0.0	11.7
Minority health grants and contracts--* FTE positions	612,700	612,700	612,700	612,700	612,700	612,700	0	612,700
* positions in above line	2.5	2.5	2.5	2.5	2.5	2.5	0.0	2.5
Vital records and health statistics--* FTE positions	9,643,300	11,370,600	11,370,600	9,870,600	11,370,600	11,370,600	0	11,370,600
* positions in above line	81.4	81.4	81.4	81.4	81.4	81.4	0.0	81.4
GROSS APPROPRIATION	18,996,600	22,222,600	20,722,600	19,223,000	21,722,600	21,722,600	89,300	21,811,900
Appropriated from:								
Interdepartmental grant revenues:								
Interdepartmental grant from the department of human services	1,181,200	1,199,200	1,199,200	1,199,200	1,199,200	1,199,200	0	1,199,200
Federal revenues:								
Total federal revenues	4,229,700	4,224,400	4,224,400	4,224,400	4,224,400	4,224,400	0	4,224,400
Special revenue funds:								
Total other state restricted revenues	10,301,600	11,970,700	11,970,700	10,470,700	11,970,700	11,970,700	0	11,970,700
State general fund/general purpose	3,284,100	4,828,300	3,328,300	3,328,700	4,328,300	4,328,300	89,300	4,417,600

SEC. 107. HEALTH POLICY

The Emergency Medical Services Program State Staff line item is adjusted for employee-related economics including an increase of \$3,900 Gross (\$1,100 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$8,800 Gross (\$2,500 GF/GP) for defined benefit retirement costs, an increase of \$1,500 Gross (\$400 GF/GP) for defined contribution retirement costs, and an increase of \$1,400 Gross (\$400 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$3,300 Gross (\$1,000 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is increased by \$1,006,100 Gross (\$0 GF/GP) of state restricted revenue from fee increases for licensure of emergency medical service programs and personnel, and establishment of new fees on EMS licensure education programs and providers, pursuant to the Leadership Target Agreement of May 21, 2013. Fees were to be increased from \$0 - \$175 to \$20 - \$500, and had last been modified when established in 1991. Statutory changes required to establish the increased and new fees are not yet enacted as of the date of this report (HB 4785). The line item is increased by \$660,000 Gross (\$0 GF/GP) with the transfer of all funding and functions of the Emergency Medical Services Grants and Services line item into this line item for administrative efficiency. With the consolidation of the two EMS program line items into one, this line item is renamed to Emergency Medical Services Program.

For administrative efficiency, the Emergency Medical Services Grants and Services line item is eliminated with the transfer of all line item funding of \$660,000 Gross (\$0 GF/GP), of federal Preventive Health and Health Services block grant funds, to the Emergency Medical Services Program State Staff line item which is renamed to Emergency Medical Services Program. The funds are intended to continue to be expended for continuing education for licensed EMS personnel, agency and vehicle inspections, and administration of licensure examinations.

The Health Policy Administration line item is adjusted for employee-related economics including an increase of \$11,700 Gross (\$9,300 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$9,200 Gross (\$7,300 GF/GP) for defined benefit retirement costs, an increase of \$39,300 Gross (\$31,100 GF/GP) for defined contribution retirement costs, and an increase of \$3,100 Gross (\$2,500 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$9,700 Gross (\$7,700 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item.

A new line item is established, Health Innovation Grants, with an appropriation of \$1,500,000 Gross (all GF/GP) for a new competitive grant program to address emerging health care service delivery system issues and needs, and encourage development of innovative advances. The funding is appropriated pursuant to the Leadership Target Agreement of May

21, 2013, which also stipulates that \$250,000 of the funding shall be allocated for a chronic fatigue syndrome study, year one of a 3-year study. Section 717 is related new boilerplate.

The Nurse Education and Research Program line item is adjusted for employee-related economics including an increase of \$1,700 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$4,200 Gross (\$0 GF/GP) for defined benefit retirement costs, and an increase of \$300 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$1,400 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item.

The Certificate of Need Program Administration line item is adjusted for employee-related economics including an increase of \$7,100 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$9,100 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$17,000 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$2,600 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$6,000 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is increased by \$700,000 Gross (\$0 GF/GP) of state restricted revenue from increases in fees for health service and facility certificate of need and regulation, and establishment of new fees on certain related services, pursuant to the Leadership Target Agreement of May 21, 2013. Fees were increased from \$1,500 - \$8,500 per service to \$100 - \$15,000 per service, and had last been increased in 2005. The statutory changes required to establish the increased fees were enacted October 15, 2013 under Act 137, PA 2013 (HB 4787).

The Rural Health Services line item is adjusted for employee-related economics including an increase of \$300 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$1,700 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$100 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$300 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item.

The Michigan Essential Health Provider line item is increased by \$1,000,000 Gross (\$500,000 GF/GP) to expand the Michigan Essential Health Provider program. Related boilerplate Section 709 is also revised.

The Primary Care Services line item is adjusted for employee-related economics including an increase of \$400 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$1,900 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$100 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$400 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental

and vision benefit costs (OPEB) supported by this line item. The line item is increased by \$492,600 Gross (\$0 GF/GP) to recognize new federal funds from the Nurse Education, Practice, Quality, and Retention – Interprofessional Collaborative Practice grant, funded for 3 years 9/1/12 – 6/30/15, to expand interprofessional collaborative practice environments to provide comprehensive health care services for patients and families.

FY 2012-13 SUPPLEMENTAL ACTIONS

PUBLIC ACT 102 OF 2013 SUPPLEMENTAL APPROPRIATIONS

Public Act 102 of 2013 increases FY 2012-13 funding for the Primary Care Services line item by \$9,700 Gross (\$0 GF/GP) to recognize new private funds available from a Consulting Services County Health Rankings Release grant from the Robert Wood Johnson Foundation and the University of Wisconsin Population Health Institute, for the State to take action in response to the annual release of the County Health Rankings. The funds are carryforward from FY 2011-12 and a FY 2012-13 award.

	FY 2012-13	FY 2013-14	FY 2013-14	(S.B. 198) FY 2013-14	FY 2013-14	FY 2013-14
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 107. HEALTH POLICY						
Full-time equated classified positions	64.8	64.8	64.8	87.8	64.8	64.8
Emergency medical services program state staff--* FTE p	4,502,400	6,187,400	0	0	0	0
* positions in above line	23.0	23.0	0.0	23.0	0.0	0.0
Emergency medical services grants and services	660,000	0	0	0	0	0
Emergency medical services program--* FTE positions	0	0	6,187,400	5,181,300	6,187,400	6,187,400
* positions in above line	0.0	0.0	23.0	23.0	23.0	23.0
Health policy administration--* FTE positions	4,304,600	4,377,600	4,377,600	4,377,600	4,377,600	4,377,600
* positions in above line	24.1	24.1	24.1	24.1	24.1	24.1
Health innovation grants	0	3,000,000	0	100	1,500,000	1,500,000
Nurse education and research program--* FTE positions	762,300	1,262,500	769,900	769,900	769,900	769,900
* positions in above line	3.0	3.0	3.0	3.0	3.0	3.0
Certificate of need program administration--* FTE position	2,021,900	2,763,700	2,763,700	2,063,700	2,763,700	2,763,700
* positions in above line	12.3	12.3	12.3	12.3	12.3	12.3
Rural health services--* FTE positions	1,529,100	1,531,500	1,531,500	1,531,500	1,531,500	1,531,500
* positions in above line	1.0	1.0	1.0	1.0	1.0	1.0
Michigan essential health provider	1,491,300	1,491,300	1,491,300	2,491,300	2,491,300	2,491,300
Primary care services--* FTE positions	3,235,900	3,238,700	3,731,300	3,731,300	3,731,300	3,731,300
* positions in above line	1.4	1.4	1.4	1.4	1.4	1.4
GROSS APPROPRIATION	18,507,500	23,852,700	20,852,700	20,146,700	23,352,700	23,352,700
Appropriated from:						
Interdepartmental grant revenues:						
Interdepartmental grant from the department of licensing a	2,058,800	2,066,400	2,066,400	2,066,400	2,066,400	2,066,400
Interdepartmental grant from the department of treasury, M	112,400	114,900	114,900	114,900	114,900	114,900
Federal revenues:						
Total federal revenues	6,145,800	6,664,000	6,664,000	7,164,000	7,164,000	7,164,000
Special revenue funds:						
Total private revenues	255,000	255,000	255,000	255,000	255,000	255,000
Total other state restricted revenues	5,783,000	7,536,600	7,536,600	5,830,500	7,536,600	7,536,600
State general fund/general purpose	4,152,500	7,215,800	4,215,800	4,715,900	6,215,800	6,215,800

SEC. 108. INFECTIOUS DISEASE CONTROL

The AIDS Prevention, Testing, and Care Programs line item is adjusted for employee-related economics including an increase of \$5,700 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$5,900 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$16,700 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$1,900 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$4,800 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is increased by \$10,570,700 Gross (\$0 GF/GP) to recognize increased private pharmaceutical manufacturer rebate revenue to the HIV/AIDS drug assistance program for pharmaceuticals provided under the program. The line item is increased by 3.0 FTEs to shift 3 HIV/AIDS program positions to in-house staffing from contractual.

For administrative efficiency, the Immunization Local Agreements line item is eliminated with the transfer of all line item funding of \$11,975,200 Gross (\$1,697,000 GF/GP) and functions to the Immunization Program Management and Field Support line item, which is renamed to Immunization Program. The funds are intended to continue to be expended for local immunization programs and clinics, vaccinations, Michigan Care Improvement Registry (MCIR) of individual immunization history, field staff training and technical support, and other projects.

The Immunization Program Management and Field Support line item is adjusted for employee-related economics including an increase of \$7,300 Gross (\$600 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$10,700 Gross (\$1,100 GF/GP) for defined benefit retirement costs, an increase of \$14,600 Gross (\$900 GF/GP) for defined contribution retirement costs, and an increase of \$2,300 Gross (\$200 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$6,100 Gross (\$600 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is increased by \$1,147,500 Gross (\$0 GF/GP) to recognize funds from the new federal Immunization Capacity Building grant, funded for 2 years 9/30/12 – 9/29/14, to build immunization program infrastructure for various immunization projects and goals. The line item is increased by \$11,975,200 Gross (\$1,697,000 GF/GP) with the transfer of all funding and functions of the Immunization Local Agreements line item into this line item for administrative efficiency. With the consolidation of the two immunization program line items into one, this line item is renamed to Immunization Program.

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

For administrative efficiency, the Sexually Transmitted Disease Control Local Agreements line item is eliminated with the transfer of all line item funding of \$3,360,700 Gross (\$175,200 GF/GP) and functions to the Sexually Transmitted Disease Control Management and Field Support line item, which is renamed to Sexually Transmitted Disease Control Program. The funds are intended to continue to be expended for local sexually transmitted disease control programs and clinics for surveillance, investigation, diagnosis, primary treatment, screening, casefinding, prevention, laboratory services, and special projects.

The Sexually Transmitted Disease Control Management and Field Support line item is adjusted for employee-related economics including an increase of \$10,200 Gross (\$400 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$13,200 Gross (\$500 GF/GP) for defined benefit retirement costs, an increase of \$24,000 Gross (\$1,200 GF/GP) for defined contribution retirement costs, and an increase of \$3,100 Gross (\$100 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$8,500 Gross (\$300 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is reduced by \$1,000,000 Gross (\$0 GF/GP) to recognize the reduction of federal Sexually Transmitted Disease Control grant funds from \$1.2 million to \$156,400, and correct to the actual grant revenue anticipated. The total number of FTE positions in the line item is increased by 2.0 to shift 2 STD program positions to in-house staffing from contractual. The line item is increased by \$3,360,700 Gross (\$175,200 GF/GP) with the transfer of all funding and functions of the Sexually Transmitted Disease Control Local Agreements line item into this line item for administrative efficiency. With the consolidation of the two STD program line items into one, this line item is renamed to Sexually Transmitted Disease Control Program.

