



**FY 2006-07 APPROPRIATION REPORT
DEPARTMENT OF COMMUNITY HEALTH
Public Act No. 330 of 2006
And FY 2005-06 Supplemental Actions**

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DEPARTMENT OF COMMUNITY HEALTH OVERVIEW

The Department of Community Health (DCH) budget provides funding for Mental Health, Public Health, and Medical Services. Also included is funding for Health Policy, Regulation, and Professions, Office of Drug Control Policy, Office of Services to the Aging, and Crime Victim Services Commission. **Public Act 330 of 2006** is the appropriation act for the Department of Community Health in FY 2006-07 that includes authorized funding totaling \$11.2 billion, of which \$2.9 billion is from GF/GP revenues. Highlights of Public Act 330 and changes from the prior fiscal year follow.

1. Economic Adjustments

A funding adjustment of \$30,775,500 Gross (\$14,389,300 GF/GP) is included in the budget to fund 3.5% net salary and wage increase for non-bargaining and unionized employees and economic adjustments for defined benefit and contribution retirement, insurance, building occupancy, food, worker's compensation, gas, fuel, and utility costs for FY 2006-07.

2. Actuarially Sound Capitation Rates

Capitation payment rates for Health Plan Services and Medicaid Mental Health and Substance Abuse Services are respectively increased by 5.0% and 2.0% (\$129,951,900 Gross, \$56,685,000 GF/GP) to ensure that rates are actuarially sound in FY 2006-07.

3. Community Mental Health Direct Care Worker Increase

The budget adds \$10.4 million Gross (\$4,536,500 GF/GP) to the Medicaid Mental Health Services appropriation to finance a 2.0% wage increase for direct care workers in community mental health settings, effective October 1, 2006. (Sec. 405)

4. Detroit-Wayne County CMHSP

Beginning on December 1, 2006, Section 459 lowers Detroit-Wayne County CMHSP non-Medicaid funds by \$3.5 million monthly until it becomes an authority. However, funding reductions are restored when Detroit-Wayne County CMHSP becomes an authority.

5. *Salvation Army Harbor Light Program*

An additional \$400,000 Gross (all GF/GP) is included in the budget for the Salvation Army Harbor Light Program that provides substance abuse treatment services.

6. *Carve-In of Anti-Psychotic Pharmaceutical Costs*

Anti-psychotic pharmaceutical costs of \$149,136,400 Gross (\$65,053,300 GF/GP) have been transferred to capitation payments for prepaid inpatient health plans (PIHPs), with the expectation of capturing an additional \$9,485,100 QAAP revenue and \$5,347,700 federal Medicaid revenue, and saving \$5,347,700 GF/GP. (Sec. 269)

7. *Multicultural Services*

Funding for the Multicultural Services appropriation has been increased by \$200,000 Gross (all GF/GP) for the Jewish Federation of Metropolitan Detroit. (Sec. 475)

8. *Public Health Funding Increases*

The budget includes additional GF/GP spending authorization of \$175,000 to establish a Methamphetamine Cleanup Fund (Sec. 351), \$25,000 for a Diabetes Management Pilot Project (Sec. 1008), and \$30,000 for creation of a website regarding the Safe Delivery of Newborns Act (Sec. 1114).

9. *Public Health Prevention Block Grant*

A 19.3% reduction of \$1,083,500 is recognized for the ongoing federal Preventive Health and Health Services Block Grant that affects the following prevention programs: minority health grants, emergency medical services grants, primary care services, AIDS counseling and testing, sexually transmitted disease control, laboratory services, Alzheimer's information network, chronic disease prevention, diabetes and kidney program, and pregnancy prevention.

10. *Local Public Health Hearing and Vision Screening*

Local Public Health Operations hearing and vision screening services provided by local health departments in schools are restored to the FY 2004-05 funding level of \$5.15 million. New School Aid Fund monies for this program will be cycled back through DCH by the school districts. Local health departments will continue to provide screenings in schools under contract with DCH. This is a \$2,575,000 Gross increase (reduction of \$2,575,000 GF/GP) using \$5.15 million of local funds. (Sec. 905)

11. Healthy Michigan Fund Adjustments

Healthy Michigan Fund monies are increased by \$38,000 Gross (\$0 GF/GP). The increase is used for FTE-related economics adjustments to three projects. Healthy Michigan Funds of \$350,000 are reallocated from Medicaid match to support programs for arthritis, Huntington's Disease, Parkinson's Disease, and infant mortality. An additional federal Medicaid funds increase of \$200,000 is generated as matching funds from the increased Healthy Michigan infant mortality Nurse Family Partnership funding (Sec. 1132).

12. Anti-Drug Abuse and Drug Treatment Court Grants

A gross funding reduction of \$8,565,100 affects Anti-Drug Abuse and Drug Treatment Court grants. Funding changes recognize reduced federal grant funds of \$9,800,200 for law enforcement support, drug abuse prevention education, residential substance abuse treatment programs and drug treatment courts. A GF/GP appropriation increase of \$1,235,100 offsets the federal funding cuts for existing grants from the state program to Michigan communities.

13. Michigan First Healthcare Plan

Federal fund authorization of \$100.0 million that will be used to match existing Michigan funds is added to the budget to create Michigan First Healthcare Plan, a plan to extend basic, low-cost health insurance coverage to uninsured Michigan residents. State matching funds would be met by funds already spent in Michigan on health care for the uninsured. This plan will require a federal government waiver and, if approved, is anticipated to begin April 1, 2007. (Secs. 1501, 1502, and 1503)

14. Medicaid Home Help Worker Wage Increase

To increase the hourly wage for Medicaid home help workers, \$31,462,600 Gross (\$13,724,000 GF/GP) is added to the budget. (Sec. 1691)

15. Asset Lookback and Audit Savings

Included in the budget is a reduction of \$12,047,700 Gross (\$5.0 million GF/GP) representing additional savings from Medicaid asset lookback and audit activity related to changes in the Federal Deficit Reduction Act. Savings of \$7.0 million GF/GP are reduced by \$2.0 million GF/GP for additional staffing costs.

16. Recovery of Pharmaceutical Overpayments

Savings of \$22,924,800 Gross (\$10.0 million GF/GP) from Medicaid pharmaceutical overpayment recoveries as identified in a recent report from the State Auditor General are recognized in the budget.

17. Asset Transfer and False Claims Act Savings

Savings of \$21,956,200 Gross (\$9,577,300 GF/GP) are included in the budget due to tightening of the asset transfer rules for long-term care eligibility and existence of Michigan's False Claims Act. The federal Deficit Reduction Act included several provisions to reduce Medicaid costs at both the state and federal levels. (Sec. 1759)

18. Carve In of Anti-Depressant Medications Into HMOs

Savings of \$3,064,900 GF/GP are recognized by transferring anti-depressant pharmaceutical payment funding of \$86,674,300 Gross (\$37,807,300 GF/GP) from Pharmaceutical Services line to Health Plan Services line. Increasing payments to health plans is also expected to generate an additional \$5,512,500 QAAP revenue and \$3,150,900 federal Medicaid revenue. The net impact is a \$5,598,500 gross increase. (Sec. 269)

19. Copayments Expansion

Savings of \$300,000 Gross (\$130,900 GF/GP) are recognized due to an increase in the Medicaid hospital emergency room copayment from \$3 to \$6. (Sec. 1631)

20. Health Information Technology Initiative

The budget authorizes \$9.5 million Gross (\$7,250,000 GF/GP) to finance health care information technology initiatives. (Secs. 1760 and 1763)

21. Personal Care Supplement Increase

The Medicaid personal care supplement paid to adult foster care facilities and homes for the aged is increased by \$10 per month, adding \$852,000 Gross (\$371,600 GF/GP) to the budget. (Sec. 1746)

22. Medicaid Physician Well Child and Primary Care Procedures Rate Increase

Included in the budget is \$16,623,600 Gross (\$7,251,200 GF/GP) for an increase in Medicaid reimbursement rates for physician well child and primary care procedure codes. (Sec. 1636)

23. Specialized Case Management Program

Savings recognized from implementation of a specialized case management program targeting the highest cost Medicaid patients are \$10.0 million Gross (\$4,362,000 GF/GP). (Sec. 1756)

24. Graduate Medical Education

Savings of \$3,339,800 GF/GP are realized by transferring the Graduate Medical Education (GME) program payments of \$100.0 million Gross (\$43,620,000 GF/GP) from the Hospital Services line item to the Health Plan Services line item. Increasing payments to health plans is also expected to generate an additional \$6.0 million QAAP revenue and \$3,425,800 federal Medicaid revenue. The net impact of these changes is a \$6,086,000 gross increase. (Sec. 1740)

25. MICHild Premiums

The monthly premium for the MICHild program is increased from \$5 to \$10, saving \$1.3 million Gross (\$396,900 GF/GP) in the budget. (Sec. 1673)

26. Pharmacy Quality Improvement Program

Savings associated with the Pharmacy Quality Improvement Program are increased by \$4,146,300 Gross (\$1,808,600 GF/GP).

27. Family Planning Waiver Savings

Included in the budget are savings of \$8.4 million Gross (\$10.0 million GF/GP) from the family planning demonstration waiver that became effective on July 1, 2006. Plan First! is the name of this family planning Medicaid benefit program. Services are intended to help women reduce the incidence of closely spaced pregnancies and to decrease the number of unintended pregnancies.

28. Medicaid Caseload Savings

Savings of \$17,760,000 Gross (\$7,746,900 GF/GP) are recognized in the budget due to changes in the Medicaid caseload in various program areas including the caretaker relative and 19- and 20-year old eligible populations.

29. Executive Budget Revisions

Public Act 330 includes Executive Budget Revisions with a gross net reduction of \$1,650,800 (\$825,400 GF/GP). Included in the Executive Budget Revision letter dated May 19, 2006 is an increase of 5.0 FTE positions for Departmental Administration and Management, Family, Maternal, and Children's Health Services Administration, and Medical Services Administration line items and an increase of \$1,425,200 Gross (\$712,600 GF/GP) for these line items. The FY 2006-07 staff costs for providing oversight and coordination of a federally approved waiver are offset with projected savings of \$3,306,000 Gross (\$1,653,000 GF/GP) from implementing the waiver. Furthermore, the Pharmaceutical Services line item is increased by \$230,000 Gross (\$115,000 GF/GP) to support contractual assistance with application review, increased costs related to pharmacy benefit manager services, and waiver education, outreach, and training activities.

FY 2005-06 Funding Adjustments

Two supplemental funding adjustments have been made to the enacted FY 2005-06 Community Health budget, **Public Act 153 of 2006** and **Public Act 345 of 2006**.

Public Act 153 of 2006 (Senate Bill 242) enacted in May of 2006 provides supplemental FY 2005-06 appropriations totaling \$74,323,400 Gross, with a corresponding reduction of \$2,353,200 in GF/GP. The QAAP revenue authorization for the Long-Term Care Services line item is increased by \$9,479,200 and the matching federal Medicaid authorization for this line is increased by \$12,357,300. The federal revenue source for the Health Plan Services line item is reduced by \$11.0 million, with a corresponding increase in QAAP revenue, to correct an error made during development of the FY 2005-06 budget. The Health Plan Services line item is reduced by \$2,353,200 GF/GP due to implementation of projects to reduce Medicaid eligibility error rates and asset test for caretaker relatives. (These funds are transferred to the Department of Human Services budget for this added responsibility.) Expected revenues and expenditures for the Medicare Part D program are properly aligned with the Federal Medicare Pharmaceutical Program and Pharmaceutical Services lines which nets out to an increase of \$36,217,600 Gross (all federal Medicaid revenue). The authorization for Medicaid Adult Benefits Waiver line item is increased by \$4,394,700 Gross (all federal Medicaid revenue) to support expected expenditures for this program. Additional Medicaid contractual funding of \$3.0 million is provided to Michigan universities and colleges for Medicaid program evaluation and outreach efforts to improve health care access. The authorization for WIC Program Administration and Special Projects line item is increased by \$609,000 Gross reflecting the availability of \$58,000 in private funds to support the Farmers' Market Nutrition Program and Project Fresh for WIC participants, and the availability of \$551,000 in federal grant funds for administration, breastfeeding peer counseling, nutrition services, information systems upgrade and nutrition surveillance. The authorization for WIC Program Local

Agreements and Food Costs line is increased by \$1,450,000 reflecting additional federal funds for food and local administration.

Furthermore, Public Act 153 of 2006 recognizes an additional \$5.0 million in private funds from pharmaceutical manufacturers for rebates on AIDS and HIV medications used by the HIV/AIDS Drug Assistance Program. Funds totaling \$570,000 Gross (all federal Medicaid revenue) were also added for implementation of a federally approved waiver that expands Medicaid coverage to 43 children with serious emotional disturbances and/or chronically mentally ill. The GF/GP match for these Medicaid funds are provided by 5 CMHSPs. Recognizing available newborn screening test fee revenue, the authorization for the Laboratory Services line item is increased by \$300,000. In anticipation of a possible pandemic flu event, a new federal grant of \$2,951,800 has been awarded for state and local response planning, exercises and preparation. The funds are a component of the federal Public Health Preparedness and Response for Bioterrorism grant. A new 3-year federal HUD Healthy Homes Demonstration grant of \$300,000 is recognized to install products and reduce hazards in the home environment of children with asthmatic symptoms in low-income families in Ingham County. The demonstration program is being run through the lead abatement program. In the Epidemiology Administration line item, \$13,600 of continuation grant funding from the March of Dimes is recognized for a project to increase consumption of folic acid supplements to reduce birth defects. Also in that line, a grant balance of \$33,400 from the Saginaw Bay Watershed Initiative Network is recognized to complete a project related to toxicity of fish and wildlife caught and consumed locally.

Public Act 345 of 2006, Article 19, (House Bill 5796) enacted in August of 2006 provides supplemental FY 2005-06 appropriations totaling \$161,116,200 Gross (\$27,382,700 GF/GP). The act appropriates \$33,937,000 Gross (\$1,321,800 GF/GP) for increased Medicaid expenditures related to caseload and utilization growth based on FY 2005-06 expenditures agreed to by the House and Senate Fiscal Agencies, and State Budget Office. Additional funding of \$116.4 million Gross is provided for the Hospital Services and Therapy line item to increase QAAP payments to the federal upper payment limit for FY 2004-05 and FY 2005-06. The additional QAAP revenue of \$50,460,000 is matched with federal Medicaid funds of \$65,940,000 to finance increased Medicaid payments to hospitals. An additional \$9,821,400 in federal, local, and private funds are allocated to the Auxiliary Medical Services line item for a rate increase to dental clinics operated by local public health departments and federally qualified health centers. Tobacco Settlement revenue of \$25,582,000 is replaced with GF/GP to reflect the reduced payments from cigarette manufacturers. The fund sources for the Respite Care Program, Elder Prescription Insurance Coverage, Pharmaceutical Services, and Long-Term Care Services line items are adjusted from \$46,418,000 in Tobacco Settlement revenue to Merit Award revenue. Funding and FTE positions for the Departmental Administration and Management, Family, Maternal, and Children's Health Services Administration, Medical Services Administration, and Pharmaceutical Services line items are increased by \$957,800 Gross (\$478,900 GF/GP) and 5.0, respectively, for staff, education, outreach, training, contractual assistance, and

pharmacy benefits manager contract costs associated with implementing the recently approved federal family planning waiver. The waiver expands eligibility for family planning services to women of childbearing age who are not currently Medicaid eligible up to 185% of the federal poverty level.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	FY 2006-07
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
DEPARTMENT OF COMMUNITY HEALTH							
APPROPRIATION SUMMARY:							
Full-time equated unclassified positions	6.0	6.0	0.0	6.0	6.0	6.0	6.0
Full-time equated classified positions	4,668.6	4,665.1	5.0	4,688.1	4,652.1	4,658.1	4,658.1
Average population	1,135.0	1,109.0	0.0	1,109.0	1,109.0	1,109.0	1,109.0
GROSS APPROPRIATION	10,326,194,000	11,262,257,000	(1,650,800)	11,193,067,500	10,907,016,800	11,196,157,400	11,196,157,400
Interdepartmental grant revenues:							
Total interdepartmental grants and intradepartmental tr	34,090,000	37,286,100	0	37,286,100	37,286,100	37,286,100	37,286,100
ADJUSTED GROSS APPROPRIATION	10,292,104,000	11,224,970,900	(1,650,800)	11,155,781,400	10,869,730,700	11,158,871,300	11,158,871,300
Federal revenues:							
Total federal revenues	5,533,597,400	6,103,178,000	(825,400)	6,088,988,500	5,823,755,500	6,042,584,700	6,042,584,700
Special revenue funds:							
Total local revenues	231,524,400	241,177,400	0	241,177,400	241,177,400	241,177,400	241,177,400
Total private revenues	59,073,800	61,326,900	0	61,326,900	63,826,900	63,826,900	63,826,900
Merit award trust fund	50,300,000	141,200,000	0	141,200,000	141,200,000	175,800,000	175,800,000
Tobacco settlement trust fund	72,000,000	0	0	0	0	0	0
Total other state restricted revenues	1,393,709,000	1,676,112,800	0	1,675,112,800	1,671,776,900	1,695,399,600	1,695,399,600
State general fund/general purpose	2,951,899,400	3,001,975,800	(825,400)	2,947,975,800	2,927,994,000	2,940,082,700	2,940,082,700
NOTE: The House version of the DCH budget was passed as Article 3 of HB 5796.							
The House Subcommittee had reported the budget as HB 5776 (H-1); the House Appropriations Committee had reported the budget as HB 5795 (H-1), Article 3.							

DEPARTMENTWIDE ADMINISTRATION

The enacted budget includes no changes for the Director and Other Unclassified appropriation.

The enacted budget includes no changes for the Community Health Advisory Council appropriation.

