

MEMORANDUM



DATE: September 20, 2022
TO: Members of the House Appropriations Committee
FROM: Mary Ann Cleary, Director *MAC*
RE: Legislative Initiated Transfer Package 2022 Health and Human Services

Attached is a legislative transfer proposed by the legislature. Pursuant to section 393 of the Management and Budget Act, a legislative transfer must be approved by a majority of both the House and Senate Appropriations Committees, with identical funding sources and dollar amounts, in order to become effective. This transfer package will be considered by the House Appropriations Committee on Wednesday, September 21, 2022.

There are two basic types of legislative transfers, which have different effects on the overall level of appropriations in the state budget.

A **standard legislative transfer** shifts existing spending authorization between line items in a particular budget area, with no net change in total appropriations. Generally, such transfers are proposed when expenditures are higher than originally anticipated in one line item and lower than anticipated in another. These transfers can represent a shift of GF/GP funding between two line items, or merely a shift of spending authorization from same broad category of funding (federal, restricted, etc.) between the line items.

As shown in the attached table, standard transfers in this package total \$8.5 million, which will shift 0.01% of total appropriations within the existing FY 2021-22 year-to-date state budget.

If you have questions about the transfers generally, please contact me. If you have questions about an individual transfer, please contact the HFA analyst assigned to that budget area. We can be reached at 373-8080.

Attachment

LEGISLATIVE TRANSFER PACKAGE



Mary Ann Cleary, Director
Viola Bay Wild, Transfer Coordinator
Compiled by Tumai Burris, Budget Assistant

Summary Sheet

September 16, 2022

Department	Analyst	Page	Total Transfer
Health and Human Services	Victoria Amponsah Sydney Brown Kent Dell Kevin Koorstra	1	\$8,474,400
Total			\$8,474,400

LEGISLATIVE TRANSFER

BUDGET AREA: **HEALTH AND HUMAN SERVICES**
 FISCAL YEAR: **2021-22**
 TRANSFER AMOUNT: **\$8,474,400**

S.B.O. LETTER: **N/A**
 S.B.O. REQUEST: **N/A**
 ANALYST: **Kevin Koorstra**

TRANSFER ITEMS	Y-T-D AUTH.	Y-T-D EXPEND. & ENCUMB. AS OF 9/15/22	BALANCE AVAILABLE AS OF 9/15/22	GOV'S REC.	PROPOSED HOUSE ACTION	SENATE ACTION
FROM: SEC. 120. MEDICAL SERVICES						
Health plan services	6,449,093,800	5,377,859,104	1,071,234,696		(4,237,200)	
Funding source:						
State general fund/general purpose	188,321,200	153,579,259	34,741,941		(4,237,200)	
Hospital services and therapy	783,303,500	448,401,541	334,901,959		(4,237,200)	
Funding source:						
Total other state restricted revenues	234,834,100	147,861,471	86,972,629		(4,237,200)	
TO: SEC. 120. MEDICAL SERVICES						
Health plan services	6,449,093,800	5,377,859,104	1,071,234,696		4,237,200	
Funding sources:						
Total other state restricted revenues	1,589,498,500	1,317,515,674	271,982,826		4,237,200	
Hospital services and therapy	783,303,500	448,401,541	334,901,959		4,237,200	
Funding source:						
State general fund/general purpose	12,753,000	0	12,753,000		4,237,200	

This transfer would shift \$4.2 million state restricted hospital quality assurance assessment program (QAAP) authorization in the Hospital Services and Therapy line item with \$4.2 million GF/GP from the Health Plan Services line item. The \$4.2 million in GF/GP that would be transferred into the Hospital Services and Therapy line item would be consistent with, and could be used to offset through a separate GF/GP payment, a hospital QAAP overpayment collected from 4 hospitals (Memorial Healthcare Center, St. Joseph Mercy Hospital, Helen Newberry Joy Hospital, and Eaton Rapids Medical Center) associated with data reporting discrepancies that caused the hospital QAAP billings to be overcharged to those 4 hospitals during the first quarter of the current fiscal year.