				(S.B. 198)		
	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 108. INFECTIOUS DISEASE CONTROL						
Full-time equated classified positions	44.5	49.5	49.5	49.5	49.5	49.5
AIDS prevention, testing, and care programs--* FTE positions in above line	58,558,700	69,164,400	69,164,400	69,164,400	69,164,400	69,164,400
Immunization local agreements	11,975,200	0	0	0	0	0
Immunization program management and field support--* FTE positions in above line	1,835,300	14,999,000	0	0	0	0
Immunization program--* FTE positions	12.8	12.8	0.0	0.0	0.0	0.0
* positions in above line	0	0	14,999,000	14,999,000	14,999,000	14,999,000
Pediatric AIDS prevention and control--* FTE positions	0.0	0.0	12.8	12.8	12.8	12.8
* positions in above line	1,233,100	1,233,100	1,233,100	1,233,100	1,233,100	1,233,100
Sexually transmitted disease control local agreements	1.0	1.0	1.0	1.0	1.0	1.0
Sexually transmitted disease control management and field support--* FTE positions in above line	3,360,700	0	0	0	0	0
Sexually transmitted disease control program--* FTE positions	3,794,100	6,213,800	0	0	0	0
* positions in above line	18.0	20.0	0.0	0.0	0.0	0.0
Sexually transmitted disease control program--* FTE positions	0	0	6,213,800	6,213,800	6,213,800	6,213,800
* positions in above line	0.0	0.0	20.0	20.0	20.0	20.0
GROSS APPROPRIATION	80,757,100	91,610,300	91,610,300	91,610,300	91,610,300	91,610,300
Appropriated from:						
Federal revenues:						
Total federal revenues	42,597,900	42,783,000	42,783,000	42,783,000	42,783,000	42,783,000
Special revenue funds:						
Total private revenues	27,707,700	38,278,400	38,278,400	38,278,400	38,278,400	38,278,400
Total other state restricted revenues	7,605,200	7,696,700	7,696,700	7,696,700	7,696,700	7,696,700
State general fund/general purpose	2,846,300	2,852,200	2,852,200	2,852,200	2,852,200	2,852,200

SEC. 109. LABORATORY SERVICES

The Laboratory Services line item is adjusted for employee-related economics including an increase of \$60,700 Gross (\$27,700 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$78,600 Gross (\$35,800 GF/GP) for defined benefit retirement costs, an increase of \$142,500 Gross (\$64,800 GF/GP) for defined contribution retirement costs, and an increase of \$21,900 Gross (\$9,900 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$50,700 Gross (\$23,100 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. A reduction of \$390,400 Gross (\$0 GF/GP) is made to the line item to recognize the completion of a 2-year federal grant for Severe Combined Immune Deficiency (SCID) Technology first funded in FY 2012-13, related to newborn screening testing and laboratory methods for this disease. The line item is reduced by \$218,500 Gross (\$0 GF/GP) to recognize completion of the federal Novel Technologies in Newborn Screening grant first funded in FY 2012-13, related to development of a newborn screening test for spinal muscular atrophy. The line item is increased by \$100,000 Gross (\$0 GF/GP) to recognize federal funds from a new BioWatch Program grant from the U. S. Department of Homeland Security to provide and maintain a continuous bio-terrorism air monitoring system in large metropolitan areas and coordinate with state and local public health. An increase of \$298,100 Gross (\$0 GF/GP) is made to the line item to recognize increased newborn screening fee revenue from automatic inflationary adjustments (\$22,800) and from fee increases recommended on 12/17/12 by the Newborn Screening Quality Assurance Advisory Committee to cover increased costs of cystic fibrosis followup and to make necessary laboratory improvements (\$275,300).

				(S.B. 198)		
	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 109. LABORATORY SERVICES						
Full-time equated classified positions	100.0	100.0	100.0	100.0	100.0	100.0
Laboratory services--* FTE positions	18,023,400	18,167,000	18,167,000	18,167,000	18,167,000	18,167,000
* positions in above line	100.0	100.0	100.0	100.0	100.0	100.0
GROSS APPROPRIATION	18,023,400	18,167,000	18,167,000	18,167,000	18,167,000	18,167,000
Appropriated from:						
Interdepartmental grant revenues:						
Interdepartmental grant from the department of environmen	456,800	480,700	480,700	480,700	480,700	480,700
Federal revenues:						
Total federal revenues	2,730,500	2,271,300	2,271,300	2,271,300	2,271,300	2,271,300
Special revenue funds:						
Total other state restricted revenues	8,310,400	8,728,000	8,728,000	8,728,000	8,728,000	8,728,000
State general fund/general purpose	6,525,700	6,687,000	6,687,000	6,687,000	6,687,000	6,687,000

SEC. 110. EPIDEMIOLOGY

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

The Bioterrorism Preparedness line item is adjusted for employee-related economics including an increase of \$39,000 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$10,000 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$173,400 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$10,100 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$32,500 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. Federal grant modifications are recognized having \$0 Gross (\$0 GF/GP) fiscal impact in which two grants are consolidated into one modified grant program – the CDC Public Health Preparedness and Response for Bioterrorism grant and the ASPR Bioterrorism Hospital Preparedness grant are eliminated, and a new Hospital Preparedness Program and Public Health Emergency Preparedness (HPP-PHEP) Aligned Cooperative Agreements grant is established to provide bioterrorism preparedness funding to states.

The Epidemiology Administration line item is adjusted for employee-related economics including \$27,100 Gross (\$9,700 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$17,000 Gross (\$6,100 GF/GP) for defined benefit retirement costs, an increase of \$100,400 Gross (\$35,600 GF/GP) for defined contribution retirement costs, and an increase of \$8,100 Gross (\$2,800 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$22,600 Gross (\$8,000 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is reduced by \$167,000 Gross (\$0 GF/GP) to recognize completion of the federal National Children's Study 5-year grant, first funded in FY 2009-10 to track 5,000 children to gain knowledge about childhood conditions and effects of environmental influences for a nationwide study. The line item is reduced by \$350,000 Gross (\$0 GF/GP) to recognize the reduction of federal Arthritis grant funds, and elimination of the federal Lupus grant. An increase of \$1,541,500 Gross (\$0 GF/GP) is made to the line item to recognize an increase in the federal Epidemiology and Laboratory Capacity grant from \$1.1 million to \$2.65 million. An increase is also recognized from the federal Adult Viral Hepatitis Prevention Coordinator grant of \$432,300 Gross (\$0 GF/GP). The following four new federal grants are included in the line item: a) \$300,000 Genetic Services grant for 3 years (6/1/12 - 5/31/15) to develop a pilot for universal pulse oximetry screening of newborns, consistent with recommendations of the state Newborn Screening Quality Assurance Advisory Committee; b) \$100,200 for an Eat Safe Fish and Game project in Saginaw and Bay Counties, funded for 2 years (1/1/13 – 12/31/14), to publicize to vulnerable local citizens how to minimize chemical exposure from contaminated soil, sediments and consumption of fish and wild game along the Saginaw River and portions of the Saginaw Bay area and their flood plains; c) \$235,400 BioSense 2.0 project, funded for 3 years (9/1/12 – 8/31/15), to continue health

data surveillance, integration and sharing to public health partners to quickly detect and respond to public health outbreaks and events; and d) \$600,000 Sexually Transmitted Disease Surveillance grant to implement enhanced and sentinel surveillance projects addressing STD epidemiology surveillance problems. The line item is increased by \$136,600 Gross (\$0 GF/GP) of private funds granted for one year from the Council of State and Territorial Epidemiologists for development and participation in the Influenza Hospitalization Surveillance Project.

The Healthy Homes Program line item is adjusted for employee-related economics including an increase of \$4,900 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$4,900 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$14,500 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$1,900 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$4,100 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is increased by \$1,250,000 Gross (all GF/GP) pursuant to the Leadership Target Agreement of May 21, 2013, to expand lead abatement and lead hazard remediation, and coordinate with Michigan Public Service Commission on window replacement; Section 851 is related new boilerplate.

The Newborn Screening Follow-Up and Treatment Services line item is adjusted for employee-related economics including an increase of \$6,500 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$1,800 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$28,900 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$2,100 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$5,500 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. An increase of \$352,300 Gross (\$0 GF/GP) is made to the line item to recognize increased state restricted newborn screening fee revenue from automatic inflationary adjustments (\$22,600) and from fee increases recommended on 12/17/12 by the Newborn Screening Quality Assurance Advisory Committee to cover increased costs of cystic fibrosis followup and to make necessary laboratory improvements (\$329,700). The fee for newborn screening testing increases from \$98.08 to \$103.53 on October 1, 2013.

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

FY 2012-13 SUPPLEMENTAL ACTIONS

PUBLIC ACT 305 OF 2012 SUPPLEMENTAL APPROPRIATIONS

Public Act 305 of 2012 provides 8.0 FTEs and \$2,932,100 Gross (\$0 GF/GP) funding to restore the Healthy Homes Program (formerly Lead Abatement Program) appropriation line item for FY 2012-13, vetoed by the Governor from the FY 2012-13 Department of Community Health budget. This restores the program funding as originally recommended by the Executive in February 2012, and does not include \$2.0 million of additional funding for lead abatement approved by the Legislature in the Enrolled FY 2012-13 budget. The appropriation includes base program funding and the following changes from the FY 2011-12 budget: economics increases for employees, an increase of 1.0 FTE and \$150,000 of federal asthma grant funding for an Ingham County project, and an increase of \$75,000 of private funds for evaluation of the Healthy Homes University program, all as described in the previous report, *FY 2012-13 Appropriation Report, Department of Community Health* published by this agency in January 2013, page 55.

	FY 2012-13	FY 2013-14	FY 2013-14	(S.B. 198) FY 2013-14	FY 2013-14	
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 110. EPIDEMIOLOGY						
Full-time equated classified positions	115.1	115.1	115.1	115.1	115.1	115.1
AIDS surveillance and prevention program	2,254,100	2,254,100	2,254,100	2,254,100	2,254,100	2,254,100
Bioterrorism preparedness--* FTE positions	35,201,400	35,466,400	35,466,400	35,466,400	35,466,400	35,466,400
* positions in above line	55.0	55.0	55.0	55.0	55.0	55.0
Epidemiology administration--* FTE positions	9,253,000	11,224,900	12,257,200	12,257,200	12,257,200	12,257,200
* positions in above line	41.6	41.6	41.6	41.6	41.6	41.6
Healthy homes program--* FTE positions	2,932,100	2,962,400	3,962,400	2,962,500	4,212,400	4,212,400
* positions in above line	8.0	8.0	8.0	8.0	8.0	8.0
Newborn screening follow-up and treatment services--* FT	5,629,000	6,026,100	6,026,100	6,026,100	6,026,100	6,026,100
* positions in above line	10.5	10.5	10.5	10.5	10.5	10.5
Tuberculosis control and prevention	867,000	867,000	867,000	867,000	867,000	867,000
GROSS APPROPRIATION	56,136,600	58,800,900	60,833,200	59,833,300	61,083,200	61,083,200
Appropriated from:						
Federal revenues:						
Total federal revenues	47,078,200	49,133,000	50,165,300	50,165,300	50,165,300	50,165,300
Special revenue funds:						
Total private revenues	100,000	238,000	238,000	238,000	238,000	238,000
Total other state restricted revenues	7,007,500	7,416,800	7,416,800	7,416,800	7,416,800	7,416,800
State general fund/general purpose	1,950,900	2,013,100	3,013,100	2,013,200	3,263,100	3,263,100

SEC. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS

The Essential Local Public Health Services line item is increased by \$2,000,000 Gross (all GF/GP) for an increase in payments to local health departments toward the state share of required local public health services.

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 \$1,700 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$3,000 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$2,400 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$400 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$1,400 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item.