Funds totaling \$88,600 Gross (all GF/GP) are transferred from the Departmental Administration and Management line item to a new line item entitled "Human Resources Optimization User Charges" to reflect work done by the Human Resources Call Center within the Department of Civil Service on behalf of employees of the Department of Community Health. Funds for the Departmental Administration and Management line item are increased by \$486,400 Gross (\$314,500 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funding for the Departmental Administration and Management line item is increased by \$551,000 Gross (\$439,000 GF/GP) for employees' defined benefit retirement costs. Funds for the Departmental Administration and Management line item are reduced by \$281,100 Gross (\$154,300 GF/GP) for employees' defined contribution retirement costs. Funds for the Departmental Administration and Management line item are increased by \$161,300 Gross (\$102,300 GF/GP) for employees' insurance costs. Funds for the Departmental Administration and Management line item are increased by \$95,000 Gross (\$47,500 GF/GP) for 1.0 FTE position based on the Executive Budget Revision letter dated May 19, 2006. The staff position will assist in providing oversight and coordination for the federally approved family planning waiver.

Funding for the Worker's Compensation Program appropriation is increased by \$2,041,300 Gross (\$2,033,300 GF/GP). This adjustment represents an economic increase of 23.5% over the FY 2005-06 appropriation.

The authorization for Rent and Building Occupancy charges is increased by \$1,723,300 Gross (all GF/GP) for rental costs at the Capitol View building. The authorization for Rent and Building Occupancy charges is increased by \$688,500 Gross (all GF/GP) for rental costs at the Washington Square building. Both of these adjustments for Rent and Building Occupancy line item represent a 27.7% increase over the FY 2005-06 appropriation. As an economic adjustment, the authorization for Rent and Building Occupancy charges is reduced by \$234,500 Gross (\$163,000 GF/GP).

Funding for the Developmental Disabilities Council and Projects appropriation is increased by \$20,800 Gross (\$0 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Developmental Disabilities Council and Projects appropriation are increased by \$27,500 Gross (\$0 GF/GP) for employees' defined benefit retirement costs. Funds for the Developmental Disabilities Council and Projects appropriation are reduced by \$12,200 Gross (\$0

GF/GP) for employees' defined contribution retirement costs. Funds for the Developmental Disabilities Council and Projects appropriation are increased by \$8,100 Gross (\$0 GF/GP) for employees' insurance costs.

Funds totaling \$88,600 Gross (all GF/GP) are transferred from the Departmental Administration and Management line item to a new line item entitled "Human Resources Optimization User Charges". The line item is created to reflect work done by the Human Resources Call Center within the Department of Civil Service on behalf of employees of the Department of Community Health. Funds totaling \$147,600 Gross (all GF/GP) are transferred from the CMHSP, Purchase of State Services Contracts line item to the Human Resources Optimization User Charges line item. Funds totaling \$29,500 Gross (all GF/GP) are transferred from the Forensic Center to the Human Resources Optimization User Charges line item. Based on allocating Human Resources Call Center costs to agencies proportionately based on their share of total state employees, savings of \$17,700 Gross (all GF/GP) are anticipated for the Department of Community Health. Funds totaling \$29,600 are shifted from the Department of Corrections IDG supporting the Forensic Mental Health Services appropriation to GF/GP and transferred to the Human Resources Optimization User Charges appropriation.

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 345 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Funds for the Departmental Administration and Management line item are increased by \$31,700 Gross (\$15,900 GF/GP) for 1.0 FTE position that will monitor expenditures and assist with budget neutrality and cost effectiveness calculations related to the recently approved federal family planning waiver.

	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07
	FY 2005-06	EXECUTIVE	REVISED EXEC.	SENATE	HOUSE	ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 102. DEPARTMENTWIDE ADMINISTRATION							
Full-time equated unclassified positions	6.0	6.0	0.0	6.0	6.0	6.0	6.0
Full-time equated classified positions	207.0	207.0	1.0	207.0	207.0	208.0	208.0
Director and other unclassified--* FTE positions	581,500	581,500	0	581,500	581,500	581,500	581,500
* positions in above line	6.0	6.0	0.0	6.0	6.0	6.0	6.0
Community health advisory council	7,000	7,000	0	7,000	7,000	7,000	7,000
Departmental administration and management--* FTE p	21,565,900	22,394,900	95,000	22,394,900	22,394,900	22,489,900	22,489,900
* positions in above line	197.0	197.0	1.0	197.0	197.0	198.0	198.0
Worker's compensation program	8,558,700	10,600,000	0	10,600,000	9,600,000	10,600,000	10,600,000
Human resources optimization user charges	0	277,600	0	277,600	277,600	277,600	277,600
Rent and building occupancy	8,700,400	10,877,700	0	10,877,700	10,877,700	10,877,700	10,877,700
Developmental disabilities council and projects--* FTE p	2,679,800	2,724,000	0	2,724,000	2,724,000	2,724,000	2,724,000
* positions in above line	10.0	10.0	0.0	10.0	10.0	10.0	10.0
211 human services information line	0	0	0	100,000	0	0	0
GROSS APPROPRIATION	42,093,300	47,462,700	95,000	47,562,700	46,462,700	47,557,700	47,557,700
Appropriated from:							
Federal revenues:							
Total federal revenues	11,518,800	11,646,500	47,500	11,646,500	11,646,500	11,694,000	11,694,000
Special revenue funds:							
Total private revenues	35,900	35,900	0	35,900	35,900	35,900	35,900
Total other state restricted revenues	3,419,300	3,488,400	0	3,488,400	3,488,400	3,488,400	3,488,400
State general fund/general purpose	27,119,300	32,291,900	47,500	32,391,900	31,291,900	32,339,400	32,339,400

MENTAL HEALTH

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
MENTAL HEALTH APPROPRIATION SUMMARY:							
Full-time equated classified positions	3,097.7	3,057.8	0.0	3,057.8	3,022.8	3,022.8	3,022.8
Average population	1,135.0	1,109.0	0.0	1,109.0	1,109.0	1,109.0	1,109.0
GROSS APPROPRIATION	2,547,607,900	2,778,418,200	0	2,763,593,200	2,787,626,800	2,789,701,700	2,789,701,700
Interdepartmental grant revenues:							
IDG-department of corrections	32,844,800	36,018,600	0	36,018,600	36,018,600	36,018,600	36,018,600
Total interdepartmental grants and intradepartmental tr	32,844,800	36,018,600	0	36,018,600	36,018,600	36,018,600	36,018,600
ADJUSTED GROSS APPROPRIATION	2,514,763,100	2,742,399,600	0	2,727,574,600	2,751,608,200	2,753,683,100	2,753,683,100
Federal revenues:							
Total federal revenues	1,108,282,100	1,226,311,400	0	1,226,311,400	1,230,797,300	1,231,924,900	1,231,924,900
Special revenue funds:							
Total local revenues	166,945,600	170,302,000	0	170,302,000	170,302,000	170,302,000	170,302,000
Total private revenues	1,190,000	1,190,000	0	1,190,000	1,190,000	1,190,000	1,190,000
Total other state restricted revenues	112,770,800	125,938,200	0	125,938,200	125,938,200	125,938,200	125,938,200
State general fund/general purpose	1,125,574,600	1,218,658,000	0	1,203,833,000	1,223,380,700	1,224,328,000	1,224,328,000

MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS

To reflect in-sourcing of a contract with the Michigan Disability Rights Coalition that conducts consumer surveys on Medicaid mental health and substance abuse waivers, 2.0 FTE positions are added to the Mental Health/Substance Abuse Administration line item. The FY 2005-06 spending plan for the line item dated July 19, 2006 indicated that \$143,417 Gross (\$19,485 GF/GP) had been allocated to the Coalition. To reflect in-sourcing of a contract with the Southeast Michigan Health Association (SEMHA) that coordinates various statewide activities for children with developmental disabilities and serious emotional disturbances, 2.0 FTE positions are added to the Mental Health/Substance Abuse Program Administration line item. The final FY 2004-05 spending plan for the line item indicated that \$197,900 Gross (\$226 GF/GP) had been allocated to SEMHA. Funds totaling \$627,900 Gross (all State Restricted funds) for 8.0 FTE positions are removed from the Mental Health/Substance Abuse Program Administration line item. These funds and staff positions were included in the FY 2005-06 budget due to in-sourcing of a contract for an administrator of the Health Professional Recovery Program. However, an interim contract for the program was awarded to the Michigan Public Health Institute. A new contract has been awarded to Health Management Systems of America. An increase of \$70,000 in the federal Strategic Prevention grant supporting the Mental Health/Substance Abuse Program Administration appropriation is recognized. The grant will be used to strengthen the state's existing substance abuse prevention delivery system using evidence-based planning models and intervention strategies.

An increase of \$53,800 in the federal Department of Education's Early On grant supporting the Mental Health/Substance Abuse Program Administration line item is recognized. The funds support coordinators of mental health, public health, and children's special health care services. The budget adds \$86,000 Gross (\$43,000 GF/GP) for 1.0 FTE position to administer and implement a new initiative in which anti-psychotic pharmaceutical costs are carved into the capitation payments for prepaid inpatient health plans (PIHPs). Funding for the Mental Health/Substance Abuse Program Administration line item is increased by \$245,900 Gross (\$184,500 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Mental Health/Substance Abuse Program Administration line item are increased by \$382,100 Gross (\$307,400 GF/GP) for employees' defined benefit retirement costs. Funds for the Mental Health/Substance Abuse Program line item are reduced by \$104,800 Gross (\$89,200 GF/GP) for employees' defined contribution retirement costs. Funds for the Mental Health/Substance Abuse Program Administration line item are increased by \$84,800 Gross (\$66,900 GF/GP) for employee's insurance costs. To reflect recent organizational changes within the Department affecting the billing staff for hospital and centers, \$358,500 Gross (all GF/GP) and 4.0 FTE positions are transferred from the Medical Services Administration line item to the Mental Health/Substance Abuse Program Administration line item. This transfer was a technical adjustment requested by the Department.

The enacted budget includes no changes for the Consumer Involvement Program line item.

The enacted budget includes no changes to the Gambling Addiction appropriation.

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

A new federal Alzheimer Disease Demonstration grant of \$242,000 supporting the Mental Health Initiatives for Older Persons line item is recognized. The purpose of the grant is to promote a collaborative approach among mental health, public health, and aging services, primary care physicians, and the Alzheimer's Association on developing community models of support for persons with Alzheimer's diseases.

Funds totaling \$64,400 Gross (all GF/GP) are transferred from the Community Residential and Support Services line item to the Community Mental Health Non-Medicaid Services line item for the phase-out and full-year costs of 1 residential lease in Macomb County and 2 residential leases in Oakland County that expired.

The federal revenue authorization for the Highway Safety Projects line item is reduced by \$350,000 to correctly reflect the grant award from the federal Department of Transportation.

Funding for the following six federal grants supporting the Federal and Other Special Projects appropriation are eliminated: \$135,000 Treatment of Persons with Co-Occurring Disorders; \$352,000 Mentally Ill Money Follows the Person Initiative; \$174,000 Independence Plus Initiative; \$32,800 Respite for Children; \$649,400 Building Evidence-Based Practice; and \$1.0 million Medicaid Infrastructure. The enacted budget recognizes \$100,000 of a \$300,000 federal Mental Health Systems Transformation grant. This grant supporting the Federal and Other Special Projects appropriation is to focus on the recovery of disabled persons as a foundation for the public mental health system. The enacted budget recognizes \$250,000 of a \$467,600 federal Aging and Disability Resource Center grant. The purpose of this grant supporting the Federal and Other Special Projects appropriation is to create a network of aging and disabilities centers through the alignment and enhancement of existing infrastructure.

Funds for the Family Support Subsidy line item are increased by \$1,101,000 Gross (\$0 GF/GP) anticipating a caseload growth of 5.5% over the FY 2005-06 level, an average monthly caseload of 7,142, and a monthly payment of \$222.11 for income-eligible families. The program is financed with federal Temporary Assistance for Needy Families (TANF) block grant funds.

The federal Housing of Urban Development grant of \$2,872,500 supporting the Housing and Support Services line item is eliminated. An increase of \$2,232,100 in the federal Shelter Plus Care grant supporting the Housing and Support Services line item is recognized. A federal Supportive Housing grant of \$1,210,000 supporting the Housing and Support Services line item is recognized.

Funds totaling \$175,000 Gross (all GF/GP) are allocated to a new line item entitled "Methamphetamine Cleanup Fund". The funds will be used to cover administrative costs of local governments up to \$800.00 per property for their methamphetamine cleanup efforts.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 103. MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS							
Full-time equated classified positions	112.0	109.0	0.0	109.0	113.0	113.0	113.0
Mental health/substance abuse program administration	11,959,200	12,149,100	0	12,149,100	12,507,600	12,507,600	12,507,600
* positions in above line	111.0	108.0	0.0	108.0	112.0	112.0	112.0
Consumer involvement program	189,100	189,100	0	189,100	189,100	189,100	189,100
Gambling addiction--* FTE positions	3,500,000	3,500,000	0	3,500,000	3,500,000	3,500,000	3,500,000
* positions in above line	1.0	1.0	0.0	1.0	1.0	1.0	1.0
Protection and advocacy services support	777,400	777,400	0	777,400	777,400	777,400	777,400
Mental health initiatives for older persons	1,049,200	1,291,200	0	1,291,200	1,291,200	1,291,200	1,291,200
Community residential and support services	2,971,200	2,906,800	0	2,906,800	2,906,800	2,906,800	2,906,800
Highway safety projects	750,000	400,000	0	400,000	400,000	400,000	400,000
Federal and other special projects	3,895,400	2,152,200	0	2,152,200	1,902,200	1,902,200	1,902,200
Family support subsidy	17,935,000	19,036,000	0	19,036,000	19,036,000	19,036,000	19,036,000
Housing and support services	7,237,200	7,806,800	0	7,806,800	7,806,800	7,806,800	7,806,800
Methamphetamine cleanup fund	0	0	0	100,000	100	175,000	175,000
Cost allocation work group	0	0	0	0	100,000	0	0
GROSS APPROPRIATION	50,263,700	50,208,600	0	50,308,600	50,417,200	50,492,100	50,492,100
Appropriated from:							
Federal revenues:							
Total federal revenues	32,310,500	32,435,100	0	32,435,100	32,185,100	32,185,100	32,185,100
Special revenue funds:							
Total private revenues	190,000	190,000	0	190,000	190,000	190,000	190,000
Total other state restricted revenues	4,127,900	3,500,000	0	3,500,000	3,500,000	3,500,000	3,500,000
State general fund/general purpose	13,635,300	14,083,500	0	14,183,500	14,542,100	14,617,000	14,617,000

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

The budget includes a reduction of \$3,312,500 in federal Medicaid revenue supporting the Medicaid Mental Health Services appropriation, with a corresponding increase in GF/GP, due to change in the Medicaid match rate from 56.59% to 56.38%. Funds for the Medicaid Mental Health Services appropriation are increased by \$19,022,000 Gross (\$8,297,400 GF/GP) assuming an increase in the Medicaid eligibles caseload for FY 2006-07. Funds for the Medicaid Mental Health Services appropriation are increased by \$31,805,400 Gross (\$13,873,500 GF/GP) to reflect a 2.0% capitation rate increase and ensure that rates are actuarially sound in FY 2006-07. Funds for the Medicaid Mental Health Services appropriation are increased by \$149,136,400 Gross (\$65,053,300 GF/GP) due to the transfer of anti-psychotic pharmaceutical costs to capitation payments for prepaid inpatient health plans (PIHPs). Federal approval is required for this adjustment. An additional \$9,485,100 QAAP revenue, an additional \$5,347,700 federal Medicaid revenue, and savings of \$5,347,700 GF/GP are anticipated for the Medicaid Mental Health Services appropriation due to the transfer of anti-psychotic pharmaceutical costs to capitation payments for PIHPs. The budget includes an increase of \$4,104,400 in QAAP revenue supporting the Medicaid Mental Health Services appropriation, with a corresponding reduction in GF/GP. The enacted budget adds \$10.4 million Gross (\$4,536,500 GF/GP) to the Medicaid Mental Health Services appropriation to finance a 2.0% economic increase for direct care workers in mental health residential settings.

The appropriation for the Community Mental Health Non-Medicaid Services line item is increased by \$5,109,600 Gross (all GF/GP) to recognize FY 2003-04 changes in utilization of days of care at state facilities by CMHSPs. The GF/GP has been redirected from the CMHSPs, Purchase of State Services Contracts line item. Funds totaling \$64,400 Gross (all GF/GP) are transferred from the Community Residential and Support Services line item to the Community Mental Health Non-Medicaid Services line item for the phase-out and full-year costs for 1 residential lease in Macomb County and 2 residential leases in Oakland County that expired.

The enacted budget includes a decrease of \$56,000 in Title XXI revenue supporting the Medicaid Adult Benefits Waiver appropriation, with a corresponding increase in GF/GP, due to a change in the federal match rate from 69.61% to 69.47%.

Funds for the Multicultural Services appropriation are increased by \$200,000 Gross (all GF/GP) for the Jewish Federation of Metropolitan Detroit.

A reduction of \$70,400 is included in the enacted budget for the federal Medicaid revenue supporting the Medicaid Substance Abuse Services appropriation, with a corresponding increase in GF/GP, due to change in the Medicaid match rate from 56.59% to 56.38%. Funds for the Medicaid Substance Abuse Services appropriation are increased by

\$1,322,900 Gross (\$577,000 GF/GP) due to a projected caseload increase in FY 2006-07. The appropriation for the Medicaid Substance Abuse Services line item is increased by \$813,300 Gross (\$354,800 GF/GP) to reflect a 2.0% capitation rate increase and ensure that rates are actuarially sound in FY 2006-07. An increase of \$136,600 in QAAP revenue supporting the Medicaid Substance Abuse Services appropriation replaced a corresponding amount of GF/GP.

The enacted budget includes no changes for the Respite Services line item.

The budget redirects \$5,109,600 Gross (all GF/GP) from the CMHSP, Purchase of State Services Contracts line item to the Community Mental Health Non-Medicaid Services line item to recognize FY 2003-04 changes in utilization of days of care by CMHSPs at state facilities. (This adjustment corresponds to a \$7,300,800 gross reduction at state hospitals and centers.) The appropriation for the CMHSP, Purchase of State Services Contracts line item is increased by \$124,200 Gross (all GF/GP) to reflect change in the federal Medicaid match rate from 56.59% to 56.38% for state psychiatric hospitals and center for persons with developmental disabilities. Funds for the CMHSP, Purchase of State Services Contracts line item are increased by \$1,592,000 Gross (all GF/GP) to ensure that Mt. Pleasant Center is in compliance with federal Medicaid certification standards. (This adjustment corresponds to a \$3,006,800 gross reduction at state hospitals and centers.) Funds totaling \$147,600 Gross (all GF/GP) are transferred from the CMHSP, Purchase of State Services Contracts line item to a new line item "Human Resources Optimization User Charges" within the Departmentwide Administration appropriation unit. The line item is created to reflect work done by the Human Resources Center within the Department of Civil Service on behalf of employees of the Department of Community Health. (This adjustment corresponds to a \$147,600 transfer from state hospitals and centers.)

Additional savings of \$50,700 Gross (all GF/GP) are anticipated for the CMHSP, Purchase of State Service Contracts line item due to consolidation of the Human Resources functions into the Department of Civil Service's Call Center. **(This adjustment corresponds to 1.0 FTE position reduction at Hawthorn Center, rather than Mt. Pleasant Center, resulting in gross savings of \$72,400. However, the Department did not recognize this requested technical adjustment in the FY 2006-07 fund matrix.)** Funding for the CMHSP, Purchase of State Services Contracts line item is increased by \$6,545,900 Gross (all GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs, and economic adjustments for employees' defined benefit and contribution retirement costs, insurance costs, food, gas, and fuel and utility costs at state facilities. (This adjustment corresponds to a net gross increase of \$8,970,700 for state hospitals and centers.)

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

Funds for the Federal Mental Health Block Grant appropriation are increased by \$5,100 Gross (\$0 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Federal Mental Health Block Grant appropriation are increased by \$5,700 Gross (\$0 GF/GP) for employees' defined benefit retirement costs. Funds for the Federal Mental Health Block Grant appropriation are decreased by \$3,700 Gross (\$0 GF/GP) for employees' defined contribution retirement costs. Funds for the Federal Mental Health Block Grant appropriation are increased by \$2,700 Gross (\$0 GF/GP) for employees' insurance costs.

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

The enacted budget adds \$400,000 Gross (all GF/GP) to the Community Substance Abuse Prevention, Education, and Treatment Programs line item for the Salvation Army Harbor Light Program. Funds for the Community Substance Abuse Prevention, Education, and Treatment Programs line item are increased by \$300,000 due to transfer of the federal Prevention of Methamphetamine Abuse grant from the Anti-Drug Abuse Grants line item within the Office of Drug Control Policy appropriation unit. The transfer was made for administrative efficiencies. The federal grant is primarily allocated to coordinating agencies.

The federal Medicaid revenue supporting the Children's Waiver Home Care Program line item is reduced by \$41,000, with a corresponding increase in GF/GP, due to change in the federal Medicaid match rate from 56.59% to 56.38%.

The federal Medicaid revenue supporting the Omnibus Reconciliation Act Implementation line item is reduced by \$2,400, with a corresponding increase in GF/GP, due to change in the federal Medicaid match rate from 56.59% to 56.38%. Funds for the Omnibus Reconciliation Act Implementation line item are increased by \$14,100 Gross (\$5,500 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Omnibus Reconciliation Act Implementation line item are increased by \$18,000 Gross (\$7,900 GF/GP) for employees' defined benefit retirement costs. Funds for the Omnibus Reconciliation Act Implementation line item are decreased by \$6,800 Gross (\$2,400 GF/GP) for employees' defined contribution retirement costs. Funds for the Omnibus Reconciliation Act Implementation line item are increased by \$4,200 Gross (\$1,600 GF/GP) for employees' insurance costs.

The enacted budget authorizes \$570,000 Gross (all federal Medicaid revenue) for a new line item entitled "Children with Serious Emotional Disturbance Waiver". Funds are being used to implement a federally approved waiver that expands Medicaid coverage to 43 children with serious emotional disturbances and/or chronically mentally ill. Mental health

services are provided to children in the community rather than institutional settings. The GF/GP match for Medicaid funds is provided by 5 CMHSPs.

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 153 OF 2006 SUPPLEMENTAL APPROPRIATIONS

The enacted supplemental allocates \$570,000 Gross (all federal Medicaid revenue) for a new line item entitled "Children with Serious Emotional Disturbance Waiver". The funds are used to implement a recent federally approved waiver that expands Medicaid coverage to 43 children with serious emotional disturbances and/or chronically mentally ill. Mental health services are provided to children in the community rather than institutional settings. The GF/GP match for Medicaid funds is provided by 5 CMHSPs.

	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07
	FY 2005-06	EXECUTIVE	REVISED EXEC.	SENATE	HOUSE	ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 104. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS							
Full-time equated classified positions	9.5	9.5	0.0	9.5	9.5	9.5	9.5
Medicaid mental health services	1,577,446,000	1,786,894,900	0	1,786,894,900	1,797,294,900	1,797,294,900	1,797,294,900
Community mental health non-Medicaid services	312,598,300	317,772,300	0	302,772,300	317,772,300	317,772,300	317,772,300
Medicaid adult benefits waiver	40,000,000	40,000,000	0	40,000,000	40,000,000	40,000,000	40,000,000
Multicultural services	4,963,800	4,963,800	0	4,963,800	5,163,800	5,163,800	5,163,800
Medicaid substance abuse services	33,486,700	35,622,900	0	35,622,900	35,622,900	35,622,900	35,622,900
Respite services	1,000,000	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000
CMHSP, purchase of state services contracts	125,727,300	128,681,500	0	128,681,500	128,681,500	128,681,500	128,681,500
Civil service charges	1,765,500	1,765,500	0	1,765,500	1,765,500	1,765,500	1,765,500
Federal mental health block grant--* FTE positions	15,345,200	15,355,000	0	15,355,000	15,355,000	15,355,000	15,355,000
* positions in above line	2.5	2.5	0.0	2.5	2.5	2.5	2.5
State disability assistance program substance abuse se	2,509,800	2,509,800	0	2,509,800	2,509,800	2,509,800	2,509,800
Community substance abuse prevention, education, an	85,219,100	85,519,100	0	85,519,100	85,919,100	85,919,100	85,919,100
Children's waiver home care program	19,549,800	19,549,800	0	19,549,800	17,549,800	19,549,800	19,549,800
Omnibus reconciliation act implementation--* FTE posit	12,475,700	12,505,200	0	12,505,200	12,505,200	12,505,200	12,505,200
* positions in above line	7.0	7.0	0.0	7.0	7.0	7.0	7.0
Children with serious emotional disturbance waiver	0	570,000	0	570,000	570,000	570,000	570,000
Medication management pilot project	0	0	0	75,000	0	0	0
GROSS APPROPRIATION	2,232,087,200	2,452,709,800	0	2,437,784,800	2,461,709,800	2,463,709,800	2,463,709,800
Appropriated from:							
Federal revenues:							
Total federal revenues	1,041,901,100	1,158,607,200	0	1,158,607,200	1,163,343,100	1,164,470,700	1,164,470,700
Special revenue funds:							
Total local revenues	26,072,100	26,072,100	0	26,072,100	26,072,100	26,072,100	26,072,100
Total other state restricted revenues	98,485,800	112,208,900	0	112,208,900	112,208,900	112,208,900	112,208,900
State general fund/general purpose	1,065,628,200	1,155,821,600	0	1,140,896,600	1,160,085,700	1,160,958,100	1,160,958,100

STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES

Funds and FTE positions authorized for state psychiatric hospitals and center for persons with developmental disabilities are reduced by \$7,300,800 Gross (\$5,109,600 CMHSP, Purchase of State Services Contracts) and 83.8, respectively, to recognize FY 2003-04 days of care utilized at the facilities by CMHSPs. (This adjustment corresponds to a \$5,109,600 reduction for the CMHSP, Purchase of State Services Contracts line item within the Community Mental Health/Substance Abuse Services Programs appropriation unit.) The FTE positions for state psychiatric hospitals and center for persons with developmental disabilities are reduced by 41.5 to adjust to the supportable funding level.

Included in the budget is a reduction of \$124,200 in the federal Medicaid revenue supporting state psychiatric hospitals and center for persons with developmental disabilities, with a corresponding increase in CMHSP, Purchase of State Services Contracts, due to change in the federal Medicaid match rate from 56.59% to 56.38%. (This adjustment corresponds to a \$124,200 increase for the CMHSP, Purchase of State Services Contracts line item.) Funds and FTE positions authorized for Mt. Pleasant Center are increased by \$3,006,800 Gross (\$1,592,000 CMHSP, Purchase of State Services Contracts) and 45.4, respectively, to ensure the facility is in compliance with federal Medicaid certification standards. The FTE positions are primarily resident care aides and nurses. In FY 2004-05, \$1.6 million was added to the facility's funding for the hiring of 39.0 direct care staff to maintain certification. (This adjustment corresponds to a \$1,592,000 increase for the CMHSP, Purchase of State Services Contracts line item.) Funds for state facilities are reduced by \$147,600 Gross (all CMHSP, Purchase of State Services Contracts). (This adjustment corresponds to a \$147,600 transfer from the CMHSP, Purchase of State Services Contracts line item to the new line item entitled "Human Resources Optimization User Charges".) Additional savings of \$72,400 Gross (\$50,700 CMHSP, Purchase of State Services Contract) and the elimination of 1.0 FTE position are anticipated for Hawthorn Center due to consolidation of the Human Resources functions into the Department of Civil Service's Call Center. **(This adjustment corresponds to \$50,700 reduction for the CMHSP, Purchase of State Services line item. However, the Department did not recognize this requested technical adjustment in the FY 2006-07 fund matrix.)**

Funds authorized for state psychiatric hospitals and center for persons with developmental disabilities are increased by \$5,123,900 Gross (\$3,634,900 CMHSP, Purchase of State Services Contracts) to finance 3.5% net economic increase for employees' salary and wage costs. Funds authorized for state psychiatric hospitals and center for persons with developmental disabilities are increased by \$4,100,000 Gross (\$2,984,000 CMHSP, Purchase of State Services Contracts) for employees' defined benefit retirement costs. Funds authorized for state psychiatric hospitals and center for persons with developmental disabilities are decreased by \$2,011,900 Gross (\$1,296,000 CMHSP, Purchase of State

Services Contracts) for employees' defined contribution retirement costs. Funds authorized for state psychiatric hospitals and center for persons with developmental disabilities are increased by \$1,474,100 Gross (\$1,032,200 CMHSP, Purchase of State Services Contracts) for employees' insurance costs. Funds authorized for state psychiatric hospitals and center for persons with developmental disabilities are increased by \$63,500 Gross (\$46,300 CMHSP, Purchase of State Services Contracts) for clients' food costs. Funds allocated for state psychiatric hospitals and center for persons with developmental disabilities are increased by \$221,100 Gross (\$144,500 CMHSP, Purchase of State Services Contracts) for gas, fuel, and utility costs. (All of these economic adjustments correspond to a \$6,545,900 net increase in CMHSP, Purchase of State Services Contracts line item.)

Funds totaling \$29,500 Gross (all GF/GP) are transferred from the Forensic Center to a new line item entitled "Human Resources Optimization User Charges" within the Departmentwide Administration appropriation unit to reflect work done by the Human Resources Call Center within the Department of Civil Service on behalf of employees of the Department of Community Health. Funds for the Forensic Center are increased by \$1,106,300 Gross (\$1,023,800 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Forensic Center are increased by \$426,600 Gross (\$400,100 GF/GP) for employees' defined benefit retirement costs. Funds for the Forensic Center are decreased by \$530,800 Gross (\$485,000 GF/GP) for employees' defined contribution retirement costs. Funds for the Forensic Center are increased by \$1,159,900 Gross (\$1,083,300 GF/GP) for employees' supplemental retirement costs. Employees of the Department of Corrections are covered by a different retirement plan. Funds for the Forensic Center are increased by \$344,100 Gross (\$318,100 GF/GP) for employees' insurance costs. As an economic adjustment, funds for the Forensic Center are increased by \$9,900 Gross (\$9,100 GF/GP) for clients' food costs. As an economic adjustment, funds for the Forensic Center are increased by \$51,100 Gross (\$47,200 GF/GP) for gas, fuel, and utilities costs.

The interdepartmental grant funds and FTE positions supporting the Forensic Mental Health Services Provided to the Department of Corrections line item are increased by \$471,400 and 5.0, respectively, for another mental health outpatient team. The additional outpatient team is needed due to an expected increase in the number of prisoners and in the percentage of prisoners warranting mental health services. Interdepartmental grant funds of \$29,600 supporting the Forensic Mental Health Services Provided to the Department of Corrections line item are shifted to GF/GP and transferred to a new line item entitled "Human Resources Optimization User Charges" within the Departmentwide Administration appropriation unit.

The authorization for the Forensic Mental Health Services Provided to the Department of Corrections line item is increased by \$1,104,300 Gross (\$0 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs.

The authorization for the Forensic Mental Health Services Provided to the Department of Corrections line item is increased by \$280,200 Gross (\$0 GF/GP) for employees' defined benefit retirement costs. The funds supporting the Forensic Mental Health Services Provided to the Department of Corrections line item are increased by \$29,300 Gross (\$0 GF/GP) for employees' defined contribution retirement costs. The funds supporting the Forensic Mental Health Services Provided to the Department of Corrections line item are increased by \$1,095,600 Gross (\$0 GF/GP) for employees' supplemental retirement costs. Employees of the Department of Corrections are covered by a different retirement plan. The authorization for the Forensic Mental Health Services Provided to the Department of Corrections line item is increased by \$222,600 Gross (\$0 GF/GP) for employees' insurance costs.

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

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

The enacted budget includes no changes for the Special Maintenance and Equipment line item.

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

Funds for the Closed Site, Transition, and Related Costs line item are increased by \$9,500 Gross (all GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. The authorization for the Closed Site, Transition, and Related Costs line item is increased by \$14,400 Gross (all GF/GP) for employees' defined benefit retirement costs. The authorization for the Closed Site, Transition, and Related Costs line item is reduced by \$4,800 Gross (all GF/GP) for employees' defined contribution retirement costs. The authorization for the Closed Site, Transition, and Related Costs line item is increased by \$4,000 Gross (all GF/GP) for employees' insurance costs. The authorization for the Closed Site, Transition, and Related Costs line item is increased by \$51,600 Gross (all GF/GP) for gas, fuel, and utility costs at closed state facilities.

The enacted budget includes no changes for the Severance Pay appropriation.

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

	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07
	FY 2005-06	EXECUTIVE	REVISED EXEC.	SENATE	HOUSE	ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 105. STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICE							
Total average population	1,135.0	1,109.0	0.0	1,109.0	1,109.0	1,109.0	1,109.0
Full-time equated classified positions	2,976.2	2,939.3	0.0	2,939.3	2,900.3	2,900.3	2,900.3
Caro regional mental health center - psychiatric hospital	40,325,200	41,511,600	0	41,511,600	41,511,600	41,511,600	41,511,600
* positions in above line	475.7	461.7	0.0	461.7	482.3	482.3	482.3
Average population	205.0	179.0	0.0	179.0	179.0	179.0	179.0
Kalamazoo psychiatric hospital - adult--* FTE positions	41,040,900	40,392,200	0	40,392,200	40,392,200	40,392,200	40,392,200
* positions in above line	518.1	486.3	0.0	486.3	466.6	466.6	466.6
Average population	200.0	186.0	0.0	186.0	186.0	186.0	186.0
Walter P. Reuther psychiatric hospital - adult--* FTE positions	40,211,100	40,549,700	0	40,549,700	40,549,700	40,549,700	40,549,700
* positions in above line	444.6	429.0	0.0	429.0	437.3	437.3	437.3
Average population	240.0	236.0	0.0	236.0	236.0	236.0	236.0
Hawthorn center - psychiatric hospital - children and adolescents	20,077,900	19,556,300	0	19,556,300	19,483,900	19,483,900	19,483,900
* positions in above line	224.4	210.2	0.0	210.2	219.0	219.0	219.0
Average population	66.0	74.0	0.0	74.0	74.0	74.0	74.0
Mount Pleasant center - developmental disabilities--* FTE positions	38,780,500	42,882,500	0	42,882,500	42,954,900	42,954,900	42,954,900
* positions in above line	496.0	529.7	0.0	529.7	472.7	472.7	472.7
Average population	199.0	209.0	0.0	209.0	209.0	209.0	209.0
Center for forensic psychiatry--* FTE positions	46,871,200	49,408,800	0	49,408,800	49,408,800	49,408,800	49,408,800
* positions in above line	493.0	493.0	0.0	493.0	493.0	493.0	493.0
Average population	225.0	225.0	0.0	225.0	225.0	225.0	225.0
Forensic mental health services provided to the department	32,844,800	36,018,600	0	36,018,600	36,018,600	36,018,600	36,018,600
* positions in above line	313.4	318.4	0.0	318.4	318.4	318.4	318.4
Revenue recapture	750,000	750,000	0	750,000	750,000	750,000	750,000
IDEA, federal special education	120,000	120,000	0	120,000	120,000	120,000	120,000
Special maintenance and equipment	335,300	335,300	0	335,300	335,300	335,300	335,300
Purchase of medical services for residents of hospitals	2,045,600	2,045,600	0	2,045,600	2,045,600	2,045,600	2,045,600
Closed site, transition, and related costs--* FTE positions	637,600	712,300	0	712,300	712,300	712,300	712,300
* positions in above line	11.0	11.0	0.0	11.0	11.0	11.0	11.0
Severance pay	216,900	216,900	0	216,900	216,900	216,900	216,900
Gifts and bequests for patient living and treatment environment	1,000,000	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000
GROSS APPROPRIATION	265,257,000	275,499,800	0	275,499,800	275,499,800	275,499,800	275,499,800
Appropriated from:							
Interdepartmental grant revenues:							
Interdepartmental grant from the department of corrections	32,844,800	36,018,600	0	36,018,600	36,018,600	36,018,600	36,018,600
Federal revenues:							
Total federal revenues	34,070,500	35,269,100	0	35,269,100	35,269,100	35,269,100	35,269,100
Special revenue funds:							
CMHSP, purchase of state services contracts	125,727,300	128,681,500	0	128,681,500	128,681,500	128,681,500	128,681,500
Other local revenues	15,146,200	15,548,400	0	15,548,400	15,548,400	15,548,400	15,548,400
Total private revenues	1,000,000	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000
Total other state restricted revenues	10,157,100	10,229,300	0	10,229,300	10,229,300	10,229,300	10,229,300
State general fund/general purpose	46,311,100	48,752,900	0	48,752,900	48,752,900	48,752,900	48,752,900

PUBLIC HEALTH

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
PUBLIC HEALTH APPROPRIATION SUMMARY:							
Full-time equated classified positions	922.0	952.4	2.0	952.4	952.4	954.4	954.4
GROSS APPROPRIATION	503,637,400	518,160,400	190,000	518,435,500	521,666,500	521,455,400	521,455,400
Interdepartmental grant revenues:							
Total interdepartmental grants and intradepartmental tr	1,245,200	1,267,500	0	1,267,500	1,267,500	1,267,500	1,267,500
ADJUSTED GROSS APPROPRIATION	502,392,200	516,892,900	190,000	517,168,000	520,399,000	520,187,900	520,187,900
Federal revenues:							
Total federal revenues	311,287,300	316,456,800	95,000	316,456,900	317,556,800	316,751,800	316,751,800
Special revenue funds:							
Total private revenues	56,742,900	58,996,000	0	58,996,000	61,496,000	61,496,000	61,496,000
Total local revenues	0	5,377,700	0	5,377,700	5,377,700	5,377,700	5,377,700
Total other state restricted revenues	68,745,300	71,886,400	0	71,886,400	73,550,500	72,236,400	72,236,400
State general fund/general purpose	65,616,700	64,176,000	95,000	64,451,000	62,418,000	64,326,000	64,326,000
<i>Includes Sections 106-114</i>							

PUBLIC HEALTH ADMINISTRATION

The Public Health Administration line item receives employee-related economic increases of \$39,800 Gross (\$35,500 GF/GP) for a salary and wage increase, \$205,700 Gross (\$183,800 GF/GP) for defined benefit retirement costs, and \$9,100 Gross (\$7,400 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$137,300 Gross (\$122,300 GF/GP) is made to reflect a reduction in defined contribution retirement costs.