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

	FY 2012-13	FY 2013-14	FY 2013-14	(S.B. 198) FY 2013-14	FY 2013-14	FY 2013-14
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS						
Full-time equated classified positions	2.0	2.0	2.0	2.0	2.0	2.0
Essential local public health services	37,386,100	37,386,100	37,386,200	37,386,300	39,386,100	39,386,100
Implementation of 1993 PA 133, MCL 333.17015	20,000	20,000	20,000	20,000	20,000	20,000
Local health services--* FTE positions	524,400	533,300	533,300	533,300	533,300	533,300
* positions in above line	2.0	2.0	2.0	2.0	2.0	2.0
Medicaid outreach cost reimbursement to local health dep	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
GROSS APPROPRIATION	46,930,500	46,939,400	46,939,500	46,939,600	48,939,400	48,939,400
Appropriated from:						
Federal revenues:						
Total federal revenues	9,524,400	9,533,300	9,533,300	9,533,300	9,533,300	9,533,300
Special revenue funds:						
Total local revenues	5,150,000	5,150,000	5,150,000	5,150,000	5,150,000	5,150,000
State general fund/general purpose	32,256,100	32,256,100	32,256,200	32,256,300	34,256,100	34,256,100

SEC. 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 \$7,200 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$36,000 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$2,400 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$6,000 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is reduced by a net \$47,100 Gross (\$0 GF/GP) with the following three related federal grant changes: a) elimination of Prostate Cancer grant and \$204,400 of funding; b) elimination of Ovarian Cancer grant and \$163,200 of funding; and c) increase of Comprehensive Cancer grant by \$320,500, for ovarian and prostate cancer projects for which separate federal grants have been eliminated. The line item is increased by \$50,000 Gross (\$0 GF/GP) to recognize new federal funds from the Program Management Leadership and Cancer Coordination grant, funded for 5 years (6/30/12 – 6/29/17), to enhance coordination, collaboration, and effectiveness of various cancer control and chronic disease programs.

The Chronic Disease Control and Health Promotion Administration line item is adjusted for employee-related economics including an increase of \$11,400 Gross (\$3,600 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$10,300 Gross (\$3,300 GF/GP) for defined benefit retirement costs, an increase of \$35,900 Gross (\$11,500 GF/GP) for defined contribution retirement costs, and an increase of \$3,300 Gross (\$1,100 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$9,500 Gross (\$3,000 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is reduced by \$44,400 Gross (\$0 GF/GP) to recognize completion of the federal Healthy Communities 5-year grant to promote healthy lifestyles through community efforts, first funded in FY 2010-11. The line item is reduced by \$281,100 Gross (\$0 GF/GP) to reflect reduced funding anticipated from the federal Stroke Registry grant; a nurse data quality assurance position is eliminated and hospital participation in the registry is reduced. The line item is reduced by \$305,600 Gross (\$0 GF/GP) to recognize the reduction of the federal Arthritis grant, and elimination of the federal Lupus grant.

The Diabetes and Kidney Program line item is adjusted for employee-related economics including an increase of \$4,200 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$20,900 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$1,300 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$3,500 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item.

The Injury Control Intervention Project line item is increased by \$1,250,000 Gross (all GF/GP) pursuant to the Leadership Target Agreement of May 21, 2013, for public health traumatic brain injury treatment services programming.

The Public Health Traffic Safety Coordination line item is eliminated with the removal of 1.0 FTE and \$93,800 Gross (\$0 GF/GP) of funding to recognize completion of the federal Translating the Checkpoints 4-year grant promoting evidence-based parent tools and information to improve a child's training as a new driver, first funded in FY 2009-10.

The Smoking Prevention Program line item is adjusted for employee-related economics including an increase of \$4,800 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$3,400 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$17,000 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$1,500 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$4,000 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. An increase of \$374,000 Gross (\$0 GF/GP) is made to the line item to recognize a new 2-year federal Tobacco Quitline grant for a project 8/1/12 - 7/31/14.

The Violence Prevention line item is adjusted for employee-related economics including an increase of \$1,800 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$8,800 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$500 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$1,500 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item.

				(S.B. 198)		
	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION						
Full-time equated classified positions	64.3	63.3	63.3	63.3	63.3	63.3
Cancer prevention and control program--* FTE positions	14,932,600	14,987,100	14,987,100	14,987,100	14,987,100	14,987,100
* positions in above line	11.0	11.0	11.0	11.0	11.0	11.0
Chronic disease control and health promotion administrati	6,833,800	6,273,100	6,273,100	6,273,100	6,273,100	6,273,100
* positions in above line	29.4	29.4	29.4	29.4	29.4	29.4
Diabetes and kidney program--* FTE positions	1,855,700	1,885,600	1,885,600	1,885,600	1,885,600	1,885,600
* positions in above line	8.0	8.0	8.0	8.0	8.0	8.0
Injury control intervention project	200,000	200,000	200,000	200,100	1,450,000	1,450,000
Public health traffic safety coordination--* FTE positions	93,800	0	0	0	0	0
* positions in above line	1.0	0.0	0.0	0.0	0.0	0.0
Smoking prevention program--* FTE positions	2,172,100	2,202,800	2,576,800	2,576,800	2,576,800	2,576,800
* positions in above line	12.0	12.0	12.0	12.0	12.0	12.0
Violence prevention--* FTE positions	2,158,000	2,170,600	2,170,600	2,170,600	2,170,600	2,170,600
* positions in above line	2.9	2.9	2.9	2.9	2.9	2.9
GROSS APPROPRIATION	28,246,000	27,719,200	28,093,200	28,093,300	29,343,200	29,343,200
Appropriated from:						
Federal revenues:						
Total federal revenues	25,183,400	24,626,900	25,000,900	25,000,900	25,000,900	25,000,900
Special revenue funds:						
Total private revenues	500,000	500,000	500,000	500,000	500,000	500,000
Total other state restricted revenues	721,200	728,400	728,400	728,400	728,400	728,400
State general fund/general purpose	1,841,400	1,863,900	1,863,900	1,864,000	3,113,900	3,113,900

SEC. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

The Childhood Lead Program line item is adjusted for employee-related economics including an increase of \$900 Gross (\$300 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$4,600 Gross (\$1,700 GF/GP) for defined contribution retirement costs, and an increase of \$400 Gross (\$100 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$800 Gross (\$300 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is increased by \$582,600 Gross (\$0 GF/GP) of federal Maternal and Child Health Block Grant funding to support the childhood lead program which was affected by significant funding reductions in FY 2012-13 due to elimination of federal grants.

The Dental Programs line item is adjusted for employee-related economics including an increase of \$1,300 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$300 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$6,200 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$500 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$1,200 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is increased by \$500,000 Gross (\$0 GF/GP) to recognize new federal Oral Health Workforce Activities grant funding to focus on community outreach and implementation of the SEAL! Michigan dental sealant program for school children.

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 \$30,500 Gross (\$15,300 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$34,300 Gross (\$17,200 GF/GP) for defined benefit retirement costs, an increase of \$82,200 Gross (\$41,200 GF/GP) for defined contribution retirement costs, and an increase of \$9,000 Gross (\$4,500 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$25,500 Gross (\$12,800 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is increased by \$243,600 Gross (\$0 GF/GP) of federal funding for administration of the Personal Responsibility Education Program (PREP) federal grant, which is budgeted in the Special Projects line item. The line item is also increased by \$166,100 Gross (\$0 GF/GP) of federal funding for administration of the Abstinence Education Program federal grant, which is also budgeted in the Special Projects line item.

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

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

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

The Prenatal Care Outreach and Service Delivery Support line item is increased by 4.0 FTEs and \$2,000,000 Gross (all GF/GP) for ongoing efforts to address infant mortality, pursuant to the Leadership Target Agreement of May 21, 2013; the funding will be used especially to promote a regional perinatal care system, improve health of women of childbearing age, and encourage safe sleep practices, as recommended in the August 2012 State of Michigan Infant Mortality Reduction Plan. The line item is increased by \$700,000 Gross (all GF/GP) for a new initiative for an alternative home visit pregnancy and parenting support services program as a pilot project which promotes childbirth and alternatives to abortion; section 1136 is related new boilerplate. The line item is increased by \$500,000 Gross (all GF/GP) to support evidence-based programs to reduce infant mortality including nurse family partnership programs, to enhance support, education, client recruitment, strategic planning, marketing, and communications; section 1137 is related new boilerplate.

The Special Projects line item is adjusted for employee-related economics including an increase of \$800 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$4,100 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$400 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$700 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is reduced by \$500,000 Gross (\$0 GF/GP) to recognize completion of the federal First Time Motherhood and New Parents Initiative 3-year grant to improve newborn and infant outcomes by increased programming for preconception care, interconception care, prenatal care, and parenting, first funded in FY 2011-12. (Note that no change is made in this line item to the existing appropriation of \$500,000 to the Eastern Michigan University Autism Collaborative Center, however an additional \$500,000 GF/GP is provided in Section 121 as one-time funding to the EMU Center, and one-time funding is also provided to 3 other university autism centers; see also related boilerplate Section 1902).

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

				(S.B. 198)		
	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES						
Full-time equated classified positions	49.6	53.6	49.6	49.6	53.6	53.6
Childhood lead program--* FTE positions	653,900	1,243,200	1,243,200	1,243,200	1,243,200	1,243,200
* positions in above line	2.5	2.5	2.5	2.5	2.5	2.5
Dental programs--* FTE positions	1,134,300	1,143,800	1,643,800	1,643,900	1,643,800	1,643,800
* positions in above line	3.0	3.0	3.0	3.0	3.0	3.0
Dental program for persons with developmental disabilities	151,000	151,000	151,000	151,000	151,000	151,000
Family, maternal, and children's health services administration	6,654,000	6,835,500	7,245,200	7,245,200	7,245,200	7,245,200
* positions in above line	41.6	41.6	41.6	41.6	41.6	41.6
Family planning local agreements	9,085,700	9,085,700	9,085,700	9,085,700	9,085,700	9,085,700
Local MCH services	7,018,100	7,018,100	7,018,100	7,018,100	7,018,100	7,018,100
Pregnancy prevention program	602,100	602,100	602,100	602,100	602,100	602,100
Prenatal care outreach and service delivery support--* FTE	8,101,400	10,601,400	9,151,400	9,701,500	11,301,400	11,301,400
* positions in above line	0.0	4.0	0.0	0.0	4.0	4.0
Special projects--* FTE positions	8,421,700	7,427,700	7,427,700	9,927,800	7,927,700	7,927,700
* positions in above line	2.5	2.5	2.5	2.5	2.5	2.5
Sudden infant death syndrome program	321,300	321,300	321,300	321,300	321,300	321,300
GROSS APPROPRIATION	42,143,500	44,429,800	43,889,500	46,939,800	46,539,500	46,539,500
Appropriated from:						
Federal revenues:						
Total federal revenues	35,518,100	35,709,700	36,619,400	36,619,400	36,619,400	36,619,400
Special revenue funds:						
Total local revenues	75,000	75,000	75,000	75,000	75,000	75,000
Total private revenues	873,200	874,500	874,500	874,500	874,500	874,500
State general fund/general purpose	5,677,200	7,770,600	6,320,600	9,370,900	8,970,600	8,970,600

SEC. 114. 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 \$23,900 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$23,100 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$72,100 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$6,800 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$20,000 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is reduced by \$495,300 Gross (\$0 GF/GP) to recognize completion of federal WIC Infrastructure grants related to accomplishing technical standardization of management information systems for the WIC program. The line item is reduced by \$790,000 Gross (\$0 GF/GP) to recognize completion of the federal WIC Electronic Benefit Transfer (EBT) System Infrastructure grant, as the statewide conversion of WIC benefits from paper coupons to electronic banking cards has been accomplished. The line item is increased by \$2,677,500 Gross (\$0 GF/GP) to recognize new federal funds from a WIC Summer Electronic Benefit Transfer (EBT) for Children grant to fund a pilot summer meal program for children who qualify for the National School Lunch Program, using EBT benefit system; the pilot was first funded in FY 2010-11 and continued funding is anticipated.

The Women, Infants, and Children Program Local Agreements and Food Costs line item is increased by \$2,459,500 Gross (\$0 GF/GP) to recognize increased private revenue from infant formula manufacturer rebates as a result of increased WIC expenditures for infant formula. Formula costs are higher under the 5-year infant formula contract that began in FY 2011-12.

				(S.B. 198)		
	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM						
Full-time equated classified positions	45.0	45.0	45.0	45.0	45.0	45.0
Women, infants, and children program administration and	16,294,500	17,832,600	17,832,600	17,832,600	17,832,600	17,832,600
* positions in above line	45.0	45.0	45.0	45.0	45.0	45.0
Women, infants, and children program local agreements a	253,825,500	256,285,000	256,285,000	256,285,000	256,285,000	256,285,000
GROSS APPROPRIATION	270,120,000	274,117,600	274,117,600	274,117,600	274,117,600	274,117,600
Appropriated from:						
Federal revenues:						
Total federal revenues	211,501,600	213,039,700	213,039,700	213,039,700	213,039,700	213,039,700
Special revenue funds:						
Total private revenues	58,618,400	61,077,900	61,077,900	61,077,900	61,077,900	61,077,900
State general fund/general purpose	0	0	0	0	0	0

SEC. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES

The Children's Special Health Care Services (CSHCS) Administration line item includes an increase of \$121,000 Gross (\$62,900 GF/GP) for employee-related economics adjustments as follows: \$21,300 for salary and wage adjustment, \$7,200 for insurance, \$74,600 for retirement, and \$17,900 for other post-employment benefits.