The Minority Health Grants and Contracts line item is increased by \$159,300 Gross (\$0 GF/GP) to recognize a new 5-year federal grant award (2005-2010), the Office of Minority Health State Partnership Grant, to support the African-American Male Health Initiative with its efforts to increase health care utilization, disseminate health care information and improve data collection of HMOs. The line item is reduced by \$116,800 Gross (\$0 GF/GP) to recognize a reduction of the ongoing federal Preventive Health and Health Services Block Grant, affecting funds available to improve the health status of minorities and address health disparities. Three FTEs are added to the line item to adjust to the current actual number of FTES supported by this appropriation for health disparities projects.

The Vital Records and Health Statistics line item receives employee-related economic increases of \$125,900 Gross (\$0 GF/GP) for a salary and wage increase, \$111,400 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$47,900 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$85,600 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 106. PUBLIC HEALTH ADMINISTRATION							
Full-time equated classified positions	83.4	86.4	0.0	86.4	86.4	86.4	86.4
Public health administration--* FTE positions	1,685,100	1,802,400	0	1,802,400	1,562,400	1,802,400	1,802,400
* positions in above line	11.0	11.0	0.0	11.0	11.0	11.0	11.0
Minority health grants and contracts--* FTE positions	1,550,000	1,592,500	0	1,592,500	1,192,500	1,592,500	1,592,500
* positions in above line	0.0	3.0	0.0	3.0	3.0	3.0	3.0
Vital records and health statistics--* FTE positions	7,458,800	7,658,400	0	7,658,400	7,958,400	7,658,400	7,658,400
* positions in above line	72.4	72.4	0.0	72.4	72.4	72.4	72.4
GROSS APPROPRIATION	10,693,900	11,053,300	0	11,053,300	10,713,300	11,053,300	11,053,300
Appropriated from:							
Interdepartmental grant revenues:							
Interdepartmental grant from the department of human	710,500	724,100	0	724,100	724,100	724,100	724,100
Federal revenues:							
Total federal revenues	2,765,100	2,854,000	0	2,854,000	2,854,000	2,854,000	2,854,000
Special revenue funds:							
Total other state restricted revenues	5,820,200	5,972,700	0	5,972,700	5,572,700	5,972,700	5,972,700
State general fund/general purpose	1,398,100	1,502,500	0	1,502,500	1,562,500	1,502,500	1,502,500

HEALTH POLICY, REGULATION, AND PROFESSIONS

State restricted funds supporting the Health Systems Administration line item are increased by \$11,700 to recognize an increase in radiological safety fee revenue. Funds for the Health Systems Administration line item are increased by \$310,000 Gross (all GF/GP) to correct the FY 2005-06 adjustment for the inspection of outpatient substance abuse service programs. These funds were mistakenly eliminated from this line item instead of the Substance Abuse Program Administration line item. Funds for the Health Systems Administration line item are increased by \$399,300 Gross (\$87,200 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Health Systems Administration line item are increased by \$514,900 Gross (\$131,500 GF/GP) for employees' defined benefit retirement costs. Funds for the Health Systems Administration line item are decreased by \$203,400 Gross (\$41,300 GF/GP) for employees' defined contribution retirement costs. Funds for the Health Systems Administration line item are increased by \$124,500 Gross (\$28,500 GF/GP) for employees' insurance costs. **(The FY 2006-07 fund matrix prepared by the Department of Community Health increases the federal revenue supporting Health Systems Administration by \$5,600, with a corresponding decrease in GF/GP. This adjustment was not part of the budget development process.)**

Funds for the Emergency Medical Services Program State Staff appropriation are increased by \$15,000 Gross (\$6,000 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Emergency Medical Services Program State Staff appropriation are increased by \$64,100 Gross (\$18,300 GF/GP) for employees' defined benefit retirement costs. Funds for the Emergency Medical Services Program State Staff appropriation are increased by \$2,700 Gross and reduced by \$500 GF/GP for employees' defined contribution retirement costs. Funds for the Emergency Medical Services Program State Staff appropriation are increased by \$5,500 Gross (\$2,400 GF/GP) for employees' insurance costs.

State restricted funds supporting the Radiological Health Administration line item are increased by \$35,000 to recognize an increase in radiological safety fee revenue. Funds for the Radiological Health Administration line item are increased by \$45,300 Gross (\$0 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Radiological Health Administration line item are increased by \$51,700 Gross (\$0 GF/GP) for employees' defined benefit retirement costs. Funds for the Radiological Health Administration line item are decreased by \$14,000 Gross (\$0 GF/GP) for employees' defined contribution retirement costs. Funds for the Radiological Health Administration line item are increased by \$16,600 Gross (\$0 GF/GP) for employees' insurance costs. The FTE positions supporting the Radiological Health Administration line item are reduced by 3.6 to reflect the FY 2005-06 spending plan for this line item.

Funds and FTE positions for the Substance Abuse Program Administration appropriation are reduced by \$310,000 Gross (all GF/GP) and 3.0, respectively, to correct the FY 2005-06 elimination of funds for inspection of outpatient substance abuse service programs. Funding for the Health Systems Administration appropriation was mistakenly reduced rather than funding for the Substance Abuse Program Administration appropriation. Funds for the Substance Abuse Program Administration appropriation are increased by \$2,000 Gross (all GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Substance Abuse Program Administration appropriation are reduced by \$76,700 Gross (all GF/GP) for employees' defined benefit retirement costs. Funds for the Substance Abuse Program Administration appropriation are increased by \$15,000 Gross (all GF/GP) for employees' defined contribution retirement costs. Funds for the Substance Abuse Program Administration appropriation are increased by \$3,900 Gross (all GF/GP) for employees' insurance costs. **(The FY 2006-07 fund matrix prepared by the Department of Community Health reduces the federal revenue supporting Substance Abuse Program Administration by \$5,600, with a corresponding increase in GF/GP. This funding adjustment results in the elimination of federal revenue support for this line item which was not part of the budget development process.)**

The federal revenue supporting the Emergency Medical Services Grants and Services appropriation is decreased by \$114,000 due to a reduction in the Preventive Health and Health Services Block grant. The FTE positions supporting the Emergency Medical Services (EMS) Grants and Services appropriation are increased by 7.0 due to in-sourcing of EMS testing, inspections, and certifications. This adjustment is part of an effort of performing within available resources. EMS state testing will be converted to a national test in January of 2007.

The state restricted funds supporting the Health Professions line item are increased by \$1.6 million to reflect a memorandum of understanding between the Department of Community Health and Attorney General. These funds support legal activities performed by the Attorney General on behalf of health professions. Funds for the Health Professions line item are increased by \$100,000 to recognize a new federal Prescription Drug Monitoring grant. The federal grant is to help prevent and detect diversion and abuse of pharmaceutical controlled substances, particularly at the retail level. State restricted funds totaling \$218,900 are added to the Health Professions line item for 2.0 FTE positions. These positions are to assist in monitoring and inspections of pharmacies. The FTE positions for the Health Professions line item are increased by 3.0 to reflect the FY 2005-06 spending plan for line item. Funds for the Health Professions line item are increased by \$215,300 Gross (\$0 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Health Professions line item are increased by \$121,200 Gross (\$0 GF/GP) for employees' defined benefit retirement costs. Funds for the Health Professions line item are reduced by \$151,300 Gross (\$0 GF/GP) for employees' defined contribution retirement costs. Funds for the Health Professions line item are increased by \$70,900 Gross (\$0 GF/GP) for employees' insurance costs.

The revenue supporting the Health Policy, Regulation, and Professions Administration appropriation is reduced by \$300,000 due to expiration of a federal State Planning grant. Funds and FTE positions totaling \$2.6 million and 3.0, respectively, are authorized for the Health Policy, Regulation, and Professions Administration line item. The funds are part of a \$5.0 million federal grant to establish a Criminal Background Check Pilot Program on employees of certain health facilities. One FTE position is added to the Health Policy, Regulation, and Professions Administration appropriation to reflect the FY 2005-06 spending plan for line item. Funds for the Health Policy, Regulation, and Professions Administration appropriation are increased by \$53,000 Gross (\$25,000 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Health Policy, Regulation, and Professions Administration appropriation are increased by \$237,000 Gross (\$127,300 GF/GP) for employees' defined benefits retirement costs. Funds for the Health Policy, Regulation, and Professions Administration appropriation are increased by \$190,900 Gross (\$102,500 GF/GP) for employees' defined contribution retirement costs. Funds for the Health Policy, Regulation, and Professions Administration appropriation are increased by \$14,200 Gross (\$8,300 GF/GP) for employees' insurance costs.

Funds for the Nurse Scholarship, Education, and Research Program line item are increased by \$7,600 Gross (\$0 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Nurse Scholarship, Education, and Research Program line item are increased by \$41,800 Gross (\$0 GF/GP) for employees' defined benefit retirement costs. Funds for the Nurse Scholarship, Education, and Research Program line item are increased by \$29,500 Gross (\$0 GF/GP) for defined contribution retirement costs. Funds for the Nurse Scholarship, Education, and Research Program line item are increased by \$1,800 Gross (\$0 GF/GP) for employees' insurance costs.

Funds for the Certificate Of Need (CON) Program Administration appropriation are increased by \$23,000 Gross (\$0 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the CON Program Administration appropriation are increased by \$10,400 Gross (\$0 GF/GP) for employees' defined benefit retirement costs. Funds for the CON Program Administration appropriation are increased by \$2,700 Gross (\$0 GF/GP) for employees' defined contribution retirement costs. Funds for the CON Program Administration appropriation are increased by \$6,900 Gross (\$0 GF/GP) for employees' insurance costs.

Funds for the Rural Health Services line item are increased by \$1,400 Gross (\$0 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Rural Health Services line item are increased by \$10,800 Gross (\$0 GF/GP) for employees' defined contribution retirement costs. Funds for the Rural Health Services line item are increased by \$400 Gross (\$0 GF/GP) for employees' insurance costs.

An increase of \$227,700 is recognized in the federal State Loan Repayment grant which supports the Michigan Essential Health Provider appropriation. CMHSPs will provide the local match of \$227,700 for the federal grant resulting in a gross increase of \$455,400 for the Michigan Essential Health Provider line item appropriation.

The federal funds supporting the Primary Care Services line item are reduced by \$286,900 recognizing a decrease in the Preventive Health and Health Services Block grant. Funds for the Primary Care Services line item are increased by \$2,800 Gross (\$0 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Primary Care Services line item are increased by \$3,600 Gross (\$0 GF/GP) for employees' defined benefit retirement costs. Funds for the Primary Care Services line item are decreased by \$800 Gross (\$0 GF/GP) for employees' defined contribution retirement costs. Funds for the Primary Care Services line item are increased by \$800 Gross (\$0 GF/GP) for employees' insurance costs.

		FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	
	FY 2005-06	EXECUTIVE	REVISED EXEC.	SENATE	HOUSE	ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 107. HEALTH POLICY, REGULATION, AND PROFESSIONS							
Full-time equated classified positions	396.2	405.6	0.0	405.6	405.6	405.6	405.6
Health systems administration--* FTE positions	20,463,000	21,684,400	0	21,684,400	21,620,000	21,620,000	21,620,000
* positions in above line	193.6	197.6	0.0	197.6	193.6	193.6	193.6
Emergency medical services program state staff--* FTE	1,336,200	2,012,400	0	2,012,400	1,423,500	1,423,500	1,423,500
* positions in above line	8.5	15.5	0.0	15.5	8.5	8.5	8.5
Radiological health administration--* FTE positions	2,372,100	2,506,700	0	2,506,700	2,506,700	2,506,700	2,506,700
* positions in above line	25.0	21.4	0.0	21.4	21.4	21.4	21.4
Substance abuse program administration--* FTE positions	430,200	0	0	0	64,400	64,400	64,400
* positions in above line	4.0	0.0	0.0	0.0	1.0	1.0	1.0
Emergency medical services grants and services--* FTE	702,900	0	0	0	588,900	588,900	588,900
* positions in above line	0.0	0.0	0.0	0.0	7.0	7.0	7.0
Health professions--* FTE positions	13,030,400	15,205,400	0	15,205,400	15,205,400	15,205,400	15,205,400
* positions in above line	120.0	125.0	0.0	125.0	125.0	125.0	125.0
Health policy, regulation, and professions administration	2,571,700	5,366,800	0	5,366,800	5,366,800	5,366,800	5,366,800
* positions in above line	25.7	26.7	0.0	26.7	29.7	29.7	29.7
Nurse scholarship, education, and research program--*	823,100	903,800	0	903,800	903,800	903,800	903,800
* positions in above line	3.0	3.0	0.0	3.0	3.0	3.0	3.0
Certificate of need program administration--* FTE positions	1,683,400	1,726,400	0	1,726,400	1,726,400	1,726,400	1,726,400
* positions in above line	14.0	14.0	0.0	14.0	14.0	14.0	14.0
Rural health services--* FTE positions	1,377,900	1,390,500	0	1,390,500	1,390,500	1,390,500	1,390,500
* positions in above line	1.0	1.0	0.0	1.0	1.0	1.0	1.0
Michigan essential health provider	1,391,700	1,847,100	0	1,847,100	1,847,100	1,847,100	1,847,100
Primary care services--* FTE positions	2,546,000	2,265,500	0	2,265,500	2,265,600	2,265,500	2,265,500
* positions in above line	1.4	1.4	0.0	1.4	1.4	1.4	1.4
Free clinics	0	0	0	100	0	0	0
GROSS APPROPRIATION	48,728,600	54,909,000	0	54,909,100	54,909,100	54,909,000	54,909,000
Appropriated from:							
Interdepartmental grant revenues:							
Interdepartmental grant from treasury	113,900	113,000	0	113,000	113,000	113,000	113,000
Federal revenues:							
Total federal revenues	19,614,400	22,559,600	0	22,559,700	22,559,600	22,559,600	22,559,600
Special revenue funds:							
Total local revenues	0	227,700	0	227,700	227,700	227,700	227,700
Total private revenues	150,000	150,000	0	150,000	150,000	150,000	150,000
Total other state restricted revenues	21,581,900	24,150,900	0	24,150,900	24,150,900	24,150,900	24,150,900
State general fund/general purpose	7,268,400	7,707,800	0	7,707,800	7,707,900	7,707,800	7,707,800

INFECTIOUS DISEASE CONTROL

The AIDS Prevention, Testing, and Care Programs line item receives employee-related economic increases of \$23,300 Gross (\$0 GF/GP) for a salary and wage increase, \$13,900 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$8,300 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$6,700 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs. Federal funding is increased by \$1,158,600 Gross (\$0 GF/GP) from the Ryan White Title II grant for HIV/AIDS referral and care. An increase of \$4,747,400 Gross (\$0 GF/GP) of private funds is made to the line item to reflect an increase in projected funds received from pharmaceutical manufacturers for rebates on AIDS and HIV medications used by the HIV/AIDS Drug Assistance Program (DAP). The line item is reduced by \$18,000 Gross (\$0 GF/GP) to recognize a reduction of the ongoing federal Preventive Health and Health Services Block Grant, affecting funds available for AIDS counseling and testing.

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

The Immunization Program Management and Field Support line item receives employee-related economic increases of \$33,100 Gross (\$5,300 GF/GP) for a salary and wage increase, \$44,900 Gross (\$6,200 GF/GP) for defined benefit retirement costs, and \$11,500 Gross (\$1,800 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$19,500 Gross (\$4,000 GF/GP) is made to reflect a reduction in defined contribution retirement costs.

A new line item, Pediatric AIDS Prevention and Control, is established in this appropriation unit as a complete transfer, \$1,224,800 Gross (\$0 GF/GP), of the Pediatric AIDS Prevention and Control line item from the Family, Maternal, and Children's Health Services appropriation unit to reflect the Department's reorganization. A FY 2006-07 budget adjustment to the line item is shown in the Family, Maternal, and Children's Health Services appropriation unit listing of this line.

The Sexually Transmitted Disease Control Local Agreements line item is reduced by \$71,700 Gross (\$0 GF/GP) to recognize a reduction of the ongoing federal Preventive Health and Health Services Block Grant, affecting funds available for sexually transmitted disease control and prevention funding to local health departments.

The Sexually Transmitted Disease Control Management and Field Support line item receives employee-related economic increases of \$43,000 Gross (\$15,000 GF/GP) for a salary and wage increase, \$24,300 Gross (\$16,800 GF/GP) for defined benefit retirement costs, and \$15,000 Gross (\$5,800 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$12,600 Gross (\$7,600 GF/GP) is made to reflect a reduction in defined contribution retirement costs.

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 153 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Public Act 153 increases the AIDS Prevention, Testing, and Care Programs line item by \$5,000,000 Gross (\$0 GF/GP) for FY 2005-06, to recognize additional private revenue from pharmaceutical manufacturers for rebates on AIDS and HIV medications used in the HIV/AIDS Drug Assistance Program (DAP); rebate revenue has increased due to new drug therapies, higher caseload, and the Department's efforts to seek higher rebate rates.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 108. INFECTIOUS DISEASE CONTROL							
Full-time equated classified positions	49.0	49.0	0.0	49.0	49.0	49.0	49.0
AIDS prevention, testing, and care programs--* FTE po	31,502,000	34,928,800	0	34,928,800	37,428,800	37,428,800	37,428,800
* positions in above line	12.0	12.0	0.0	12.0	12.0	12.0	12.0
Immunization local agreements	13,990,300	13,990,300	0	13,990,300	13,990,300	13,990,300	13,990,300
Immunization program management and field support--	1,860,700	1,930,700	0	1,930,700	1,930,700	1,930,700	1,930,700
* positions in above line	15.0	15.0	0.0	15.0	15.0	15.0	15.0
Pediatric AIDS prevention and control	0	1,224,800	0	1,224,800	1,224,800	1,224,800	1,224,800
Sexually transmitted disease control local agreements	3,494,900	3,423,200	0	3,423,200	3,423,200	3,423,200	3,423,200
Sexually transmitted disease control management and	3,555,200	3,624,900	0	3,624,900	3,624,900	3,624,900	3,624,900
* positions in above line	22.0	22.0	0.0	22.0	22.0	22.0	22.0
GROSS APPROPRIATION	54,403,100	59,122,700	0	59,122,700	61,622,700	61,622,700	61,622,700
Appropriated from:							
Federal revenues:							
Total federal revenues	38,623,300	40,921,800	0	40,921,800	40,921,800	40,921,800	40,921,800
Special revenue funds:							
Total private revenues	3,250,500	5,497,900	0	5,497,900	7,997,900	7,997,900	7,997,900
Total other state restricted revenues	8,441,400	8,575,800	0	8,575,800	9,648,000	8,575,800	8,575,800
State general fund/general purpose	4,087,900	4,127,200	0	4,127,200	3,055,000	4,127,200	4,127,200

LABORATORY SERVICES

There are no changes to the Bovine Tuberculosis line item.

The Laboratory Services line item receives employee-related economic increases of \$224,900 Gross (\$142,100 GF/GP) for a salary and wage increase, \$309,200 Gross (\$207,800 GF/GP) for defined benefit retirement costs, and \$84,400 Gross (\$52,000 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$99,800 Gross (\$59,500 GF/GP) is made to reflect a reduction in defined contribution retirement costs. The Laboratory Services line item is reduced by \$27,100 Gross (\$0 GF/GP) to recognize a reduction of the ongoing federal Preventive Health and Health Services Block Grant, affecting funds available for laboratory services. The line item is increased by \$83,000 Gross (\$0 GF/GP) to recognize additional state restricted newborn screening test fee revenue available for laboratory services; the fee is adjusted annually for inflation pursuant to statute. An increase of 1.0 FTE is made to the line item to adjust to the current actual number of FTEs supported by this appropriation for laboratory services related to newborn screening.

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 153 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Public Act 153 increases the Laboratory Services line item for FY 2005-06 by \$300,000 Gross (\$0 GF/GP) to recognize newborn screening test fee revenue available from current fees, to be used for Laboratory Services line item expenditures.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 109. LABORATORY SERVICES							
Full-time equated classified positions	121.0	122.0	0.0	122.0	122.0	122.0	122.0
Bovine tuberculosis--* FTE positions	500,000	500,000	0	500,000	500,000	500,000	500,000
* positions in above line	2.0	2.0	0.0	2.0	2.0	2.0	2.0
Laboratory services--* FTE positions	14,969,100	15,543,700	0	15,543,700	15,543,700	15,543,700	15,543,700
* positions in above line	119.0	120.0	0.0	120.0	120.0	120.0	120.0
GROSS APPROPRIATION	15,469,100	16,043,700	0	16,043,700	16,043,700	16,043,700	16,043,700
Appropriated from:							
Interdepartmental grant revenues:							
Interdepartmental grant from environmental quality	420,800	430,400	0	430,400	430,400	430,400	430,400
Federal revenues:							
Total federal revenues	3,058,000	3,093,200	0	3,093,200	3,093,200	3,093,200	3,093,200
Special revenue funds:							
Total other state restricted revenues	5,232,800	5,420,200	0	5,420,200	5,613,800	5,420,200	5,420,200
State general fund/general purpose	6,757,500	7,099,900	0	7,099,900	6,906,300	7,099,900	7,099,900

EPIDEMIOLOGY

The AIDS Surveillance and Prevention Program line item is reduced by \$93,300 Gross (\$0 GF/GP) to transfer federal grant funds for the Hazardous Substances Emergency Events Surveillance (HSEES) program from this line item to the Epidemiology Administration line item.

The Asthma Prevention and Control line item receives employee-related economic increases of \$5,200 Gross (all GF/GP) for a salary and wage increase, \$2,600 Gross (all GF/GP) for defined contribution retirement costs, and \$1,900 Gross (all GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase.

The Bioterrorism Preparedness line item receives employee-related economic increases of \$152,500 Gross (\$0 GF/GP) for a salary and wage increase, \$138,200 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$55,600 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$98,100 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs.

The Epidemiology Administration line item receives employee-related economic increases of \$88,300 Gross (\$40,200 GF/GP) for a salary and wage increase, \$117,100 Gross (\$57,400 GF/GP) for defined benefit retirement costs, and \$25,900 Gross (\$11,800 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$58,100 Gross (\$21,800 GF/GP) is made to reflect a reduction in defined contribution retirement costs. Federal funding is reduced by \$202,100 Gross (\$0 GF/GP) to recognize completion of the long term federal grant for Michigan PBB Study under a CDC Investigations and Technical Assistance Grant, which concluded June 30, 2004. The line item is increased by \$93,300 Gross (\$0 GF/GP) to transfer federal grant funds for the Hazardous Substances Emergency Events Surveillance (HSEES) program from the AIDS Surveillance and Prevention Program line item to this line item, a 5-year grant (2004-2009).

A new line item, Lead Abatement Program, is established in this appropriation unit as a complete transfer, \$2,113,100 Gross (\$0 GF/GP) and 7.0 FTEs, of the Lead Abatement Program line item from the Local Health Administration and Grants appropriation unit to reflect the Department's reorganization. The line item receives employee-related economic

increases of \$14,100 Gross (\$0 GF/GP) for a salary and wage increase, \$18,300 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$6,700 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$8,800 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs. Additional budget adjustments to this line item are shown in the Local Health Administration and Grants appropriation unit listing of this line.

The Newborn Screening Follow-Up and Treatment Services line item receives employee-related economic increases of \$17,000 Gross (\$0 GF/GP) for a salary and wage increase, \$12,400 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$7,200 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$10,500 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs.

There are no changes to the Tuberculosis Control and Recalcitrant AIDS Program line item.

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 153 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Public Act 153 increases the Epidemiology Administration line item for FY 2005-06 by \$13,600 Gross (\$0 GF/GP) to recognize continuation of a private grant from the March of Dimes for a project to increase consumption of folic acid supplements to reduce birth defects, and by \$33,400 Gross (\$0 GF/GP) to authorize spending of a grant balance from the Saginaw Bay Watershed Initiative Network to complete a project related to toxicity of fish and wildlife caught and consumed locally.

Public Act 153 increases the Bioterrorism Preparedness line item for FY 2005-06 by \$2,951,800 Gross (\$0 GF/GP) to recognize the initial allocation of new federal grant funds for pandemic influenza preparedness, awarded as a component of the federal Public Health Preparedness and Response for Bioterrorism grant. Funds will be used for state and local response planning, preparation, and exercises in anticipation of a possible pandemic flu event.

	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07
	FY 2005-06	EXECUTIVE	REVISED EXEC.	SENATE	HOUSE	ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 110. EPIDEMIOLOGY							
Full-time equated classified positions	127.5	134.5	0.0	134.5	134.5	134.5	134.5
AIDS surveillance and prevention program	2,513,200	2,513,200	0	2,513,200	2,419,900	2,419,900	2,419,900
Asthma prevention and control--* FTE positions	1,045,600	1,055,300	0	1,055,300	1,055,300	1,055,300	1,055,300
* positions in above line	2.3	2.3	0.0	2.3	2.3	2.3	2.3
Bioterrorism preparedness--* FTE positions	50,357,000	50,605,200	0	50,605,200	50,605,200	50,605,200	50,605,200
* positions in above line	76.1	76.1	0.0	76.1	76.1	76.1	76.1
Epidemiology administration--* FTE positions	6,575,700	6,546,800	0	6,546,800	6,640,100	6,640,100	6,640,100
* positions in above line	41.1	41.1	0.0	41.1	41.1	41.1	41.1
Lead abatement program--* FTE positions	0	2,143,400	0	2,143,400	2,143,400	2,143,400	2,143,400
* positions in above line	0.0	7.0	0.0	7.0	7.0	7.0	7.0
Newborn screening follow-up and treatment services--*	3,836,200	3,862,300	0	3,862,300	3,862,300	3,862,300	3,862,300
* positions in above line	8.0	8.0	0.0	8.0	8.0	8.0	8.0
Tuberculosis control and recalcitrant AIDS program	867,000	867,000	0	867,000	867,000	867,000	867,000
GROSS APPROPRIATION	65,194,700	67,593,200	0	67,593,200	67,593,200	67,593,200	67,593,200
Appropriated from:							
Federal revenues:							
Total federal revenues	59,081,200	61,099,500	0	61,099,500	61,099,500	61,099,500	61,099,500
Special revenue funds:							
Total private revenues	25,000	25,000	0	25,000	25,000	25,000	25,000
Total other state restricted revenues	4,024,700	4,307,600	0	4,307,600	4,307,600	4,307,600	4,307,600
State general fund/general purpose	2,063,800	2,161,100	0	2,161,100	2,161,100	2,161,100	2,161,100

LOCAL HEALTH ADMINISTRATION AND GRANTS

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

The Lead Abatement Program line item is increased by \$330,000 Gross (\$0 GF/GP) to recognize a new 3-year federal grant award (2005-2008), the HUD Healthy Homes Demonstration Program Grant, to install products and reduce hazards in the home environment of children with asthmatic symptoms in low-income families in Ingham County. The demonstration program will be administered through the lead abatement program which is already working with many of the eligible families. The line item is transferred intact, \$2,113,100 Gross (\$0 GF/GP) and 7.0 FTEs, from this appropriation unit to the Epidemiology appropriation unit to reflect the Department's reorganization. Additional budget adjustments to this line item are shown in the Epidemiology appropriation unit listing of this line.

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

The Local Public Health Operations line item is increased by \$2,575,000 Gross (a reduction of \$2,575,000 GF/GP) to restore funding provided to local public health departments for hearing and vision screening of school children to the FY 2004-05 full funding level of \$5,150,000. Hearing and vision screening are 2 of the 9 funded state/local cost-shared services provided by local public health departments. New School Aid fund monies of \$5.15 million to school districts for this program will be cycled back through the Department by the school districts. Local health departments will continue to provide screenings in schools under contract with DCH.

There are no changes to the Medical Services Cost Reimbursement to Local Health Departments line item.

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 153 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Public Act 153 increases the Lead Abatement Program line item for FY 2005-06 by \$300,000 Gross (\$0 GF/GP) to recognize funds available from a new 3-year federal HUD Healthy Homes Demonstration grant to install products and reduce hazards in the home environment of children with asthmatic symptoms in low-income families in Ingham County. This program will be run through the lead abatement program which may already be working with many of the eligible families.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS							
Full-time equated classified positions	7.0	0.0	0.0	0.0	0.0	0.0	0.0
Implementation of 1993 PA 133, MCL 333.17015	100,000	100,000	0	100,000	100,000	100,000	100,000
Lead abatement program--* FTE positions	1,783,100	0	0	0	0	0	0
* positions in above line	7.0	0.0	0.0	0.0	0.0	0.0	0.0
Local health services	220,000	220,000	0	220,000	220,000	220,000	220,000
Local public health operations	38,043,400	40,618,400	0	40,618,400	40,618,400	40,618,400	40,618,400
Medical services cost reimbursement to local health de	3,110,000	3,110,000	0	3,110,000	3,110,000	3,110,000	3,110,000
GROSS APPROPRIATION	43,256,500	44,048,400	0	44,048,400	44,048,400	44,048,400	44,048,400
Appropriated from:							
Federal revenues:							
Total federal revenues	4,645,500	3,110,000	0	3,110,000	3,110,000	3,110,000	3,110,000
Special revenue funds:							
Total local revenues	0	5,150,000	0	5,150,000	5,150,000	5,150,000	5,150,000
Total other state restricted revenues	491,100	243,500	0	243,500	243,500	243,500	243,500
State general fund/general purpose	38,119,900	35,544,900	0	35,544,900	35,544,900	35,544,900	35,544,900

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

There are no changes to the African-American Male Health Initiative line item.

There are no changes to the AIDS and Risk Reduction Clearinghouse and Media Campaign line item.

The Alzheimer's Information Network line item is reduced by \$27,100 Gross (\$0 GF/GP) to recognize a reduction of the ongoing federal Preventive Health and Health Services Block Grant, affecting funds available for Alzheimer's and other dementia programs.

The Cancer Prevention and Control Program line item receives employee-related economic increases of \$31,300 Gross (\$0 GF/GP) for a salary and wage increase, \$22,200 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$5,300 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$18,300 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs. The line item is increased by \$638,000 Gross (\$0 GF/GP) to reflect an anticipated increase from the federal Breast and Cervical Cancer Control Program (BCCCP) grant. The line item is also increased by \$230,700 Gross (\$0 GF/GP) to recognize an increase in annual federal funding from the Well Integrated Screening and Evaluation for Women Across the Nation (WISEWOMAN) grant. The line item is increased by 1.0 FTE to adjust to the current actual number of FTEs supported by this appropriation for cancer prevention and control projects.

The Chronic Disease Prevention line item receives employee-related economic increases of \$11,000 Gross (\$0 GF/GP) for a salary and wage increase, \$14,200 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$2,500 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$7,500 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs. The line item is reduced by \$279,000 Gross (\$0 GF/GP) to recognize a reduction of the ongoing federal Preventive Health and Health Services Block Grant, affecting funds available for chronic disease prevention programs and services. The line item is increased by \$50,000 Gross (\$0 GF/GP) of Healthy Michigan Funds for arthritis programs, and \$50,000 Gross (\$0 GF/GP) of Healthy Michigan Funds for Huntington's Disease programs. Nine FTEs are added to the line item to adjust to current actual number of FTES supported by this appropriation: 3 positions for cardiovascular projects and 1 position for osteoporosis funded by Healthy Michigan Funds, and 5 positions supported by the federal Chronic Disease Prevention and Health Promotion Programs grant funds.

The Diabetes and Kidney Program line item receives employee-related economic increases of \$20,900 Gross (\$0 GF/GP) for a salary and wage increase, \$25,600 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$6,500 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$10,200 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs. The line item is increased by \$10,800 Gross (\$0 GF/GP) to recognize an increase of federal Medicaid Title XIX funds available to the diabetes program. The line item is reduced by \$30,200 Gross (\$0 GF/GP) to recognize a reduction of the ongoing federal Preventive Health and Health Services Block Grant, affecting funds available for diabetes and kidney programs and services. New funding is appropriated for a diabetes management pilot project in Muskegon County with a \$25,000 Gross (all GF/GP) increase. The line item is increased by 2.0 FTEs to adjust to the current actual number of FTEs supported by this appropriation for diabetes and kidney programs.

The Health Education, Promotion, and Research Programs line item receives employee-related economic increases of \$19,500 Gross (\$11,900 GF/GP) for a salary and wage increase, \$27,300 Gross (\$17,400 GF/GP) for defined benefit retirement costs, and \$5,600 Gross (\$3,300 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$11,000 Gross (\$6,000 GF/GP) is made to reflect a reduction in defined contribution retirement costs.

The Injury Control Intervention Project line item receives employee-related economic increases of \$2,100 Gross (\$0 GF/GP) for a salary and wage increase, \$7,600 Gross (\$0 GF/GP) for defined contribution retirement costs, and \$600 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$10,500 Gross (\$0 GF/GP) is made to reflect a reduction in defined benefit retirement costs. The line item is reduced by \$426,800 Gross (\$0 GF/GP) to recognize completion of a four-year federal Core Injury Prevention Capacity Building Grant that concluded in 2005. A technical adjustment of net \$0 Gross (a reduction of \$200 GF/GP) corrects a reduction to the federal appropriations which exceeded the federal funds in the line item. Funding remaining in the line item is for the traumatic brain injury program.

The Michigan Parkinson's Foundation line item is re-established with an appropriation of \$50,000 Gross (\$0 GF/GP) of state restricted Healthy Michigan Funds for Parkinson's Disease projects. This line item was previously funded in FY 2000-01, FY 2001-02, and FY 2004-05.