The Requests for Care and Services line includes an increase of \$12,700 Gross (\$0 GF/GP) for employee-related economics adjustments as follows: \$1,800 for salary and wage adjustments, \$600 for insurance, \$8,800 for retirement, and \$1,500 for other post-employment benefits.

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

The Nonemergency Medical Transportation line item includes a reduction of \$1,173,400 Gross (\$586,700 GF/GP) to reflect a transfer of funds to the Health Plan Services line for transportation costs of CSHCS dual eligibles (i.e. individuals eligible for both Medicaid and Title V) moving into managed care. The reduction is mirrored by a like increase in the Health Plan Services line for a net zero overall impact.

The Medical Care and Treatment line is increased by \$66,644,400 Gross (\$26,812,000 GF/GP) for Medicaid inflation, caseload and utilization adjustments. The line includes a reduction in federal funds of \$163,900 and a like increase in GF/GP to reflect a decrease in Michigan's Federal Medical Assistance Percentage (FMAP) rate from 66.39% to 66.32%

The line also includes a reduction of \$205,000,000 Gross (\$69,044,000 GF/GP) to reflect a transfer of funds to the Health Plan Services line for the costs of CSHCS dual eligibles (i.e. individuals eligible for both Medicaid and Medicare) moving into managed care. The reduction is mirrored by a like increase in the Health Plan Services line for a net zero overall impact.

FY 2012-13 SUPPLEMENTAL ACTIONS

PUBLIC ACT 102 of 2013 SUPPLEMENTAL APPROPRIATIONS

Public Act 102 of 2013 reduces FY 2012-13 funding for the Medical Care and Treatment line item by \$87,803,600 Gross (\$31,412,100 GF/GP) as follows: caseload, utilization, and inflation adjustments (increase of \$7,844,100 Gross, \$248,100

GF/GP), consensus adjustments (increase of \$4,352,300 Gross, \$1,949,800 GF/GP), and transitioning CSHCS dual eligibles into managed care (reduction of \$100,000,000 Gross, \$33,610,000 GF/GP).

	FY 2012-13	FY 2013-14	FY 2013-14	(S.B. 198) FY 2013-14	FY 2013-14	FY 2013-14
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES						
Full-time equated classified positions	46.8	46.8	46.8	46.8	46.8	46.8
Children's special health care services administration--* F	5,385,600	5,506,600	5,506,600	5,506,600	5,506,600	5,506,600
* positions in above line	44.0	44.0	44.0	44.0	44.0	44.0
Bequests for care and services--* FTE positions	1,511,400	1,524,100	1,524,100	1,524,100	1,524,100	1,524,100
* positions in above line	2.8	2.8	2.8	2.8	2.8	2.8
Outreach and advocacy	5,510,000	5,510,000	5,510,000	5,510,000	5,510,000	5,510,000
Nonemergency medical transportation	2,679,300	1,505,900	1,505,900	1,505,900	1,505,900	1,505,900
Medical care and treatment	285,901,200	97,557,700	97,557,700	97,557,700	147,545,600	147,545,600
GROSS APPROPRIATION	300,987,500	111,604,300	111,604,300	111,604,300	161,592,200	161,592,200
Appropriated from:						
Federal revenues:						
Total federal revenues	168,451,400	44,054,700	44,039,500	44,039,500	71,632,800	71,632,800
Special revenue funds:						
Total private revenues	996,800	996,800	1,005,900	1,005,900	1,005,900	1,005,900
Total other state restricted revenues	3,848,500	3,848,500	3,854,600	3,854,600	3,854,600	3,854,600
State general fund/general purpose	127,690,800	62,704,300	62,704,300	62,704,300	85,098,900	85,098,900

**CRIME VICTIM
SERVICES COMMISSION**

SEC. 116. CRIME VICTIM SERVICES COMMISSION

The Grants Administration Services line item is adjusted for employee-related economics including an increase of \$6,500 Gross (\$0 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$7,500 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$17,500 Gross (\$0 GF/GP) for defined contribution retirement costs, and an increase of \$2,100 Gross (\$0 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$5,500 Gross (\$0 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is reduced by \$600,000 Gross (\$0 GF/GP) to recognize completion of the federal Michigan VINE Enhancement 2-year 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. The line item is increased by \$200,000 Gross (\$0 GF/GP) of state restricted Crime Victim's Rights Fund monies to be used for media to increase public awareness about the availability of services for crime victims.

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 2012-13	FY 2013-14	FY 2013-14	(S.B. 198) FY 2013-14	FY 2013-14	FY 2013-14
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 116. CRIME VICTIM SERVICES COMMISSION						
Full-time equated classified positions	13.0	13.0	13.0	13.0	13.0	13.0
Grants administration services--* FTE positions	2,460,000	2,099,100	2,099,100	1,899,200	2,099,100	2,099,100
* positions in above line	13.0	13.0	13.0	13.0	13.0	13.0
Justice assistance grants	19,106,100	19,106,100	19,106,100	19,106,100	19,106,100	19,106,100
Crime victim rights services grants	16,570,000	16,570,000	16,570,000	16,570,000	16,570,000	16,570,000
GROSS APPROPRIATION	38,136,100	37,775,200	37,775,200	37,575,300	37,775,200	37,775,200
Appropriated from:						
Federal revenues:						
Total federal revenues	24,083,800	23,494,800	23,494,800	23,494,800	23,494,800	23,494,800
Special revenue funds:						
Total other state restricted revenues	14,052,300	14,280,400	14,280,400	14,080,500	14,280,400	14,280,400
State general fund/general purpose	0	0	0	0	0	0

**OFFICE OF SERVICES
TO THE AGING**

SEC. 117. 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 \$21,900 Gross (\$9,400 GF/GP) for a 1% lump sum salary and wage adjustment, an increase of \$28,800 Gross (\$12,300 GF/GP) for defined benefit retirement costs, an increase of \$50,700 Gross (\$21,700 GF/GP) for defined contribution retirement costs, and an increase of \$6,600 Gross (\$2,800 GF/GP) for an overall insurance cost increase of 1.6%. A positive adjustment of \$18,300 Gross (\$7,800 GF/GP) is made to increase prefunding of future retiree other post-employment health, dental and vision benefit costs (OPEB) supported by this line item. The line item is reduced by \$461,200 Gross (\$0 GF/GP) to recognize completion of the federal Centers for Medicare and Medicaid Services (CMS) State Profile grant to develop guidance materials for incorporation into the person-centered planning process for long-term care including home- and community-based care, first funded in FY 2008-09.

The Community Services line item is increased by \$200,000 Gross (\$0 GF/GP) to recognize new federal funds from the Bridging the Gap: Michigan Partners on the PATH 3-year grant, for evidence-based chronic disease self-management programs for older adults. The grant is awarded by the federal Department of Health and Human Services, Administration for Community Living.

The Nutrition Services line item is increased by \$1,122,300 Gross (\$0 GF/GP) to correct to actual revenue anticipated for home delivered meals for seniors from the federal Home Delivered Nutrition Services grant; the increase is as of FY 2011-12 and a legislative transfer was approved to authorize additional spending in that year, however a transfer was not necessary in FY 2012-13 due to sufficient federal authorization. The line item is increased by \$191,500 Gross (\$0 GF/GP) to correct to actual funds anticipated from the federal Nutrition Services Incentive Program grant for food purchases for preparation of congregate and home delivered meals for seniors; the increase is as of FY 2011-12. The line item is increased by \$500,000 Gross (all GF/GP) to provide increased state funding for home delivered and congregate meals and nutrition services for seniors.

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.

There are no changes to the Employment Assistance line item.

The Respite Care Program line item is adjusted for a net \$0 Gross (\$0 GF/GP) change to recognize increased revenue from the state restricted Senior Care Respite Fund of \$400,000, offset by a reduction of \$400,000 of state restricted Merit Award Trust Fund monies which were shifted to the Medical Services appropriation unit for GF/GP savings. Remaining funding for senior respite care services from the Merit Award Trust Fund is \$4,068,700, down from \$5.0 million first appropriated in FY 1999-2000 from the new tobacco settlement revenue, and pursuant to a June 2000 report and recommendations from the Long Term Care Workgroup established in Section 1637, 1998 PA 336.

	FY 2012-13	FY 2013-14	FY 2013-14	(S.B. 198) FY 2013-14	FY 2013-14	FY 2013-14
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 117. OFFICE OF SERVICES TO THE AGING						
Full-time equated classified positions	40.0	40.0	40.0	40.0	40.0	40.0
Office of services to aging administration--* FTE positions	6,724,100	6,389,200	6,389,200	6,389,200	6,389,200	6,389,200
* positions in above line	40.0	40.0	40.0	40.0	40.0	40.0
Community services	36,414,400	36,614,400	36,614,400	36,614,400	36,614,400	36,614,400
Nutrition services	35,430,200	36,744,000	36,744,000	36,744,100	37,244,000	37,244,000
Foster grandparent volunteer program	2,233,600	2,233,600	2,233,600	2,233,600	2,233,600	2,233,600
Retired and senior volunteer program	627,300	627,300	627,300	627,300	627,300	627,300
Senior companion volunteer program	1,604,400	1,604,400	1,604,400	1,604,400	1,604,400	1,604,400
Employment assistance	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Respite care program	5,868,700	5,868,700	5,868,700	5,868,700	5,868,700	5,868,700
GROSS APPROPRIATION	92,402,700	93,581,600	93,581,600	93,581,700	94,081,600	94,081,600
Appropriated from:						
Federal revenues:						
Total federal revenues	57,029,700	58,154,600	58,154,600	58,154,600	58,154,600	58,154,600
Special revenue funds:						
Total private revenues	677,500	677,500	677,500	677,500	677,500	677,500
Merit award trust fund	4,468,700	4,068,700	4,068,700	4,068,700	4,068,700	4,068,700
Total other state restricted revenues	1,400,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
State general fund/general purpose	28,826,800	28,880,800	28,880,800	28,880,900	29,380,800	29,380,800

MEDICAL SERVICES

SEC. 118. MEDICAL SERVICES ADMINISTRATION

The Medical Services Administration line is increased by \$198,600 Gross (all State Restricted) and 2.0 FTEs for staffing costs to administer the Physician Adjustor Program. The line also includes a transfer of 2.0 FTE from the Department of Licensing and Regulatory Affairs (LARA) to align staffing allocations with appropriated funds.

The Medical Services Administration line includes an increase of 15.0 FTEs to reflect positions currently funded through a subcontract with the Michigan Public Health Institute, which will be transitioned to Civil Service classified positions. The adjustment is ongoing and the conversion will minimize DCH risk of violating union contracts.

The Medical Services Administration line also includes an increase of \$660,000 Gross (\$330,000 GF/GP) for a new Transformation Office within DCH. The office will support Departmentwide organizational development activities, workforce/succession planning, and Good Government Initiatives. It will also provide project management support, specifically for the integrated care for dual eligibles initiative and the primary care transformation project.

In addition, the Medical Services Administration line includes an increase of \$1,639,200 Gross (\$505,200 GF/GP) for employee-related economics adjustments as follows: \$264,600 for salary and wage adjustments, \$85,100 for insurance, \$860,900 for retirement, and \$428,600 for other post-employment benefits.

Finally, the Medical Services Administration line includes an increase of \$300,000 GF/GP to fund an all payer claims database and website.

There are no changes in the Facility Inspection Contract line item.

There are no changes for the MICHild Administration line item.

The Electronic Health Record Incentive Program line includes an increase of \$112,400 Gross (\$56,200 GF/GP) for employee-related economics adjustments as follows: \$15,900 for salary and wage adjustments, \$4,600 for insurance, \$78,700 for retirement, and \$13,200 for other post-employment benefits.