There are no changes to the Morris Hood Wayne State University Diabetes Outreach line item.

There are no changes to the Physical Fitness, Nutrition, and Health line item.

The Public Health Traffic Safety Coordination line item receives employee-related economic increases of \$1,400 Gross (\$0 GF/GP) for defined benefit retirement costs and \$1,000 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. A decrease of \$2,400 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs.

The Smoking Prevention Program line item receives employee-related economic increases of \$28,700 Gross (\$0 GF/GP) for a salary and wage increase, \$24,300 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$9,800 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$17,900 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs. The line item is increased by \$110,000 Gross (\$0 GF/GP) and 2.0 FTEs to recognize an increase in annual federal funding from the Chronic Disease Prevention and Health Promotion Programs – Tobacco Reduction grant.

There are no changes to the Tobacco Tax Collection and Enforcement line item.

The Violence Prevention line item receives employee-related economic increases of \$4,800 Gross (\$0 GF/GP) for a salary and wage increase and \$1,700 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$1,900 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs.

	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07
	FY 2005-06	EXECUTIVE	REVISED EXEC.	SENATE	HOUSE	ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION							
Full-time equated classified positions	51.5	65.5	0.0	65.5	65.5	65.5	65.5
African-American male health initiative	106,700	106,700	0	106,700	106,700	106,700	106,700
AIDS and risk reduction clearinghouse and media campaign	1,576,000	1,576,000	0	1,576,000	1,576,000	1,576,000	1,576,000
Alzheimer's information network	440,000	412,900	0	412,900	412,900	412,900	412,900
Cancer prevention and control program--* FTE positions	14,236,200	15,145,400	0	15,145,400	15,145,400	15,145,400	15,145,400
* positions in above line	14.3	15.3	0.0	15.3	15.3	15.3	15.3
Chronic disease prevention--* FTE positions	4,575,700	5,086,900	0	5,236,900	4,316,900	4,416,900	4,416,900
* positions in above line	1.0	19.3	0.0	19.3	10.0	10.0	10.0
Diabetes and kidney program--* FTE positions	3,678,000	3,701,400	0	3,726,400	3,951,400	3,726,400	3,726,400
* positions in above line	9.1	11.1	0.0	11.1	11.1	11.1	11.1
Health education, promotion, and research programs--*	728,600	0	0	0	770,000	770,000	770,000
* positions in above line	9.3	0.0	0.0	0.0	9.3	9.3	9.3
Injury control intervention project--* FTE positions	527,900	100,900	0	100,900	100,900	100,900	100,900
* positions in above line	1.0	1.0	0.0	1.0	1.0	1.0	1.0
Michigan Parkinson's foundation	0	0	0	100,000	0	50,000	50,000
Morris Hood Wayne State University diabetes outreach	400,000	400,000	0	400,000	400,000	400,000	400,000
Physical fitness, nutrition, and health	700,000	700,000	0	700,000	0	700,000	700,000
Public health traffic safety coordination--* FTE positions	584,900	584,900	0	584,900	584,900	584,900	584,900
* positions in above line	1.7	1.7	0.0	1.7	1.7	1.7	1.7
Smoking prevention program--* FTE positions	5,477,500	5,632,400	0	5,632,400	5,632,400	5,632,400	5,632,400
* positions in above line	13.1	15.1	0.0	15.1	15.1	15.1	15.1
Tobacco tax collection and enforcement	610,000	610,000	0	610,000	610,000	610,000	610,000
Violence prevention--* FTE positions	1,892,300	1,896,900	0	1,896,900	1,896,900	1,896,900	1,896,900
* positions in above line	2.0	2.0	0.0	2.0	2.0	2.0	2.0
WIC smoking reduction program	0	0	0	0	200,000	0	0
GROSS APPROPRIATION	35,533,800	35,954,400	0	36,229,400	35,704,400	36,129,400	36,129,400
Appropriated from:							
Federal revenues:							
Total federal revenues	19,655,800	19,987,500	0	19,987,500	19,987,500	19,987,500	19,987,500
Special revenue funds:							
Total private revenues	85,000	85,000	0	85,000	85,000	85,000	85,000
Total other state restricted revenues	14,689,200	14,751,700	0	14,751,700	14,900,000	14,901,700	14,901,700
State general fund/general purpose	1,103,800	1,130,200	0	1,405,200	731,900	1,155,200	1,155,200

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

The Childhood Lead Program line item receives employee-related economic increases of \$9,800 Gross (\$0 GF/GP) for a salary and wage increase, \$5,900 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$3,600 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$5,500 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs. The line item is increased by 1.0 FTE to adjust to the current actual number of FTEs supported by this appropriation reflecting a change from contractual to an in-house position for one program staff.

There are no changes to the Dental Programs line item.

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

There are no changes to the Early Childhood Collaborative Secondary Prevention line item.

The Family, Maternal, and Children's Health Services Administration line item receives employee-related economic increases of \$88,600 Gross (\$44,000 GF/GP) for a salary and wage increase, \$111,500 Gross (\$55,400 GF/GP) for defined benefit retirement costs, and \$28,600 Gross (\$14,000 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$57,200 Gross (\$28,300 GF/GP) is made to reflect a reduction in defined contribution retirement costs. The line item is increased by \$190,000 Gross (\$95,000 GF/GP) and 2.0 FTEs for annual family planning program administration of the Medicaid Family Planning Waiver Program recently approved by the federal government and implemented July 1, 2006 as Plan First!.

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 Migrant Health Care line item.

The Pediatric AIDS Prevention and Control line item is increased by \$48,000 Gross (\$0 GF/GP) to recognize an increase in annual federal funding from the Pediatric AIDS Grant. The line item is transferred intact, \$1,224,800 Gross (\$0

GF/GP), from this appropriation unit to the Infectious Disease Control appropriation unit to reflect the Department's reorganization.

The Pregnancy Prevention Program line item is reduced by \$112,700 Gross (\$0 GF/GP) to recognize a reduction of the ongoing federal Preventive Health and Health Services Block Grant, affecting funds available for pregnancy prevention programs and services.

There are no changes to the Prenatal Care Outreach and Service Delivery Support line item.

There are no changes to the School Health and Education Programs line item.

The Special Projects line item is increased by \$400,000 Gross (\$0 GF/GP) of 50/50 shared federal Medicaid and state restricted Healthy Michigan Funds for increased funding for infant mortality projects, to be directed to the Nurse Family Partnership Program. The line item is increased by \$30,000 Gross (all GF/GP) for creation of a website regarding the Safe Delivery of Newborns Act. The line item is increased by 2.0 FTEs to adjust to the current actual number of FTEs supported by this appropriation including a change from contractual to in-house positions for infant mortality program and abstinence program staff.

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

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 345 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Public Act 345 increases the Family, Maternal, and Children's Health Services Administration line item by \$63,300 Gross (\$31,600 GF/GP) and 2.0 FTEs for FY 2005-06. This funding and staff is for partial year family planning program administration costs related to the Medicaid Family Planning Waiver Program, "Plan First!", recently approved by the federal government and implemented July 1, 2006.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES							
Full-time equated classified positions	45.4	48.4	2.0	48.4	48.4	50.4	50.4
Childhood lead program--* FTE positions	2,522,300	2,536,100	0	2,536,100	2,736,100	2,536,100	2,536,100
* positions in above line	5.8	6.8	0.0	6.8	6.8	6.8	6.8
Dental programs	485,400	485,400	0	485,400	485,400	485,400	485,400
Dental program for persons with developmental disabili	151,000	151,000	0	151,000	151,000	151,000	151,000
Early childhood collaborative secondary prevention	524,000	524,000	0	524,000	0	524,000	524,000
Family, maternal, and children's health services admini	4,419,100	4,590,600	190,000	4,590,600	4,590,600	4,780,600	4,780,600
* positions in above line	39.6	39.6	2.0	39.6	39.6	41.6	41.6
Family planning local agreements	12,270,300	12,270,300	0	12,270,300	12,270,300	12,270,300	12,270,300
Local MCH services	7,264,200	7,264,200	0	7,264,200	7,264,200	7,264,200	7,264,200
Migrant health care	272,200	272,200	0	272,200	272,200	272,200	272,200
Pediatric AIDS prevention and control	1,176,800	0	0	0	0	0	0
Pregnancy prevention program	5,846,100	5,733,400	0	5,733,400	5,733,400	5,733,400	5,733,400
Prenatal care outreach and service delivery support	3,049,300	3,049,300	0	3,049,300	5,249,300	3,049,300	3,049,300
School health and education programs	500,000	500,000	0	500,000	500,000	500,000	500,000
Special projects--* FTE positions	5,784,900	5,784,900	0	5,784,900	5,404,900	6,214,900	6,214,900
* positions in above line	0.0	2.0	0.0	2.0	2.0	2.0	2.0
Sudden infant death syndrome program	321,300	321,300	0	321,300	321,300	321,300	321,300
Ultrasound equipment fund	0	0	0	0	100,000	0	0
GROSS APPROPRIATION	44,586,900	43,482,700	190,000	43,482,700	45,078,700	44,102,700	44,102,700
Appropriated from:							
Federal revenues:							
Total federal revenues	31,305,600	30,116,300	95,000	30,116,300	31,216,300	30,411,300	30,411,300
Special revenue funds:							
Total other state restricted revenues	8,464,000	8,464,000	0	8,464,000	9,114,000	8,664,000	8,664,000
State general fund/general purpose	4,817,300	4,902,400	95,000	4,902,400	4,748,400	5,027,400	5,027,400

WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

The Women, Infants, and Children Program Administration and Special Projects line item receives employee-related economic increases of \$86,000 Gross (\$0 GF/GP) for a salary and wage increase, \$101,100 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$28,000 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$32,900 Gross (\$0 GF/GP) is made to reflect a reduction in defined contribution retirement costs.

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

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 153 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Public Act 153 increases the Women, Infants, and Children Program Administration and Special Projects line item by \$609,000 Gross (\$0 GF/GP) for FY 2005-06 for the following: private revenues are increased by \$58,000 to support the Farmers' Market Nutrition Program, Project FRESH, for WIC participants, and additional federal grant funds of \$551,000 for administration, breastfeeding peer counseling, nutrition services, information systems upgrade and nutrition surveillance.

Public Act 153 increases the Women, Infants, and Children Program Local Agreements and Food Costs line item by \$1,450,000 Gross (\$0 GF/GP) for FY 2005-06 to recognize additional federal funding for food and local administration, based on projected expenditures and federal grant funds available.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM							
Full-time equated classified positions	41.0	41.0	0.0	41.0	41.0	41.0	41.0
Women, infants, and children program administration a	6,498,800	6,681,000	0	6,681,000	6,681,000	6,681,000	6,681,000
* positions in above line	41.0	41.0	0.0	41.0	41.0	41.0	41.0
Women, infants, and children program local agreement	179,272,000	179,272,000	0	179,272,000	179,272,000	179,272,000	179,272,000
GROSS APPROPRIATION	185,770,800	185,953,000	0	185,953,000	185,953,000	185,953,000	185,953,000
Appropriated from:							
Federal revenues:							
Total federal revenues	132,538,400	132,714,900	0	132,714,900	132,714,900	132,714,900	132,714,900
Special revenue funds:							
Total private revenues	53,232,400	53,238,100	0	53,238,100	53,238,100	53,238,100	53,238,100
State general fund/general purpose	0	0	0	0	0	0	0

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Federal funds in the Children's Special Health Care Services Administration line item are increased by \$193,000 Gross (\$0 GF/GP) to reflect a historical shortfall of federal Medicaid authorization. The line receives an additional 1.0 FTE, an increase of \$85,700 Gross (\$49,300 GF/GP) from the Medical Services Administration line representing the transfer of a position responsible for CSHCS eligibility issues. The line item receives employee-related economic increases of \$77,000 Gross (\$41,700 GF/GP) for a salary and wage increase, \$96,000 Gross (\$59,000 GF/GP) for defined benefit retirement costs, and \$31,000 Gross (\$16,800 GF/GP) for increased insurance costs. A decrease of \$14,500 Gross (\$7,300 GF/GP) is made to reflect a reduction in defined contribution retirement costs. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase.

There are no appropriation changes to the Amputee Program line item.

The Bequests for Care and Services line is decreased by \$134,500 federal Maternal and Child Health Block Grant funds with an increase of \$134,500 state restricted family participation payment revenue. This action is a technical correction to the FY 2005-06 budget which included a federal funding increase rather than a state restricted increase reflecting anticipated revenues from the parent participation program. In FY 2004-05 the federal poverty level (FPL) was changed for participation in this program resulting in a larger amount of financial support from families with greater than 250% of the FPL.

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

The Conveyor Contract line item is renamed Non-Emergency Medical Transportation. The line is increased by \$53,800 Gross (\$43,000 GF/GP) for anticipated FY 2006-07 inflation, caseload, and utilization growth.

Federal funds in the Medical Care and Treatment line item are decreased by \$288,700 while GF/GP revenues are increased the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 56.59% to 56.38%. The line is decreased by \$3,984,800 Gross (\$3,280,500 GF/GP) for anticipated FY 2006-07 inflation, caseload, and utilization agreed to by the House and Senate Fiscal Agencies, and State Budget Office.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES							
Full-time equated classified positions	43.0	44.0	0.0	44.0	44.0	44.0	44.0
Children's special health care services administration-- * positions in above line	3,828,700	4,296,900	0	4,296,900	4,296,900	4,296,900	4,296,900
Amputee program	184,600	184,600	0	184,600	184,600	184,600	184,600
Bequests for care and services	1,889,100	1,889,100	0	1,889,100	1,889,100	1,889,100	1,889,100
Outreach and advocacy	3,773,500	3,773,500	0	3,773,500	3,773,500	3,773,500	3,773,500
Conveyor contract	1,235,300	0	0	0	0	0	0
Non-emergency medical transportation	0	1,289,100	0	1,289,100	1,289,100	1,289,100	1,289,100
Medical care and treatment	177,626,400	185,426,400	0	185,426,400	185,426,400	173,641,600	173,641,600
GROSS APPROPRIATION	188,537,600	196,859,600	0	196,859,600	196,859,600	185,074,800	185,074,800
Appropriated from:							
Federal revenues:							
Total federal revenues	90,824,200	95,909,800	0	95,909,800	95,909,800	90,016,200	90,016,200
Special revenue funds:							
Total private revenues	1,000,000	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000
Total other state restricted revenues	2,450,000	2,584,500	0	2,584,500	2,584,500	2,584,500	2,584,500
State general fund/general purpose	94,263,400	97,365,300	0	97,365,300	97,365,300	91,474,100	91,474,100

OFFICE OF DRUG CONTROL POLICY

OFFICE OF DRUG CONTROL POLICY

The Drug Control Policy line item receives employee-related economic increases of \$32,600 Gross (\$5,100 GF/GP) for a salary and wage increase, \$41,400 Gross (\$7,600 GF/GP) for defined benefit retirement costs, and \$10,100 Gross (\$1,400 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$22,500 Gross (an increase of \$3,000 GF/GP) is made to reflect a reduction in defined contribution retirement costs. A reduction of \$61,200 Gross (\$0 GF/GP) is made to the line item to recognize discontinuation of the long term federal Local Law Enforcement Block Grant program, funded since 1996, and reduced overall federal authorization needed for the line.

The Anti-Drug Abuse Grants line item appropriation is decreased by the following amounts to reflect significant federal grant program reductions: \$6,000,000 Gross (\$0 GF/GP) of Byrne Justice Assistance Grant funds, \$800,000 Gross (\$0 GF/GP) of Safe and Drug Free Schools and Community Act Grant funds, and \$1,000,000 Gross (\$0 GF/GP) of Residential Substance Abuse Treatment Grant funds. The line item is also reduced by \$2,000,000 Gross (\$0 GF/GP) to recognize discontinuation of the long term federal Local Law Enforcement Block Grant program, funded since 1996. The line item is increased by \$1,235,100 Gross (all GF/GP) to offset federal funding reductions affecting existing anti-drug abuse grant awards to communities in the middle of their grant period; the previous allocation of \$1.8 million of Byrne grant funds to drug treatment courts from this line item will no longer be made. The line item is reduced by \$300,000 Gross (\$0 GF/GP) with the transfer of the federal Prevention of Methamphetamine Abuse grant funds from this line item to the Community Substance Abuse Prevention, Education and Treatment Programs line item in the Community Mental Health/Substance Abuse Services Programs appropriation unit to reflect the Department's reorganization.

There are no changes to the Interdepartmental Grant to Judiciary for Drug Treatment Courts line item.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 116. OFFICE OF DRUG CONTROL POLICY							
Full-time equated classified positions	16.0	16.0	0.0	16.0	16.0	16.0	16.0
Drug control policy--* FTE positions	2,104,200	2,104,600	0	2,104,600	2,104,600	2,104,600	2,104,600
* positions in above line	16.0	16.0	0.0	16.0	16.0	16.0	16.0
Anti-drug abuse grants	24,970,300	14,870,300	0	14,870,300	16,105,300	16,105,400	16,105,400
Interdepartmental grant to judiciary for drug treatment c	1,800,000	1,800,000	0	1,800,000	1,799,900	1,800,000	1,800,000
GROSS APPROPRIATION	28,874,500	18,774,900	0	18,774,900	20,009,800	20,010,000	20,010,000
Appropriated from:							
Federal revenues:							
Total federal revenues	28,516,200	18,399,500	0	18,399,500	18,399,300	18,399,500	18,399,500
Special revenue funds:							
State general fund/general purpose	358,300	375,400	0	375,400	1,610,500	1,610,500	1,610,500

**CRIME VICTIM
SERVICES COMMISSION**

CRIME VICTIM SERVICES COMMISSION

The Grants Administration Services line item receives an employee-related economic increase of \$19,300 Gross (\$0 GF/GP) for a salary and wage increase, \$3,900 Gross (\$0 GF/GP) for defined benefit retirement costs, \$12,600 Gross (\$0 GF/GP) for defined contribution retirement costs, and \$6,800 Gross (\$0 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase.