				(S.B. 198)		
	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 118. MEDICAL SERVICES ADMINISTRATION						
Full-time equated classified positions	439.5	466.5	458.5	458.5	458.5	458.5
Medical services administration--* FTE positions	66,711,200	70,059,800	68,549,000	68,849,100	69,509,000	69,509,000
* positions in above line	415.5	442.5	434.5	434.5	434.5	434.5
Facility inspection contract	132,800	132,800	132,800	132,800	132,800	132,800
MICchild administration	4,327,800	4,327,800	4,327,800	4,327,800	4,327,800	4,327,800
Electronic health record incentive program--* FTE position	144,081,400	144,193,800	144,193,800	144,193,800	144,193,800	144,193,800
* positions in above line	24.0	24.0	24.0	24.0	24.0	24.0
GROSS APPROPRIATION	215,253,200	218,714,200	217,203,400	217,503,500	218,163,400	218,163,400
Appropriated from:						
Federal revenues:						
Total federal revenues	190,711,800	191,902,000	191,886,000	191,886,000	192,216,000	192,216,000
Special revenue funds:						
Total local revenues	105,900	105,900	105,900	105,900	105,900	105,900
Total private revenues	100,000	100,000	100,000	100,000	100,000	100,000
Total other state restricted revenues	115,400	314,000	330,000	330,000	330,000	330,000
State general fund/general purpose	24,220,100	26,292,300	24,781,500	25,081,600	25,411,500	25,411,500

SEC. 119. 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	(\$47,009,900)	(\$102,078,200)
Physician Services	\$28,356,700	\$16,803,900
Medicare Premium Payments	\$34,208,000	\$23,208,000
Pharmaceutical Services	(\$2,040,000)	\$17,960,000
Home Health Services	(\$455,900)	\$760,400
Hospice Services	(\$1,819,900)	\$10,205,700
Transportation	\$3,921,000	\$4,284,200
Auxiliary Medical Services	\$554,200	\$37,000
Dental Services	(\$2,611,900)	(\$6,804,900)
Ambulance Services	(\$1,502,000)	(\$477,100)
Long Term Care Services	\$82,398,100	\$105,911,900
Adult Home Help	\$16,350,600	\$26,712,100
Personal Care Services	(\$920,700)	(\$1,356,000)
Health Plan Services ¹	(\$137,882,800)	(\$106,882,800)
Plan First Family Planning Waiver	(\$667,400)	(\$667,400)
Federal Medicare Pharmaceutical Program	\$7,467,600	(\$5,044,000)
Total	(\$21,654,300)	(\$17,427,200)

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

The Hospital Services and Therapy line includes a reduction of \$102,078,200 Gross (\$34,380,000 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It also includes a shift of \$2,025,300 from federal funds to GF/GP to reflect a decrease in the regular Federal Medical Assistance Percentage (FMAP) rate from 66.39% to 66.32%. Similarly, it includes a shift of \$2,600 from federal funds to GF/GP to reflect a decrease in the SCHIP FMAP rate from 76.47% to 76.42%.

The line is increased by \$75,039,700 Gross in federal and restricted funds to recognize increased hospital quality assurance assessment program (QAAP) revenue.

This line includes a series of adjustments relating to the transition of CSHCS dual eligible individuals to managed care. The first is a shift of \$9,020,500 from restricted revenues to GF/GP to backfill hospital QAAP revenue. The second is a reduction of \$140,000,000 Gross in federal funds and restricted revenues to reflect a transfer to the Health Plan Services line for the shift from Medicaid Access to Care Initiative (MACI) payments to HRA payments. Finally, the third is a reduction of \$10,000,000 Gross (\$3,368,000 GF/GP) for a transfer to the Health Plan Services line for GME payments.

The line also includes an increase of \$12,270,900 Gross (\$4,132,800 GF/GP) to reverse a portion of the savings that were initially anticipated with the transition of individuals who are dually eligible for Medicare and Medicaid into managed care. Those savings will not materialize in the first year.

The Hospital Services and Therapy line also includes a shift of \$1,202,900 from restricted funds to GF/GP to replace Healthy Michigan Fund revenue.

In addition, the Hospital Services and Therapy line includes a reduction of \$200,000 Gross (all GF/GP) to recognize a full-year elimination of the Transitional Medical Assistance (TMA)-Plus Program.

The Hospital Disproportionate Share Payments line includes a shift of \$31,500 from federal funds to GF/GP to reflect a decrease in the regular FMAP rate for Michigan from 66.39% to 66.32%.

The Physician Services line is increased by \$16,803,900 Gross (\$5,659,600 GF/GP) for Medicaid inflation, caseload and utilization adjustments. The line includes a shift of \$280,500 from federal funds to GF/GP to reflect a reduction in the regular FMAP rate from 66.39% to 66.32%.

The line includes an increase of \$12,271,000 Gross (\$4,132,900 GF/GP) to reverse savings that were expected from integrating dual eligible individuals into managed care. It also includes an increase of \$48,625,000 Gross, all federal, to

annualize a temporary primary care provider rate increase. The increase is part of the Affordable Care Act, which includes 100% federal funding for this purpose through calendar year 2014.

The Medicare Premium Payments line includes an increase of \$23,208,000 Gross (\$7,816,400 GF/GP) for Medicaid inflation, caseload and utilization adjustments. The line also includes a shift of \$265,200 from federal funds to GF/GP to reflect a change in the FMAP rate from 66.39% to 66.32%.

The Pharmaceutical Services line includes an increase of \$17,960,000 Gross (\$6,048,900 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It includes a shift of \$194,500 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Pharmaceutical Services line also includes a reduction of \$8,262,000 Gross (\$2,782,600 GF/GP) based on savings identified by the Department in the Enhanced Medication Program.

The Home Health Services line includes an increase of \$760,400 Gross (\$256,100 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It also includes a shift of \$3,000 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Hospice Services line includes an increase of \$10,205,700 Gross (\$3,437,200 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It also includes a shift of \$73,400 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Transportation line includes an increase of \$4,284,200 Gross (\$1,442,900 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It also includes a shift of \$12,000 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Auxiliary Medical Services line includes an increase of \$37,000 Gross (\$12,500 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It also includes a shift of \$6,300 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Dental Services line includes a reduction of \$6,804,900 Gross (\$2,291,900 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It also includes a shift of \$130,000 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Dental Services line also includes an increase of \$11,643,000 Gross (\$3,921,400 GF/GP) to expand the Healthy Kids Dental Program to Ingham, Ottawa, and Washtenaw counties.

In addition, the Dental Services line includes a reduction of \$807,200 Gross (\$271,900 GF/GP) to reflect a rate decrease for the current Healthy Kids Dental Program.

The Ambulance Services line includes a reduction of \$477,100 Gross (\$160,700 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It also includes a shift of \$8,500 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Long-Term Care Services line includes an increase of \$105,911,900 Gross (\$35,671,000 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It also includes a shift of \$2,602,300 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Long-Term Care Services line includes a reduction of \$6,600,000 Gross in federal and restricted funds to reflect an anticipated decrease in nursing home quality assurance assessment (QAAP) revenue. The line is further reduced by \$15,461,500 Gross (\$4,357,000 GF/GP) for a transfer out to the PACE line to support increased enrollment.

The Long-Term Care Services line includes two additional fund shifts. The first replaces \$5,032,500 from GF/GP with Merit Award funds. The second transfers \$2,100,000 in private (Civil Monetary Penalty Fund) revenue to offset federal authorization by \$1,050,000 and GF/GP by \$1,050,000.

The Medical Services unit includes a new line, Integrated Care Organization Services, which is created with a placeholder appropriation of \$100 GF/GP.

The Medicaid Home- and Community-Based Services Waiver line includes a shift of \$138,300 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%. It also includes an increase of \$17,502,800 Gross (\$5,894,900 GF/GP) for ongoing costs and economic increases in the MIChoice Program. In addition, it includes a shift of \$2,100,000 Gross in private (Civil Monetary Penalty Fund) revenue, offset by increases of \$1,050,000 federal and \$1,050,000 GF/GP, to mirror the transfer to the Long-Term Care Services line.

The Adult Home Help Services line includes an increase of \$26,712,100 Gross (\$8,996,700 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It also includes a shift of \$204,600 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Personal Care Services line includes a reduction of \$1,356,000 Gross (\$456,700 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It also includes a shift of \$10,000 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Program of All-Inclusive Care for the Elderly line includes a shift of \$24,300 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%. It also includes an increase of \$15,461,500 Gross (\$5,207,400 GF/GP) to reflect a transfer from the Long-Term Care Services line to support increased PACE enrollment.

The Autism Services line includes a shift of \$12,300 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%. It also includes an increase of \$20,455,400 Gross (\$6,889,400 GF/GP) to annualize service costs after the initial creation of this line in FY 2012-13. In addition, it includes a reduction of \$2,828,200 Gross (\$952,500 GF/GP) for inflation, caseload, and utilization adjustments consistent with May 2013 consensus estimates.

The Health Plan Services line includes a reduction of \$106,882,800 Gross (\$35,998,100 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It includes a shift of \$3,180,300 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Health Plan Services line also includes a series of adjustments relating to the transition of CSHCS dual eligible enrollees into managed care. The first is an increase of \$206,742,000 Gross (\$69,630,700 GF/GP) reflecting a transfer from CSHCS for regular capitated payments. The second is an increase of \$140,000,000 Gross (\$92,848,000 federal and \$47,152,000 restricted) to reflect a transfer in from the Hospital Services and Therapy line to account for the shift from Medicaid Access to Care Initiative (MACI) payments to HRA payments. Third is a transfer of \$19,400,000 Gross from the Special Medicaid Reimbursement line representing the shift from physician adjustor payments to specialty network access fee (SNAF) payments. Fourth is a transfer of \$10,000,000 Gross (\$3,368,000 GF/GP) from the Hospital Services and Therapy line for graduate medical education (GME) payments resulting from the transition. Fifth is a shift of \$16,560,200 from GF/GP to restricted revenues to recognize additional hospital rate adjustment (HRA) QAAP revenue.

The Health Plan Services line includes an increase of \$85,658,900 Gross (\$28,849,900 GF/GP) for an actuarial soundness rate adjustment, which equates to a 2.5% increase. Due to declining revenue from the State Psychiatric DSH special

financing payments, it includes a shift of \$22,788,100 from restricted revenues to GF/GP. The line also includes a reduction of \$860,000 Gross (\$289,600 GF/GP) for reduced costs of pharmaceuticals that prevent pregnancies and hospital deliveries as part of the PlanFirst! Family Planning Waiver. As provided by the Affordable Care Act, the budget includes a \$54,575,000 Gross increase in federal funds for a temporary primary care provider rate increase. It includes a \$1,000,000 fund shift from federal revenues to GF/GP due to a loss of certified public expenditures (CPEs) resulting from anticipated reductions in uncompensated care. It also removes the Detroit Medical Center (DMC) hospital rate adjustment (HRA) payment of \$19,989,600 Gross (\$6,732,500 GF/GP). Finally, it removes \$7,491,700 Gross (\$2,523,200 GF/GP) for Medicaid fraud settlements and third party liability savings.

The MIChild Program line includes an increase of \$4,259,200 Gross (\$1,005,300 GF/GP) for Medicaid inflation, caseload and utilization adjustments. It includes a shift of \$33,100 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%. It also includes a reduction of \$803,500 Gross (\$189,600 GF/GP) for a dental rate decrease.

The Plan First Family Planning Waiver line is reduced by \$667,400 Gross (\$66,700 GF/GP) for Medicaid inflation, caseload and utilization adjustments.

The Medicaid Adult Benefits Waiver line includes a shift of \$74,100 from federal funds to GF/GP to reflect a reduction in the FMAP rate from 66.39% to 66.32%. It also includes a net zero shift in restricted revenues in recognition of a reduction in Tobacco Tax revenue of \$4,900,000, which are offset by a like increase in Medicaid Benefit Trust Fund revenues.

The Special Indigent Care Payments line includes a shift of \$67,000 from federal funds to local funds to reflect a reduction in the FMAP rate from 66.39% to 66.32%.

The Federal Medicare Pharmaceutical Program line includes a reduction of \$5,044,000 Gross (all GF/GP) for inflation, caseload and utilization adjustments. It also includes an increase of \$4,202,600 Gross (all GF/GP) to fund additional covered drugs.

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

There are no changes to the School-Based Services line item.

The Special Medicaid Reimbursement line includes various adjustments in response to a reduction in the FMAP rate from 66.39% to 66.32%. The first relates to physician adjustor payments and includes a shift of \$155,600 from federal funds to

local and restricted revenues. The second is a \$1,900 shift from federal funds to restricted revenues relating to the Bronson Hospital DSH payment. Third is a \$4,800 shift from federal funds to restricted revenues for the University of Detroit Dental DSH payment. Fourth is a shift of \$9,900 from federal funds to restricted revenues for dental adjustor DSH payments. The fifth FMAP adjustment is a shift of \$5,900 from federal funds to restricted revenues for Wayne State Psychiatric Residency Program payments. The sixth is a shift of \$94,700 from federal funds to GF/GP related to the State Psychiatric DSH. Finally, the line includes a shift of \$800 from federal funds to GF/GP to correctly fund the poison control FMAP adjustment.

The line is increased by \$7,300 Gross to adjust for a fixed benefit amount for the University of Detroit Dental Program. Similarly, it is increased by \$9,000 Gross to adjust for a fixed benefit amount for the Wayne State University Psychiatric Residency Program. It also includes a shift of \$1,115,600 from federal funds to local revenues for dental settlements. It includes a reduction of \$34,360,800 Gross (\$802,200 GF/GP) to bring the DSH rate within federally allowable levels for the State Psychiatric Hospital. As a result of the transition of CSHCS eligible individuals into managed care, it includes a reduction of \$19,400,000 Gross to reflect a transfer to the Health Plan Services line for the shift from physician adjustor payments to specialty network access fee (SNAF) payments.

FY 2012-13 FUNDING ADJUSTMENTS

PUBLIC ACT 102 OF 2013 SUPPLEMENTAL APPROPRIATIONS

Public Act 102 of 2013 (Enrolled House Bill 4112), effective July 3, 2013, provides a net FY 2012-13 appropriation increase for Medical Services of \$39,434,000 Gross (\$19,032,300 GF/GP). The adjustments include (1) May caseload consensus increases of \$58,424,800 Gross (\$23,355,300 GF/GP), (2) a formal supplemental request from the Governor for \$41,009,200 Gross (\$15,843,000 GF/GP), and (3) a technical request from the Executive Branch for a reduction of \$60,000,000 Gross (\$20,166,000 GF/GP). Taken together, the formal and technical requests entail a reduction of \$18,990,800 Gross (\$4,323,000 GF/GP). They impact various lines and are attributable to the following: (1) caseload, utilization, and inflation reductions totaling \$174,636,400 Gross (\$57,818,600 GF/GP), (2) an increase of \$100,000,000 Gross (\$33,610,000 GF/GP) to the Health Plan Services line items for the transition of CSHCS recipients to managed care, (3) restoration of \$29,828,700 Gross (\$10,025,400 GF/GP) that was removed from the FY 2012-13 budget as savings generated by integrating care for dual eligibles, affecting the Ambulance Services line item, (4) a net \$0 Gross (\$0 GF/GP) shift in the Health Plan Services line item to replace \$137.0 million of state restricted health insurance claims assessment (HICA) funds with \$37.6 million of Merit Award Trust Fund revenue and \$99.4 million of Medicaid Benefits

Trust Fund revenue, (5) a shift of \$1,115,600 in the Special Medicaid Reimbursements line item from federal funds to local revenues for dental settlements, (6) a net \$0 Gross (\$0 GF/GP) shift of \$2.1 million of Civil Monetary Fund monies and GF/GP and federal funds between the Medicaid Home- and Community-Based Services Waiver and Long-Term Care Services appropriation lines, (7) state psychiatric hospital disproportionate share (DSH) payment reduction of \$34,360,800 Gross (\$0 GF/GP) in the Special Medicaid Reimbursement line, (8) an increase of \$75,039,700 Gross (reduction of \$10,175,000 GF/GP) in the Hospital Services and Therapy line to recognize the hospital Medicaid Access to Care Initiative (MACI) payments at the correct level, (9) a reduction of \$6,600,000 Gross (\$0 GF/GP) to align long-term care quality assurance assessment program (QAAP) authorizations at the appropriate levels, affecting the Ambulance Services line item, and (10) a reduction of \$8,262,000 Gross (\$2,776,900 GF/GP) in the Pharmaceutical Services line item to recognize additional savings from the Enhanced Medicaid Program.

				(S.B. 198)		
	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 119. MEDICAL SERVICES						
Hospital services and therapy	1,351,575,600	1,244,519,700	1,241,676,300	1,244,519,700	1,186,608,000	1,186,608,000
Hospital disproportionate share payments	45,000,000	45,000,000	45,000,000	45,000,000	45,000,000	45,000,000
Physician services	373,703,700	465,599,800	462,956,400	465,599,800	451,403,600	451,403,600
Medicare premium payments	404,000,000	438,208,000	438,208,000	438,208,000	427,208,000	427,208,000
Pharmaceutical services	279,612,900	269,310,900	269,310,900	269,310,900	289,310,900	289,310,900
Home health services	4,239,600	3,783,700	3,783,700	3,783,700	5,000,000	5,000,000
Hospice services	104,794,300	102,974,400	102,974,400	102,974,400	115,000,000	115,000,000
Transportation	19,651,600	23,572,600	23,572,600	23,572,600	23,935,800	23,935,800
Auxiliary medical services	8,963,000	9,517,200	9,517,200	9,517,200	9,000,000	9,000,000
Dental services	186,666,700	194,890,600	183,247,600	194,890,600	190,697,600	190,697,600
Ambulance services	12,253,000	10,751,000	10,751,000	10,751,000	11,775,900	11,775,900
Long-term care services	1,696,149,600	1,756,486,200	1,756,486,200	1,756,486,200	1,780,000,000	1,780,000,000
Integrated care organization services	0	100	100	100	100	100
Medicaid home- and community-based services waiver	282,393,100	299,895,900	299,895,900	299,895,900	299,895,900	299,895,900
Adult home help services	291,972,700	308,323,300	308,323,300	308,323,300	318,684,800	318,684,800
Personal care services	14,247,900	13,327,200	13,327,200	13,327,300	12,891,900	12,891,900
Program of all-inclusive care for the elderly	34,792,800	50,254,300	50,254,300	50,254,300	50,254,300	50,254,300
Autism services	17,544,600	39,484,600	39,484,600	38,000,000	35,171,800	35,171,800
Health plan services	4,365,050,200	4,722,693,700	4,722,693,700	4,742,683,300	4,746,202,000	4,746,202,000
MICChild program	66,264,400	69,744,400	69,744,400	69,744,400	69,720,100	69,720,100
Plan first family planning waiver	14,295,500	13,628,100	13,628,100	13,628,100	13,628,100	13,628,100
Medicaid adult benefits waiver	105,877,700	105,877,700	105,877,700	105,877,700	105,877,700	105,877,700
Special indigent care payments	95,738,900	23,934,700	95,738,900	95,738,800	95,738,900	95,738,900
Federal Medicare pharmaceutical program	184,470,300	196,140,500	196,140,500	196,140,500	183,628,900	183,628,900
Maternal and child health	20,279,500	20,279,500	20,279,500	20,279,500	20,279,500	20,279,500
Subtotal basic medical services program	9,979,537,600	10,428,198,100	10,482,872,500	10,518,507,300	10,486,913,800	10,486,913,800
School-based services	131,502,700	131,502,700	131,502,700	131,502,700	131,502,700	131,502,700
Special Medicaid reimbursement	390,962,100	337,217,600	337,217,600	337,217,600	337,217,600	337,217,600
Subtotal special medical services payments	522,464,800	468,720,300	468,720,300	468,720,300	468,720,300	468,720,300
GROSS APPROPRIATION	10,502,002,400	10,896,918,400	10,951,592,800	10,987,227,600	10,955,634,100	10,955,634,100
Appropriated from:						
Federal revenues:						
Total federal revenues	7,104,340,200	7,383,410,100	7,419,749,400	7,443,249,500	7,430,724,800	7,430,724,800
Special revenue funds:						
Total local revenues	63,128,500	40,084,300	64,335,000	64,335,000	64,335,000	64,335,000
Total private revenues	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Merit award trust fund	76,733,500	81,766,000	81,766,000	132,866,000	81,766,000	81,766,000
Total other state restricted revenues	1,972,928,900	1,970,475,600	1,970,475,600	1,983,875,600	1,970,475,600	1,970,475,600
State general fund/general purpose	1,282,771,300	1,419,082,400	1,413,166,800	1,360,801,500	1,406,232,700	1,406,232,700

FY 2013-14 FUNDING ADJUSTMENTS

PUBLIC ACT 107 of 2013 SUPPLEMENTAL APPROPRIATIONS

Healthy Michigan Plan/Medicaid Reform

Public Act 107 of 2013 (Enrolled House Bill 4714) was adopted after the original FY 2013-14 DCH budget was passed. P.A. 107 includes various reforms to the existing Medicaid program, and expands program eligibility as allowed under the federal Patient Protection and Affordable Care Act of 2010 (ACA). Under the expansion, all individuals with family incomes up to 133% of the federal poverty limit (FPL) qualify for Medicaid, regardless of health or family status. As a result, many individuals, primarily childless adults between the ages of 18 – 64, who currently receive services through other assistance programs, many of which are fully or partially state-funded, will become Medicaid eligible upon enactment. Further, the ACA provides an enhanced federal match rate for newly eligible individuals in states that choose to expand¹. As a result, from a budgetary standpoint, the expansion entails (1) an increase in federal revenues and expenditures to administer and pay claims for newly eligible individuals, and (2) a reduction in state support for programs that serve uninsured and underinsured individuals who will become eligible for Medicaid.

Section 105(e) includes the following supplemental appropriations for Medicaid Reform, to carry out policy and programmatic changes in the act². Act 107 provides increased appropriations of \$1,549,115,700 Gross (with a reduction of \$168,552,800 GF/GP).

P.A. 107 creates a new line item, Medical Services Reform, with an initial authorization of \$1,395,876,600 Gross (\$0 GF/GP) in federal funds. The federal funding increase will pay the costs of physical health services for individuals who become Medicaid eligible.

P.A. 107 creates a new line item, Mental Health Reform, with an initial authorization of \$288,646,900 Gross (\$0 GF/GP) in federal funds. The federal funding increase will pay the costs of mental health and substance abuse services for individuals who become Medicaid eligible.

¹ As described in section 1905(y)(1) of the ACA, the enhanced federal match rate for services provided to newly eligible individuals under Medicaid expansion is 100 percent for calendar years 2014 – 2016, 95 percent in calendar year 2017, 94 percent in calendar year 2018, 93 percent in calendar year 2019, and 90 percent in calendar years 2020 and beyond.

² P.A. 107 includes appropriation adjustments for both DCH and Corrections. This summary includes only DCH adjustments.

P.A. 107 creates a new line item, Administration, with an appropriation of \$40,000,000 Gross (\$20,000,000 GF/GP) for administration of the expanded program, eligibility determinations, beneficiary enrollment, and tracking/reporting requirements included in the act. A portion of this authorization will be available to the Department of Human Services and the Department of Insurance and Financial Services to fund expansion activities and other requirements in P.A. 107.

P. A. 107 includes negative appropriations for: a) Plan First Family Planning Waiver line item of \$1,072,200 Gross (all GF/GP); b) Medicaid Adult Benefits Waiver line item of \$14,723,900 Gross (all GF/GP); c) Medicaid Adult Benefits Waiver (Mental Health) line item of \$6,680,600 Gross (all GF/GP); and d) Community Mental Health Non-Medicaid Services line item of \$152,931,100 Gross (all GF/GP). The GF/GP reductions account for services previously paid for with state funds that will now be covered by the expanded Medicaid program.

P. A. 107 includes a net \$0 Gross fund shift in the Health Plan Services line item of \$13,145,000 from GF/GP to state restricted revenues to reflect increased Health Insurance Claims Assessment (HICA) revenues.