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

The Crime Victim Rights Services Grants line item is increased by \$1,144,700 Gross (\$0 GF/GP) to recognize an additional \$130,000 of federal Victims of Crime Act grant funds for victim compensation, an amount determined by formula based on prior year state expenditures for compensation, and to increase state restricted Crime Victim's Rights Fund monies appropriated by \$1,014,700 to support victim compensation at the projected level of claims.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 117. CRIME VICTIM SERVICES COMMISSION							
Full-time equated classified positions	10.0	10.0	0.0	10.0	10.0	10.0	10.0
Grants administration services--* FTE positions	1,044,900	1,087,500	0	1,087,500	1,087,500	1,087,500	1,087,500
* positions in above line	10.0	10.0	0.0	10.0	10.0	10.0	10.0
Justice assistance grants	13,000,000	13,000,000	0	13,000,000	13,000,000	13,000,000	13,000,000
Crime victim rights services grants	9,655,300	10,800,000	0	10,800,000	10,800,000	10,800,000	10,800,000
GROSS APPROPRIATION	23,700,200	24,887,500	0	24,887,500	24,887,500	24,887,500	24,887,500
Appropriated from:							
Federal revenues:							
Total federal revenues	14,622,200	14,770,300	0	14,770,300	14,770,300	14,770,300	14,770,300
Special revenue funds:							
Total other state restricted revenues	9,078,000	10,117,200	0	10,117,200	10,117,200	10,117,200	10,117,200
State general fund/general purpose	0	0	0	0	0	0	0

**OFFICE OF SERVICES
TO THE AGING**

OFFICE OF SERVICES TO THE AGING

There are no changes to the Commission (Per Diem \$50.00) line item.

The Office of Services to Aging Administration line item receives employee-related economic increases of \$79,900 Gross (\$30,400 GF/GP) for a salary and wage increase, \$92,500 Gross (\$35,200 GF/GP) for defined benefit retirement costs, and \$27,700 Gross (\$10,000 GF/GP) for insurance cost increases of 6.4%. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. A decrease of \$57,700 Gross (\$21,900 GF/GP) is made to reflect a reduction in defined contribution retirement costs.

The Community Services line item is reduced by the following amounts to reflect actual federal grant award funds anticipated: \$707,800 Gross (\$0 GF/GP) of Aging Title III B Supportive Services and Senior Centers Grant funds, \$62,300 Gross (\$0 GF/GP) of Aging Title III D Disease Prevention and Health Promotion Grant funds, \$500 Gross (\$0 GF/GP) of Aging Title III E National Family Caregiver Support Grant funds, and \$9,400 Gross (\$0 GF/GP) of Aging Title VII G Prevention of Elder Abuse Grant funds. To reflect actual federal grant award funds anticipated, the line item is increased by \$330,000 Gross (\$0 GF/GP) of Medicaid funds for targeted care management, and by \$450,000 Gross (\$0 GF/GP) of Medicare/Medicaid Assistance Program (MMAP) Grant funds.

The Nutrition Services line item is increased by \$152,000 Gross (\$0 GF/GP) of Aging Title III C-1 Congregate Nutrition Services Grant funds and by \$347,000 Gross (\$0 GF/GP) of Aging Title III C-2 Home-Delivered Nutrition Services Grant funds, to reflect actual federal award funds anticipated. The line item appropriation is reduced by \$499,000 Gross (\$0 GF/GP) of ongoing U. S. Department of Agriculture Commodity Supplement Grant funds for food costs, to reflect actual federal award funds anticipated.

The Senior Volunteer Services line item is eliminated with the transfer of funds from this line item to the following 3 new line items to unroll the line item into separate line items by volunteer program: \$2,813,500 Gross (all GF/GP) to the Foster Grandparent Volunteer Program line item, \$790,200 Gross (all GF/GP) to the Retired and Senior Volunteer Program line item, and \$2,021,200 Gross (all GF/GP) to the Senior Companion Volunteer Program line item.

A new line item is established, Foster Grandparent Volunteer Program, with an appropriation of \$2,813,500 Gross (all GF/GP) of funds from the Senior Volunteer Services line item, to unroll the latter line item into separate line items by senior volunteer program.

A new line item is established, Retired and Senior Volunteer Program, with an appropriation of \$709,200 Gross (all GF/GP) of funds from the Senior Volunteer Services line item, to unroll the latter line item into separate line items by senior volunteer program.

A new line item is established, Senior Companion Volunteer Program, with an appropriation of \$2,021,200 Gross (all GF/GP) of funds from the Senior Volunteer Services line item, to unroll the latter line item into separate line items by senior volunteer program.

There are no changes to the Employment Assistance line item.

The Respite Care Program line item is adjusted by a net \$0 Gross (\$0 GF/GP) replacement of \$5.0 million of Tobacco Settlement Trust Fund monies with \$5.0 million of Merit Award Trust Fund monies, to recognize the elimination of the Tobacco Settlement Trust Fund and the redirection of its revenues to the Merit Award Trust Fund effective in 2005.

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 345 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Public Act 345 makes a net \$0 Gross (\$0 GF/GP) funding adjustment to the Respite Care Program line item for FY 2005-06 to replace \$5.0 million of Tobacco Settlement Trust Fund monies with \$5.0 million of Merit Award Trust Fund monies, to recognize the elimination of the Tobacco Settlement Trust Fund and the redirection of its revenues to the Merit Award Trust Fund effective in 2005.

	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07
	EXECUTIVE	REVISED EXEC.	SENATE	HOUSE	ENROLLED	ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 118. OFFICE OF SERVICES TO THE AGING							
Full-time equated classified positions	36.5	36.5	0.0	36.5	36.5	36.5	36.5
Commission (per diem \$50.00)	10,500	10,500	0	10,500	10,500	10,500	10,500
Office of services to aging administration--* FTE position	5,181,700	5,324,100	0	5,324,100	5,324,100	5,324,100	5,324,100
* positions in above line	36.5	36.5	0.0	36.5	36.5	36.5	36.5
Community services	35,204,200	35,204,200	0	35,204,200	35,204,200	35,204,200	35,204,200
Nutrition services	37,290,500	37,290,500	0	37,290,500	37,290,500	37,290,500	37,290,500
Senior volunteer services	5,624,900	5,624,900	0	5,624,900	0	0	0
Foster grandparent volunteer program	0	0	0	0	2,813,500	2,813,500	2,813,500
Retired and senior volunteer program	0	0	0	0	790,200	790,200	790,200
Senior companion volunteer program	0	0	0	0	2,021,200	2,021,200	2,021,200
Employment assistance	2,818,300	2,818,300	0	2,818,300	2,818,300	2,818,300	2,818,300
Respite care program	7,600,000	7,600,000	0	7,600,000	7,600,000	7,600,000	7,600,000
GROSS APPROPRIATION	93,730,100	93,872,500	0	93,872,500	93,872,500	93,872,500	93,872,500
Appropriated from:							
Federal revenues:							
Total federal revenues	52,162,700	52,251,400	0	52,251,400	52,251,400	52,251,400	52,251,400
Special revenue funds:							
Total private revenues	105,000	105,000	0	105,000	105,000	105,000	105,000
Merit award trust fund	0	5,000,000	0	5,000,000	5,000,000	5,000,000	5,000,000
Tobacco settlement trust fund	5,000,000	0	0	0	0	0	0
Total other state restricted revenues	2,767,000	2,767,000	0	2,767,000	2,767,000	2,767,000	2,767,000
State general fund/general purpose	33,695,400	33,749,100	0	33,749,100	33,749,100	33,749,100	33,749,100

MEDICAL SERVICES

MICHIGAN FIRST HEALTHCARE PLAN

A new unit and appropriation line are created, both entitled Michigan First Healthcare Plan. The line item Michigan First Healthcare Plan is authorized at \$100.0 million federal funds that will be used to match existing Michigan funds to create the Michigan First Healthcare Plan, a plan to extend basic, low-cost health insurance coverage to 550,000 uninsured Michigan residents. State matching funds would be met by funds already spent in Michigan on health care for the uninsured. This plan will require a waiver from the federal government and if approved is anticipated to begin April 1, 2007.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 119. MICHIGAN FIRST HEALTHCARE PLAN							
Michigan first healthcare plan	0	200,000,000	0	200,000,000	100	100,000,000	100,000,000
GROSS APPROPRIATION	0	200,000,000	0	200,000,000	100	100,000,000	100,000,000
Appropriated from:							
Federal revenues:							
Total federal revenues	0	200,000,000	0	200,000,000	100	100,000,000	100,000,000
Special revenue funds:							
State general fund/general purpose	0	0	0	0	0	0	0

MEDICAL SERVICES ADMINISTRATION

The Medical Services Administration line is increased by \$8,591,800 million federal Medicaid funding to be directed to Michigan universities and colleges with the institutions providing the required matching funds. The line item is increased \$325,000 of federal Title XIX funds that may be drawn down with Attorney General GF/GP for the billing of legal services. Authorization is increased \$217,100 Gross (\$108,500 GF/GP), as well as an increase of 2.0 FTEs, to support positions that had worked in the EPIC program shifting them to administrative functions necessary to support the Federal Medicare Pharmaceutical Program. An FTE position, and funding of \$85,700 Gross (\$49,300 GF/GP), are transferred to the Children's Special Health Care Services line. The FTE is responsible for CSHCS eligibility issues and the transfer would consolidate services within the program area. The line is increased by \$86,000 Gross (\$43,000 GF/GP), and 1.0 FTE, to support a staff person who will develop and maintain GME program policies and assist the health plans in calculating the appropriation payments and the monitoring of the program.

The line is increased by \$86,000 Gross (\$43,000 GF/GP), and 1.0 FTE, to support a staff person who will provide technical assistance to the health plans and to work with the community mental health system to manage pharmacy utilization. Authorization is increased by \$344,000 Gross (\$172,000 GF/GP), and 4.0 FTEs, to support positions that will implement the DRG payment changes and work with the health plans. The line is increased by \$172,000 Gross (\$86,000 GF/GP), and 2.0 FTEs, to support a staff who will concentrate on reducing Medicaid eligibility errors. A Gross increase to the line of \$190,800 (\$95,400 GF/GP) will fund an IDG in the Department of Management and Budget. The \$95,400 GF/GP is transferred from DMB, and along with the federal match, will support staff within the Office of the State Budget who work on Medicaid programs. The line item receives employee-related economic increases of \$650,000 Gross (\$278,100 GF/GP) for a salary and wage increase, \$911,400 Gross (\$485,900 GF/GP) for defined benefit retirement costs, and \$254,100 Gross (\$104,700 GF/GP) for increased insurance costs.

A decrease of \$264,900 Gross (\$89,400 GF/GP) is made to reflect a reduction in defined contribution retirement costs. The salary and wage adjustment is a funding increase of 3.5%: one half percent for a prior year unfunded wage increase, 2% for an October 1, 2006 wage increase and 1% for an April 8, 2007 2% wage increase. The line is increased \$2.0 million Gross (\$1.0 million GF/GP) to support additional staff in the Department of Human Services to do asset transfer look backs regarding Medicaid eligibility. An authorization increase of \$2.0 million Gross (\$1.0 million GF/GP) provides funding for an additional 23.0 FTEs in the Medical Services Administration to do internal audits of the Medicaid program. Authorization of \$358,500 GF/GP and 4.0 FTEs are transferred from the Medical Services Administration line to the Mental Health/Substance Abuse Program Administration line reflecting an organizational change. The line is increased by \$1,140,200 Gross (\$570,100 GF/GP) to support 2.0 FTEs for training and contractual assistance costs associated with

implementing the Plan First! federal family planning waiver. The waiver expands eligibility for family planning services to women of childbearing age who are not currently Medicaid eligible up to 185% of the federal poverty level.

The Facility Inspection Contract – Labor and Economic Growth line name is changed to Facility Inspection Contract – State Police.

For the MIChild Administration line no changes were adopted.

A new line is created as the Health Information Technology Initiatives appropriation line with Gross funding of \$9.5 million (\$7,250,000 GF/GP). Of this amount, \$4.5 million Gross (\$2.25 million GF/GP) will fund DCH's participation in a pilot project in Southeast Michigan related to an electronic exchange of health information. The remaining \$5.0 million GF/GP will be available as match for other health information technology initiative grants, both public and private, that DCH may apply for.

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 153 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Public Act 153 increases the Medical Services Administration line item by \$3,000,000 Gross (\$0 GF/GP) for FY 2005-06, to provide additional federal Title XIX match authorization for Michigan university and college Medicaid program evaluation and outreach efforts to improve health care access for Medicaid eligibles.

PUBLIC ACT 345 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Public Act 345 increases the Medical Services Administration line by \$805,300 Gross (\$402,600 GF/GP) for FY 2005-06, to support 2.0 FTEs, training and contractual assistance costs associated with implementing the Plan First! recently approved federal family planning waiver. The waiver expands eligibility for family planning services to women of childbearing age who are not currently Medicaid eligible up to 185% of the federal poverty level.

	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07	FY 2006-07
	FY 2005-06	EXECUTIVE	REVISED EXEC.	SENATE	HOUSE	ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 120. MEDICAL SERVICES ADMINISTRATION							
Full-time equated classified positions	336.4	341.4	2.0	364.4	363.4	366.4	366.4
Medical services administration--* FTE positions	53,812,500	65,290,600	1,140,200	69,290,600	66,846,100	70,072,300	70,072,300
* positions in above line	336.4	341.4	2.0	364.4	363.4	366.4	366.4
Facility inspection contract - labor and economic growth	132,800	132,800	0	132,800	132,800	132,800	132,800
MIChild administration	4,327,800	4,327,800	0	4,327,800	4,327,800	4,327,800	4,327,800
Health information technology initiatives	0	0	0	0	9,500,000	9,500,000	9,500,000
GROSS APPROPRIATION	58,273,100	69,751,200	1,140,200	73,751,200	80,806,700	84,032,900	84,032,900
Appropriated from:							
Federal revenues:							
Total federal revenues	41,640,700	51,840,900	570,100	53,840,900	55,047,900	56,661,000	56,661,000
Special revenue funds:							
State general fund/general purpose	16,632,400	17,910,300	570,100	19,910,300	25,758,800	27,371,900	27,371,900

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 originally proposed in the Executive Budget and the consensus staff 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	\$47,497,300	\$56,885,400
Physician Services	\$13,867,000	\$5,410,600
Medicare Premium Payments	\$39,954,600	\$43,786,500
Pharmaceutical Services	(\$80,226,700)	(\$69,426,700)
Home Health Services	\$4,526,700	\$7,047,300
Transportation	\$288,200	\$1,026,900
Auxiliary Medical Services	\$6,505,000	\$3,255,800
Ambulance Services	\$686,300	(\$1,479,200)
Long Term Care Services	\$49,276,200	\$48,504,100
Health Plan Services	\$69,225,400	\$120,452,400
Total	\$151,600,000	\$215,463,100

The Hospital Services and Therapy line is increased by \$56,885,400 Gross (\$24,813,400 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Within the line federal funding is decreased by \$3,085,100 and GF/GP increased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 56.59% to 56.38%. The FMAP rate varies from year to year based on a formula related to state per capita income levels. Federal funding is decreased by \$7,300 and GF/GP increased by the same amount to reflect a change in the federal SCHIP matching rate from 69.61% to 69.47%. The line is increased \$49,465,200 Gross (\$0 GF/GP) due to the inclusion of county medical care facilities in the hospital QAAP and due to the increase in the hospital QAAP percentage in FY 2004-05. Authorization is increased \$3,295,600 Gross (\$1,437,500 GF/GP) due to the annualization of the hospital related copay savings included in the FY

2005-06 budget, and adjusts the amount within this line, the Physician Services line and the Health Plans Services line to more accurately reflect where the expected copay savings would occur.

Funds totaling \$33,012,400 Gross (\$0 GF/GP) representing Hutzel hospital special adjustor payments are transferred to the Special Adjustor Payments appropriation line. The line item is increased \$15.0 million Gross (\$0 GF/GP) recognizing the increased hospital assessment revenue and federal match revenue generated by a larger hospital tax base. Graduate Medical Education (GME) program funding associated with health plan payments to hospitals are transferred to the Health Plan Services line item in the amount of \$100.0 million (\$43,620,000 GF/GP). Increasing payments to health plans is expected to generate additional health plan QAAP revenue and federal Medicaid revenue, saving GF/GP. Transferred in from the Health Plan Services appropriation line is \$20.0 million state restricted health plan assessment revenue (QAAP) which offsets an equal amount of GF/GP. These additional health plan QAAP revenues were generated by increasing health plan rates with additional hospital assessment revenue.

The line is reduced by \$300,000 Gross (\$130,900 GF/GP) due to savings realized by requiring a \$6 copay on Medicaid eligibles using a hospital emergency room for a non-emergent situation. A reduction of \$10.0 million Gross (\$4,362,000 GF/GP) to the line representing projected savings due to the implementation of a specialized case management program to serve the most costly Medicaid beneficiaries. The line is reduced by \$3.1 million Gross (\$1,352,200 GF/GP) due to hospital costs savings generated by a pilot project in Southeast Michigan related to the electronic exchange of health information. The state restricted Healthy Michigan Fund authorization is reduced by \$350,000 and replaced with a like amount of GF/GP.

The Hospital Disproportionate Share Payments federal funding is decreased by \$105,000 and GF/GP increased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 56.59% to 56.38%.

The Physician Services line is increased by \$5,410,600 Gross (\$2,360,100 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Authorization is increased \$388,800 Gross (\$169,600 GF/GP) due to the annualization of the fee-for-service physician related copay savings included in the FY 2005-06 budget, and adjusts the amount within this line, the Hospital Services line and the Health Plans Services line to more accurately reflect where the expected copay savings would occur. Within the line federal funding is decreased by \$552,500 and GF/GP increased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 56.59% to 56.38%. The FMAP rate varies from year to year based on a formula related to state per capita income levels. The line item is increased by \$100 federal to balance to the enacted bill. The line item is increased \$5,580,300 Gross (\$2,434,100 GF/GP) to provide for a fee for

service physician increase in Medicaid reimbursement rates for physician well child and primary care procedure codes. Companion boilerplate language is found in Sec. 1636.