				(S.B. 198)				FY 2013-14	
FY 2013-14	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	Supplemental	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	ENACTED	P.A. 107 of 2013	Appropriations	Year-to-Date
DEPARTMENT OF COMMUNITY HEALTH	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED	P.A. 107 of 2013	Appropriations	Appropriations
	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13	16-Sep-13		31-Jan-14
Sec. 105e. (P.A. 107) MEDICAID REFORM									
Medical services reform	0	1,231,405,000	0	0	0	0	0	1,395,876,600	1,395,876,600
Mental health reform	0	288,646,900	0	0	0	0	0	288,646,900	288,646,900
Administration	0	20,000,000	0	0	0	0	0	40,000,000	40,000,000
Plan first family planning waiver	0	(1,072,200)	0	0	0	0	0	(1,072,200)	(1,072,200)
Medicaid adult benefits waiver	0	(18,023,900)	0	0	0	0	0	(14,723,900)	(14,723,900)
Medicaid adult benefits waiver (mental health)	0	(8,080,600)	0	0	0	0	0	(6,680,600)	(6,680,600)
Community mental health non-Medicaid services	0	(152,931,100)	0	0	0	0	0	(152,931,100)	(152,931,100)
Health plan services	0	0	0	0	0	0	0	(152,931,100)	(152,931,100)
Public health programs	0	(750,000)	0	0	0	0	0	0	0
Transitional medical assistance plus	0	(150,000)	0	0	0	0	0	0	0
GROSS APPROPRIATION	0	1,359,044,100	0	0	0	0	0	1,396,184,600	1,396,184,600
Appropriated from:									
Federal revenues:									
Total federal revenues	0	1,530,051,900	0	0	0	0	0	1,704,523,500	1,704,523,500
Special revenue funds:									
Total other state restricted revenues	0	10,712,700	0	0	0	0	0	13,145,000	13,145,000
State general fund/general purpose	0	(181,720,500)	0	0	0	0	0	(321,483,900)	(321,483,900)

NOTES:

1) Unit and line item names shown are as enacted in P.A. 107 of 2013. Executive Recommendation names varied slightly from the names subsequently enacted.

2) Supplemental P. A. 107 was enacted on September 16, 2013. The effective date of P. A. 107 is March 14, 2014. Appropriation adjustments are also effective March 14, 2014. The related federal waiver is approved as of December 30, 2013, and implementation and open enrollment are planned to begin on April 1, 2014.

INFORMATION TECHNOLOGY

SEC. 120. INFORMATION TECHNOLOGY

Funding for the Information Technology Services and Projects line item is reduced by \$86,900 Gross (\$28,700 GF/GP) to reflect an adjustment in the Microsoft Enterprise Agreement which includes replacing Windows XP Professional with Windows 7. Windows XP will not be supported after April 8, 2014. Funding for the Information Technology Services and Projects line item is increased by \$109,200 Gross (\$36,000 GF/GP) to reflect an increase in rates to agencies in order to recover costs incurred by the Center for Shared Solutions program which provides statewide spatial mapping services. Funding for the Information Technology Services and Projects line item is increased by \$126,200 Gross (\$41,600 GF/GP) to reflect a new rate that will support wireless equipment and support costs. Funding for the Information Technology Services and Projects line item is increased by \$106,300 Gross (\$35,100 GF/GP) to reflect a new rate that will support an increase in Internet bandwidth for self-service user interactions, off site e-mail, instant messaging, Intranet services, wireless growth, application requirements and traffic, storage growth, data mining, video based application, and security and traffic monitoring.

Funding for the Information Technology Services and Projects line item is increased by \$78,200 Gross (\$25,800 GF/GP) to finance a negotiated 1.0% lump sum payment for NEREs and unionized employees. Employee defined benefit retirement costs supporting the Information Technology Services and Projects line item are increased by \$66,000 Gross (\$21,800 GF/GP). Employee defined contribution retirement costs supporting the Information Technology Services and Projects line item are increased by \$244,800 Gross (\$80,800 GF/GP). Using a 1.6% weighted average factor for all insurances, employee insurance costs supporting the Information Technology Services and Projects line item are increased by \$24,800 Gross (\$8,200 GF/GP). As an economic adjustment for building and occupancy charges, funding for the Information Technology Services and Projects line item is increased by \$13,300 Gross (all GF/GP). As an economic adjustment for worker's compensation claims, funding for the Information Technology Services and Projects line item is reduced by \$12,200 Gross (all GF/GP). Funding for the Information Technology Services and Projects line item is increased by \$65,300 Gross (\$21,500 GF/GP) for other post-employment benefit (OPEB) costs.

Private revenue of \$20.0 million is authorized for the Michigan Medicaid Information System line item to recognize the Michigan-Illinois Alliance Medicaid management information systems project which enables Illinois to access Michigan's technology that supports Medicaid programs as a shared service. Section 298 is related boilerplate language.

FY 2012-13 SUPPLEMENTAL ACTIONS

PUBLIC ACT 102 OF 2013 SUPPLEMENTAL APPROPRIATIONS

Public Act 102 of 2013 increases funding for Michigan Medicaid Information System line item to recognize \$5.0 million in private revenue for the Michigan-Illinois Alliance Medicaid management programs which enables Illinois to access Michigan's technology that supports Medicaid programs as a shared service. Section 401 is boilerplate language to this funding.

				(S.B. 198)		
	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 120. INFORMATION TECHNOLOGY						
Information technology services and projects	36,028,300	36,763,300	36,530,800	36,530,900	36,763,300	36,763,300
Michigan Medicaid information system	30,201,100	30,201,100	50,201,100	30,201,100	50,201,100	50,201,100
GROSS APPROPRIATION	66,229,400	66,964,400	86,731,900	66,732,000	86,964,400	86,964,400
Appropriated from:						
Federal revenues:						
Total federal revenues	44,780,800	45,235,900	45,091,700	45,091,700	45,235,900	45,235,900
Special revenue funds:						
Total private revenues	0	0	20,000,000	0	20,000,000	20,000,000
Total other state restricted revenues	1,940,600	1,977,300	1,965,700	1,965,700	1,977,300	1,977,300
State general fund/general purpose	19,508,000	19,751,200	19,674,500	19,674,600	19,751,200	19,751,200

ONE-TIME BASIS ONLY APPROPRIATIONS

SEC. 121. ONE-TIME BASIS ONLY APPROPRIATIONS

The FY 2012-13 State Employee Lump Sum-Payments one-time only line item appropriation of \$4,285,300 Gross (\$2,571,500 GF/GP) is eliminated. This line item allocated funds for negotiated lump sum payments to state classified employees that equal to 1.0% of annual salary for unionized employees and 2.0% of annual salary for non-unionized employees.

The Health and Wellness Initiatives line item in the One-Time Basis Only Appropriations unit is eliminated with the removal of the entire line item funding of \$5,000,000 Gross (all GF/GP). This one-time line item was first funded in FY 2011-12 under the name Healthy Michigan Funds Program, for the following public health prevention programs: cancer, diabetes, health disparities, school health education, and pregnancy prevention. Note that an ongoing Health and Wellness Initiatives line item continues to be funded under Section 106, Public Health Administration appropriation unit, which is increased by \$1.0 million for a net \$4.0 million health and wellness initiatives funding reduction between the two line items. See the Section 106 line item for information on funding allocations by project that were funded in the two line items in FY 2012-13.

There was no change to the Hospital Services and Therapy - Graduate Medical Education line. The FY 2013-14 one-time appropriation is \$4,314,200 Gross (\$1,450,000 GF/GP). 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 FY 2012-13 one-time allocation of \$3.0 million GF/GP for Mental Health Services for Special Populations was eliminated in which the funding was 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. Based on the Leadership Target Agreement, the funding was added to the ongoing Mental Health Services for Special Populations line item appropriation of \$5,842,800 GF/GP.

The FY 2012-13 one-time allocation of \$30.0 million Gross (\$3.0 million GF/GP) for the Michigan Medicaid Information System line item appropriation for the 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 is partially continued in FY 2013-14 in the amount of \$18.3 million Gross (\$2.3 million GF/GP).

There are no changes to the Primary Care Services - Island Health Clinics line item which is continued at the prior fiscal year funding level of \$325,000 Gross (all GF/GP) for four island health clinic sites.

The Mental Health Innovation line item is created for a one-time only appropriation of \$5.0 million Gross (all GF/GP). The funds are allocated as follows: \$2.5 million to finance and support home-based mental health services for children; \$1.0 million for care management and treatment of high-risk youth; and \$1.5 million mental health training and awareness programs in identifying youth with mental health needs. Section 1901 is boilerplate language to this funding.

The University Autism Centers and Services line item is created for a new one-time appropriation of \$2,000,000 Gross (all GF/GP) to provide new funding for four \$500,000 grants to autism education centers and programs at four higher education institutions, pursuant to the Leadership Target Agreement of May 21, 2013. Grantees include Central Michigan University Central Assessment Lending Library, Oakland University Center for Autism Research, Education, and Support, Western Michigan University Autism Center of Excellence, and Eastern Michigan University Autism Collaborative Center, the latter being a recipient of continued ongoing funding of \$500,000 GF/GP funding in Section 113, Special Projects line item. Section 1902 is related boilerplate for the new one-time funding.

	FY 2012-13	FY 2013-14	FY 2013-14	(S.B. 198) FY 2013-14	FY 2013-14	
FY 2013-14	COMM. HEALTH	EXECUTIVE	HOUSE	SENATE	ENROLLED	FY 2013-14
P.A. 59 of 2013, Article IV (H.B. 4328)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-13	7-Feb-13	24-Apr-13	16-May-13	4-Jun-13	13-Jun-13
Sec. 121. ONE-TIME BASIS ONLY APPROPRIATIONS						
State employee lump-sum payments	4,285,300	0	0	0	0	0
Health and wellness initiatives	5,000,000	0	0	0	0	0
Hospital services and therapy - graduate medical education	4,314,200	0	1,656,800	4,314,200	4,314,200	4,314,200
Mental health services for special populations	3,000,000	0	3,000,000	3,000,000	0	0
Michigan Medicaid information system	30,000,000	18,300,000	0	18,300,000	18,300,000	18,300,000
Primary care services - island health clinics	325,000	325,000	325,000	325,000	325,000	325,000
Mental health innovation	0	5,000,000	0	100	5,000,000	5,000,000
University autism centers and services	0	0	0	0	2,000,000	2,000,000
GROSS APPROPRIATION	46,924,500	23,625,000	4,981,800	25,939,300	29,939,200	29,939,200
Appropriated from:						
Interdepartmental grant revenues:						
Total interdepartmental grant revenues	19,700	0	0	0	0	0
Federal revenues:						
Total federal revenues	31,143,600	16,000,000	1,101,800	18,864,200	18,864,200	18,864,200
Special revenue funds:						
Total local revenues	150,400	0	0	0	0	0
Total private revenues	800	0	0	0	0	0
Total other state restricted revenues	263,500	0	0	0	0	0
State general fund/general purpose	15,346,500	7,625,000	3,880,000	7,075,100	11,075,000	11,075,000

BOILERPLATE

PART 2
GENERAL SECTIONS BOILERPLATE

Sec. 201. State Spending

Total FY 2013-14 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, 2013 PA 59.

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 \$40 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. Performance Metrics

Requires the Department to maintain, on a publicly accessible website, the department's scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 208. Internet Reporting Requirements

Requires departments and agencies receiving Part 1 appropriations to use the Internet to fulfill the reporting requirements of Article IV, 2013 PA 59.

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. 210. Businesses in Deprived and Depressed Communities

Requires the Director of DCH to take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Requires the Director to strongly encourage firms with which DCH contracts to subcontract with certified businesses in deprived and depressed communities for services or supplies, or both.

Sec. 211. Fee Revenue and Restricted Fund Balances

Allows the carry forward 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, 2014, on detailed name and amounts of federal, restricted, private, and local revenue sources that support FY 2013-14 appropriations by each line item. Requires report on amounts and detailed sources of federal, restricted, private, and local revenue proposed to support funds appropriated in each of the Part 1 line items in FY 2014-15 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 and organizations utilizing these funds by April 1, 2014, to the House and Senate Appropriations Committees, House and Senate Fiscal Agencies, and State Budget Director. Requires the report to include the following information: detailed spending plan by appropriation line item; description of allocations or bid processes; eligibility criteria for program participating and maximum benefit levels where applicable; and program outcome measures.

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 eight 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, 2014. Requires DCH to provide, by September 30, 2014, 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. 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 federal Centers for Medicare and Medicaid Services (CMS). 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 entities noted above 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 CMS or federal Department of Health and Human Services. Requires DCH to submit the plan for integrated care for individuals who are dual 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 appropriations within the department's budget in the immediately preceding fiscal year. Requires the report to include the dates of each travel occurrence, and the transportation and related costs of each travel occurrence.

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, 2014.

Sec. 287. General Fund/General Purpose Appropriation Lapses

Requires the State Budget Office to report on the estimated general fund/general purpose appropriation lapses by major departmental program or program areas at the close of the prior fiscal year by no later than November 30, 2013.

Sec. 292. Fiscal Year-To-Date Expenditures and Payments

Requires DCH, in cooperation with the DTMB, to maintain on a searchable website accessible by the public 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.

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

Requires annual report on estimated state restricted fund balances, projected revenues, and expenditures for FY 2012-13 and FY 2013-14 within 14 days after the release of the Executive budget recommendation. Requires DCH, in cooperation with the State Budget Office, to provide the report to Chairs of the House and Senate Appropriations Committees, the House and Senate Appropriations Subcommittees on Community Health, and the House and Senate Fiscal Agencies.

Sec. 298. Michigan-Illinois Alliance Medicaid Management Information Systems Project

Allocates \$20 million in private revenue for the Michigan-Illinois Alliance Medicaid Management Information Systems Project.

Sec. 299. Request for Proposal (RFP) for Contract

Prohibits a state department or agency from issuing RFP for a contract in excess of \$5 million, unless the department or agency has first considered issuing a request for information (RFI) or a request for qualification (RFQ) relative to that contract to better enable the department or agency to learn more about the market for products or services that are subject of the RFP. Requires the department or agency to notify the DTMB of the evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP.

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 2013-14 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, 2014 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, 2014, on the following for CMHSPs or PIHPs: expenditures and services data, information about access to CMHSPs, lapses and carry forwards during FY 2012-13, 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 to coordinate care and services provided to individuals with severe and persistent mental illness and substance abuse diagnoses. Requires DCH to approve the managing entity fee schedules for providing substance abuse services and charge participants in accordance with their ability to pay. Requires the managing entity to continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance abuse diagnoses with the goal of providing services in an administratively efficient manner.

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

Requires DCH to report by April 1, 2014, on expenditures and services data on substance abuse prevention, education, and treatment programs for FY 2012-13.

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 serious 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. Capitation Rates Increase 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. 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, 2014.

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 consider a CMHSP, PIHP, or subcontracting provider agency in compliance with state program review and audit requirements that are addressed by a national accrediting entity for behavioral health care services by April 1, 2014, contingent upon federal approval. Requires a report by June 1, 2014 that lists each CMHSP, PIHP, and subcontracting provider agency that is considered in compliance with state requirements that are addressed by a national accrediting agency which includes: naming of the requirements that the CMHSP, PIHP, or subcontracting provider agency is considered in compliance with; and the national accrediting entity that reviewed and accredited the noted entities.

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, 2014 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 continue efforts to use mental health funding to address the mental health needs of deaf and hard-of-hearing persons. Requires a March 1, 2014 report on the results of this process.

Sec. 500. Jail Diversion Programs Initiative

Requires DCH in allocating funds for the jail diversion programs initiative that priority is given to county sheriffs including St. Joseph County Sheriff, and community court projects including the 36th District Court community court project.

Sec. 502. Fetal Alcohol Syndrome Services

Requires the Department to explore developing an outreach program on fetal alcohol syndrome services and report on efforts to prevent, combat, and reduce the incidence of fetal alcohol syndrome.

Sec. 503. Policies and Procedures for PIHPs or CMHSPs

Requires DCH to consult with CMHSPs from across the state when developing policies and procedures that will impact PIHPs or CMHSPs.

Sec. 504. Workgroup on PIHPs Capitation Payments

Requires the Department to create a Workgroup to make recommendations to achieve more uniformity in capitation payments made to the PIHPs. Requires the Department to provide the Workgroup's recommendation to the Senate and House Appropriations Subcommittees on Community Health, Senate and House Fiscal Agencies, and State Budget Director by March 1, 2014.

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 certification of the closure 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 carry forward 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 DTMB, 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 Methodology

Directs DCH to report to the Legislature by October 1, 2013 on the process by which Michigan fish consumption advisories are created and revised, and identifies specific information to be included in the report.

Sec. 651. Michigan Health Endowment Fund

Requires the Department to work with the Michigan Health Endowment Fund Corporation established under the Blue Cross and Blue Shield reform enacted in Act 4 PA 2013 (SB 61), to explore ways to expand health and wellness programs.

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

Allocates \$1.0 million for a pilot before- and after-school healthy exercise program for children kindergarten through grade 6. Department shall incorporate evidence-based best practices for program model and guidelines. Program goals for participating children are indicated and a 20% match is required of grantees. Department shall seek third party financial support for program.

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 also be used to provide loan and repayment for dentists that meet the criteria established in Part 27 of the Public Health Code in addition to other providers. Allows DCH to use appropriated funds to reduce local and private share of loan repayment costs to 25% for primary care physicians, particularly 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 professions 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 and report by September 30, 2014.

Sec. 717. Health Innovation Grants

Establishes parameters for new health innovation grants program to address emerging issues and encourage innovative advances in health care. Allocates \$250,000 of the \$1.5 million Part 1 appropriation for a chronic fatigue syndrome study. Unexpended funds are considered work project appropriations, with tentative work project completion date of September 30, 2018.

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.

EPIDEMIOLOGY

Sec. 851. Lead Abatement

Allocates new funding of \$1.25 million from the Part 1 healthy homes program appropriation to expand lead abatement efforts. Direct the Department to coordinate lead abatement efforts with the Michigan Public Service Commission on the issue of window replacement.

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 in accordance with the Informed Consent Law to a woman seeking an abortion.

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 is contingent upon local spending of at least the amount expended in FY 1992-93 for these services.

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

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

Requires annual report by January 3, 2014 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 clients. Requires DCH to report expenditure data by marital status, and permits the use of state public assistance applications to determine marital status for data report.

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

Requires DCH to report by April 1, 2014 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" 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 by December 1, 2013 on program services provided in the prior fiscal year.

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. Alternative Pregnancy and Parenting Support Services Pilot

Allocates \$700,000 for a new alternative pregnancy and parenting support services pilot program to provide enhanced counseling and support for women during pregnancy through 12 months after birth, and promote childbirth and alternatives to abortion.

Sec. 1137. Enhanced Nurse Family Partnership Program Support

Allocates new funding of \$500,000 for evidence-based programs to reduce infant mortality including nurse family partnership programs, for enhanced support and education to nursing and other health professional teams, client recruitment in high need or underserved communities, strategic planning, nurse and provider recruitment, and awareness.

Sec. 1138. Maternal and Child Health Contractual Services

Requires the Department to allocate funds appropriated for family, maternal, and children's health services pursuant to section 1 of Public Act 360 of 2002, related 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.

Sec. 1205. Access to Telemedicine for CSHCS Eligibles

Authorizes the Department to spend up to \$500,000 for further development and expansion of telemedicine capacity to allow CSHCS beneficiaries access to specialty providers as needed.

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, 2014 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 by March 30, 2014 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 funding of \$1.1 million appropriated for community services be allocated to area agencies on aging for locally-determined needs.

MEDICAL SERVICES BOILERPLATE

MEDICAL SERVICES ADMINISTRATION

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, 2018.

Sec. 1502. Transparency Claims Database

Contingent on enactment of enabling legislation, directs the Department to spend \$300,000 GF/GP, plus any associated federal match, to create and develop a transparency database website.

MEDICAL SERVICES

Sec. 1601. Remedial Services Costs and Medicaid Eligibility

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

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

Requires an annual report on the number of individuals transitioned from nursing homes to the HCBS program, number of individuals enrolled into the HCBS program from the community, number of unique individuals served, number of days of care provided during the fiscal year, the average cost per day, and the number of individuals on waiting lists for the HCBS program at the end of the previous fiscal year.

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*

Requires the distribution of \$378,000 GF/GP, plus any associated match, 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. 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, Residency Verification*

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. 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 and the Department of Military and Veterans Affairs, 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. 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

Directs the Department to create a structure for an Ambulance QAAP in consultation with the Michigan Association of Ambulance Services.

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. 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 defined in the approved Medicaid State Plan as a covered Medicaid service.

Sec. 1861. Nonemergency Medical Transportation Report

Requires the Department to provide a report on the pilot program offering nonemergency medical transportation to Medicaid recipients.

Sec. 1862. Obstetrical Reimbursement Rate

Requires that the Department reimburse Medicaid obstetrical services at a rate not less than the rate in effect on October 1, 2012.

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. Establishes parameters for the criteria, distribution formula, and maximum reimbursement amounts. Requires the Department to provide hospitals with the distribution methodology and, for each facility, individual facility data used to determine distribution amounts. Requires the Department to report to the Legislature on the distribution of funds annually.

Sec. 1870. *Graduate Medical Education Consortium*

Directs the Department to establish a Michigan Graduate Medical Education Consortium in collaboration with medical school-affiliated faculty practice physician groups. Stipulates that the consortium shall develop primary care GME programs and provide a plan to the Legislature. Directs the Department to explore seeking a waiver to implement a program modeled after the Utah Medicare GME demonstration project.

Sec. 1872. *Lower Extremity Diabetic Care Pilot Program*

Directs the Department to consider establishing a pilot program focusing on lower extremity diabetic care and, should the program proceed, to work with the Michigan Podiatric Medical Association to improve the quality of applicable care.

Sec. 1873. *Hospital Funding Distribution Workgroup Report*

Requires the Department to report on the findings of the workgroup established to discuss new ways to distribute hospital funding.

Sec. 1874. *Provider Collaboration on Fraud and Waste*

Acknowledges that the Department may explore ways to work with providers to develop fraud management and waste reduction solutions in the Medicaid Program.

Sec. 1875. *Home and Community Based Services Expansion*

Allows the Department to pursue the expansion of the Home and Community Based Services Program.

Sec. 1878. Independent Ombudsman Program for Dual Eligible Services

States that the Department shall seek to assure the existence of an independent ombudsman program for any project negotiated with the federal government for integrated care of individuals dually enrolled in Medicaid and Medicare.

Sec. 1879. Prescription Coverage for Dual Eligibles

States that the Department shall seek to use the Medicare Part D benefit for prescription drug coverage for dual eligible individuals.

Sec. 1881. Newborn Enrollment

Requires the Department to create a default eligibility and enrollment determination to ensure that newborn children who are eligible for Medicaid come into the same health plan as the mother.

Sec. 1883. Observation Stay Policy & Rate

Directs the Department to consider developing an appropriate policy and rate for observation stays.

Sec. 1886. Community Based Treatment for Foster and Adjudicated Youth

Directs the Department to work in conjunction with an established DHS workgroup to determine how the state can maximize Medicaid claims for community-based and outpatient treatment services to foster care children and adjudicated youths. Requires the Department to report findings to the Legislature.

ONE-TIME APPROPRIATIONS BOILERPLATE

Sec. 1901. Mental Health Innovations

Permits DCH to expend funds to achieve mental health innovations which address emerging issues and improve mental health services for children. Provides that unexpended funds appropriated for mental health innovations are considered work project appropriations and any unencumbered or unallotted funds are carried forward into the following fiscal year. Specifies that the following is in compliance with the work project provision of the Management and Budget Act, 1984 PA 431, MCL 18.1451a: the purpose of the project carried forward is to improve mental health services for children in Michigan; the project will be accomplished through early intervention focusing on training and awareness, home-based services, and care management and treatment for high-risk youth; the estimated completion cost is \$5 million; and the tentative completion date is September 30, 2018.

Sec. 1902. University Autism Centers and Services

Allocates \$500,000 each to four higher education institutions for university autism centers and services including Eastern Michigan University, Central Michigan University, Oakland University, and Western Michigan University.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 2001. Fiscal Year 2014-15 Anticipated Appropriations

Expresses Legislature's intent to provide appropriations for FY 2014-15 for the line items listed in Part 1 for FY 2013-14, 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 2014 Consensus Revenue Estimating Conference.

Sec. 2002. Retirement Costs for Fiscal Year 2014-15

Expresses the Legislature's intent that the DCH identify the amounts for normal and legacy retirement costs for FY 2014-15 Part 1 line items.

FY 2012-13 SUPPLEMENTAL ACTIONS

PUBLIC ACT 102 of 2013 SUPPLEMENTAL APPROPRIATIONS

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. 401. Michigan-Illinois Alliance Medicaid Management Information System Project

Allocates \$5.0 million in private revenue for the Michigan-Illinois Alliance Medicaid Management Information Systems Project.