In the Medicare Premium Payments line item, Medicaid inflation, caseload and utilization adjustments totaling \$43,786,500 Gross (\$19,099,700 GF/GP) were adopted. Within the line federal funding is decreased by \$568,000 and GF/GP increased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 56.59% to 56.38%. The FMAP rate varies from year to year based on a formula related to state per capita income levels.

For Pharmaceutical Services, Medicaid inflation, caseload and utilization adjustments reduced the line \$69,426,700 Gross (\$30,283,900 GF/GP). Within the line federal funding is decreased by \$675,800 and GF/GP increased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 56.59% to 56.38%. A transfer-in of \$27,782,400 GF/GP from the Federal Medicare Pharmacy Program (FMPP) line corrects the over funding of the FMPP line in FY 2005-06 due to an overestimate of dual eligibles. Federal Title XIX authorization of \$36,217,600 is included to provide sufficient gross authorization. The line is adjusted upwards by \$9,905,600 Gross (\$4,320,800 GF/GP) for one-time FY 2005-06 pharmaceutical manufacturer fraud savings not available in FY 2006-07. The line is increased by \$36.5 million Merit Award revenue authorization and reduces Tobacco Settlement revenue authorization by an identical amount reflecting projected availability of each fund source. The line is reduced by transferring anti-depressant pharmaceutical payment funding of \$86,674,300 Gross (\$37,807,300 GF/GP) to the Health Plan Services line item, increasing payments to health plans, generating additional health plan QAAP, additional federal Medicaid revenue, and saving GF/GP.

The line is reduced due to the transfer of anti-psychotic pharmaceutical payment funding of \$149,136,400 Gross (\$65,053,300 GF/GP) to the Medicaid Mental Health Services line item, increasing payments to PIHPs, generating additional CMH QAAP, additional federal Medicaid revenue, and saving GF/GP. The line is increased due to the transfer in of \$3.9 million remaining Tobacco Settlement revenue from the Elder Prescription Insurance Coverage line and offsets an identical amount of GF/GP. The line is reduced by recognizing savings of \$22,924,800 Gross (\$10.0 million GF/GP) from Medicaid pharmaceutical overpayment recoveries as identified in a recent report from the State Auditor General. Includes savings, reducing the line by \$4,146,300 Gross (\$1,808,600 GF/GP), from Medicaid psychotropic drug utilization due to the use of a program that evaluates doctor's prescribing practices. Increases the line by \$230,000 Gross (\$115,000 GF/GP) to support pharmacy benefits manager contract costs associated with implementing the Plan First!, a recently approved federal family planning waiver. The waiver expands eligibility for family planning services to women of childbearing age who are not currently Medicaid eligible up to 185% of the federal poverty level.

In the Home Health Services line item, Medicaid inflation, caseload and utilization adjustments totaling \$7,047,300 Gross (\$3,074,100 GF/GP) were adopted. Within the line, federal funding is decreased by \$132,300 and GF/GP increased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 56.59% to 56.38%. The line is reduced by \$64,181,300 Gross (\$27,855,300 GF/GP) of hospice services funding to create a new line called Hospice Services.

The Hospice Services line item is created by transferring in \$64,181,300 Gross (\$27,855,300 GF/GP) of hospice services funding from the Home Health Services line item.

In the Transportation line item Medicaid inflation, caseload and utilization adjustments totaling \$1,026,900 Gross (\$513,500 GF/GP) were adopted.

In the Auxiliary Medical Services line item, Medicaid inflation, caseload and utilization increases totaling \$3,255,800 Gross (\$1,420,200 GF/GP) were adopted. Within the line federal funding is decreased by \$219,900 and GF/GP increased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 56.59% to 56.38%. The FMAP rate varies from year to year based on a formula related to state per capita income levels. Transfers out \$101,750,800 Gross (\$44,383,700 GF/GP) of dental services funding to create a new line called Dental Services.

The Dental Services line item is created by transferring in \$101,750,800 Gross (\$44,383,700 GF/GP) of dental services funding from the Auxiliary Medical Services line item.

The Ambulance Services line item is reduced by \$1,479,200 Gross (\$645,200 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Within the line federal funding is decreased by \$27,300 and GF/GP increased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 56.59% to 56.38%. The FMAP rate varies from year to year based on a formula related to state per capita income levels.

The Long Term Care Services line Medicaid inflation, caseload and utilization adjustments totaling \$48,504,100 Gross (\$21,157,400 GF/GP) were adopted. Within the line federal funding is decreased by \$3,904,500 and GF/GP increased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 56.59% to 56.38%. The FMAP rate varies from year to year based on a formula related to state per capita income levels. The line is increased \$14,925,600 Gross (\$0 GF/GP) federal and state restricted authorization adjusting for additional QAAP revenue, and related federal Medicaid match, generated by the inclusion of county medical care facilities in the assessment in FY 2004-05. The line is increased by \$6,910,900 Gross (\$0 GF/GP) to correct FY 2005-06 financing of lawsuit recoupment. This

adjustment corrects the original change. The line is reduced \$3.0 million state restricted revenue and GF/GP is increased by a like amount to adjust for one-time FY 2005-06 nursing home QAAP escrow disbursement savings not available in FY 2006-07. These revenues resulted from the finalization of a lawsuit.

The line is reduced \$49.4 million GF/GP and increased by a like amount of anticipated additional Medicaid Benefits Trust Fund revenue. The line is increased by Merit Award revenue authorization in the amount of \$30.5 million and reduces Tobacco Settlement revenue authorization by an identical amount reflecting projected availability of each fund source. The line is increased \$12,900,000 Gross (\$0 GF/GP), increasing nursing home assessment revenue authorization and federal authorization, due to a larger nursing home tax base. The line is increased by \$31,462,600 Gross (\$13,724,000 GF/GP) to provide authorization so that all adult home help workers receive a wage of at least \$7 per hour effective October 1, 2006, and that workers employed by a county which paid those workers at least \$7 per hour as of July 1, 2006, shall receive a wage increase of 50¢ per hour. Companion boilerplate is found in Sec. 1691. Savings generated by additional staff in DHS and DCH to do long-term care eligibility asset transfer look backs and internal audits respectively provide for a reduction in this line of \$16,047,700 Gross (\$7.0 million GF/GP).

The line is reduced generated by savings of \$21,956,200 Gross (\$9,577,300 GF/GP) due to tightening of the asset transfer rules for long-term care eligibility. The federal Deficit Reduction Act included several provisions to reduce Medicaid costs at both the state and federal levels. A \$100 federal decrease to this line is a technical correction to balance to the enacted bill. This line is reduced by a transfer out of \$100,000,000 Gross (\$43,620,000 GF/GP) of home and community-based services funding to create a new line called Medicaid Home- and Community-Based Services Waiver. Transfers out \$221,924,000 Gross (\$96,803,300 GF/GP) of adult home help services funding to create a new line called Adult Home Help Services. Transfers out \$25,509,700 Gross (\$11,127,300 GF/GP) of personal care services funding to create a new line called Personal Care Services. Transfers out \$11,200,000 Gross (\$4,885,400 GF/GP) of PACE funding to create a new line called Program of All-Inclusive Care for the Elderly. Transfers out \$9,000,000 gross (\$3,925,800 GF/GP) of single point of entry funding to create a new line called Single Point of Entry.

The line is reduced by \$540,000 Gross (\$235,500 GF/GP) due to savings realized by reducing the monthly guardian charges from \$60 to \$45 per month. By increasing authorization to this line of \$852,000 Gross (\$371,600 GF/GP) an additional \$10 per month personal care supplement will be paid to adult foster care facilities and homes for the aged.

The Medicaid Home- and Community-Based Services Waiver line item is created by transferring in \$100,000,000 Gross (\$43,620,000 GF/GP) of home and community-based services funding from the Long Term Care Services line.

The Adult Home Help Services line item is created by transferring in \$221,924,000 Gross (\$96,803,300 GF/GP) of adult home help services funding from the Long Term Care Services line.

The Personal Care Services line item is created by transferring in \$25,509,700 Gross (\$11,127,300 GF/GP) of personal care services funding from the Long Term Care Services line.

The Program of All-Inclusive Care for the Elderly line item is created by transferring in \$11,200,000 Gross (\$4,885,400 GF/GP) of PACE funding from the Long Term Care Services line.

The Single Point of Entry line item is created by transferring in \$9,000,000 Gross (\$3,925,800 GF/GP) of single point of entry funding from the Long Term Care Services line.

The Elder Prescription Insurance Coverage line is reduced by its remaining \$3.9 million of Tobacco Settlement revenue authorization and the funding is transferred to the Pharmaceutical Services appropriation line. This authorization represented necessary funding for the first quarter of FY 2005-06, before the Medicare Part D program became effective January 1, 2006.

The Health Plan Services line Medicaid inflation, caseload and utilization adjustments totaling \$120,452,400 Gross (\$52,541,200 GF/GP) were adopted. Within the line federal funding is decreased by \$4,089,500 and GF/GP increased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 56.59% to 56.38%. The FMAP rate varies from year to year based on a formula related to state per capita income levels. Federal Title XIX is reduced by \$11.0 million and health plan assessment revenue is increased by an identical amount to correct a FY 2005-06 budget financing adjustment. Transferred out from this line to DHS is \$2,353,200 GF/GP that was included in the DCH FY 2005-06 budget for staff at DHS to help reduce eligibility errors. Available Merit Award revenue reduces GF/GP authorization by \$2,540,700. A reduction in this line of \$3,881,100 Gross (\$1,692,900 GF/GP) results from the annualization of the hospital and physician related copay savings included in the FY 2005-06 budget, and also adjusts the Physician Services line and the Hospital Services and Therapy line to more accurately reflect where the expected copay savings would occur.

An increase in this line of \$97,333,100 Gross (\$42,456,700 GF/GP) supports an increase in health plan rates to maintain actuarial soundness. Graduate Medical Education (GME) program funding associated with health plan payments to hospitals are transferred to the Health Plan Services line item in the amount of \$100.0 million (\$43,620,000 GF/GP) from the Hospital Services and Therapy line item. Making these GME payments through health plans is expected to generate an additional \$6.0 million Gross for this line item, which breaks down as a \$6.0 million increase in QAAP revenue, a

\$3,382,800 million increase in federal Medicaid revenue, and a savings/reduction of \$3,382,800 million GF/GP. The line item is increased by \$316,097,400 Gross (\$10.0 million GF/GP reduction) to pay higher hospital DRG rates, funded by a 1% increase in the hospital quality assurance assessment program (QAAP) and a resulting increase in health plan assessment revenue as well as allowed federal match. By this action the State will retain a \$30.0 million GF/GP benefit from the assessment revenue, \$10.0 million of this is recognized as GF/GP savings in this line item and \$20.0 million retained health plan QAAP offsets an equal amount of GF/GP in the Hospital Services and Therapy line item.

Transferred into this line item is anti-depressant pharmaceutical payment funding of \$86,674,300 Gross (\$37,807,300 GF/GP) from the Pharmaceutical Services line. Increasing payments to health plans by transferring-in anti-depressant funding is expected to increase the line item by \$5,512,500 million in QAAP revenue, an increase of \$3,107,900 in federal Medicaid revenue, and reducing, or saving, \$3,107,900 million GF/GP. The line is reduced by \$100.0 million Gross (\$43.0 million GF/GP) representing anticipated savings from allowing health plans to receive federal pharmaceutical rebates for prescription drugs to Medicaid enrollees. This would require a change in federal law. The line is reduced by \$20.0 million Gross (\$8,724,000 GF/GP) due to annualizing the FY 2005-06 savings as well as from additional emphasis on reducing Medicaid eligibility errors. Available Merit Award revenue offsets \$50,959,300 of GF/GP. The line item is reduced by \$36,877,700 Gross (\$16,086,000 GF/GP) due to anticipated savings generated by requiring all insurers doing business in Michigan to report health care coverage for Michigan residents. This will enable the state to better identify Medicaid eligible persons with other health insurance and avoid or recover payments for services provided by the Medicaid program. This requires a change in Michigan law.

The line item is increased \$11,043,300 Gross (\$4,817,100 GF/GP) to provide for a health plan physician increase in Medicaid reimbursement rates for physician well child and primary care procedure codes. Companion boilerplate language is found in Sec. 1636. Savings of \$3,100,000 Gross (\$1,352,200 GF/GP) are recognized due to the planned implementation of a pilot project in Southeast Michigan related to the electronic exchange of health information. The line is reduced by \$17,760,000 Gross (\$7,746,900 GF/GP) due to savings generated by requiring the Department to establish Medicaid eligibility asset tests for optional parents/caretaker relatives and 19 and 20 year olds and by excluding coverage for 19 and 20 year olds whose parent or legal guardian has health care coverage or access to health coverage. Companion boilerplate language is found in Sec. 1731. The line item is reduced by \$11,706,000 gross (\$11,653,000 GF/GP) due to anticipated savings generated by implementing the new program Plan First!, a recently approved federal Medicaid family planning waiver. The waiver expands eligibility for family planning services to women of childbearing age who are not currently Medicaid eligible up to 185% of the federal poverty level. The line is increased by \$886,800 Gross (\$500,000 GF/GP reduction) to reflect additional health plan assessment revenue generated by the previously mentioned physician rate increase. The line item is increased by \$100 federal to balance to the enacted bill.

The MICHild Program line item includes a replacement of \$72,300 federal State Children's Health Insurance Program (SCHIP) revenue with the same amount of GF/GP to reflect a decrease in the federal SCHIP matching (FMAP) rate for Michigan from 69.61% to 69.47%. The line is reduced by \$1.3 million Gross (\$396,900 GF/GP) representing savings realized by increasing the monthly premium from \$5 per family to \$10 per family. Companion boilerplate language is found in Sec.1673.

The Medicaid Adult Benefits Waiver program line item includes a replacement of \$131,600 federal State Children's Health Insurance Program (SCHIP) revenue with the same amount of GF/GP to reflect a decrease in the federal SCHIP matching (FMAP) rate for Michigan from 69.61% to 69.47%. A line item increase of \$4,394,700 federal Title XXI is included in anticipation of available local, state restricted and GF/GP revenues. The line includes inflation, caseload and utilization adjustments totaling \$12,321,800 Gross (\$3,761,900 GF/GP) were adopted. The line is increased by \$9,826,600 Gross (\$3.0 million GF/GP) to fund an adult benefits waiver program expansion.

The County Indigent Care and Third Share Plans line is reduced by \$648,900 Gross (\$0 GF/GP) adjusting federal and local revenue sources for county indigent care programs to anticipated DSH authorization and the FMAP rate.

The Federal Medicare Pharmaceutical Program is reduced by \$27,782,400 GF/GP by transferring these funds to the Pharmaceutical Services line to correct the over funding of the Federal Medicare Pharmaceutical Program line in FY 2005-06 due to an overestimate of dual eligibles. The line item is increased by \$53.9 million GF/GP representing the annualization of the FY 2005-06 "clawback" payment as well as adjustments related to utilization and inflation changes. A consensus Part D base adjustment was adopted increasing the line item by \$23,173,100 GF/GP.

The Promotion of Healthy Behavior Waiver line item authorizes \$10.0 million Gross (\$0 GF/GP) for a federal Medicaid waiver proposal that would provide financial incentives for positive health behaviors, with funding put into individual health accounts.

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

There are no appropriation changes to the Social Services to the Physically Disabled line item.

The School-Based Services line item is increased by \$7,614,300 Gross (\$5,076,200 GF/GP reduction) to reflect current projected school reimbursements for Medicaid services to students.

The Special Adjustor and Special DSH Payments line name is changed to the Special Medicaid Reimbursement line. The line item is increased by \$33,012,400 Gross (\$0 GF/GP) resulting from the transfer in of the Hutzler hospital special adjustor payment from the Hospital Services and Therapy appropriation line. The line item is increased by \$4,190,200 Gross (\$1,894,100 GF/GP reduction), this adjustment recognizing additional savings from a higher state psychiatric DSH limit and payment. The line item is decreased by \$1.0 million state restricted and increased by \$1.0 million GF/GP allowing a non-university affiliated hospital, which provides surgical services and has a minimum of 10,000 Medicaid bed days to retain \$1.0 million in special Medicaid reimbursement. Companion boilerplate language is found in Sec.1742.

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 153 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Public Act 153 increases the QAAP revenue authorization for the Long-Term Care Services line item is increased by \$9,479,200 and the matching federal Medicaid authorization for this line is increased by \$12,357,300. The federal revenue source for the Health Plan Services line item is reduced by \$11.0 million, with a corresponding increase in QAAP revenue, to correct an error made during development of the FY 2005-06 budget. The Health Plan Services line item is reduced by \$2,353,200 GF/GP due to implementation of projects to reduce Medicaid eligibility error rates and asset test for caretaker relatives. (These funds are transferred to the Department of Human Services budget for this added responsibility.) Expected revenues and expenditures for the Medicare Part D program are properly aligned with the Federal Medicare Pharmaceutical Program and Pharmaceutical Services lines which nets out to an increase of \$36,217,600 Gross (all federal Medicaid revenue). The authorization for Medicaid Adult Benefits Waiver line item is increased by \$4,394,700 Gross (all federal Medicaid revenue) to support expected expenditures for this program.

PUBLIC ACT 345 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Public Act 345 appropriates \$33,937,000 Gross (\$1,321,800 GF/GP) within the Health Plan Services line for increased Medicaid expenditures related to caseload and utilization growth based on FY 2005-06 expenditures agreed to by the House and Senate Fiscal Agencies, and State Budget Office. Additional funding of \$116.4 million Gross is provided for the Hospital Services and Therapy line item to increase QAAP payments to the federal upper payment limit for FY 2004-05 and FY 2005-06. The additional QAAP revenue of \$50,460,000 is matched with federal Medicaid funds of \$65,940,000 to finance increased Medicaid payments to hospitals. An additional \$9,821,400 in federal, local, and private funds are

allocated to the Auxiliary Medical Services line item for a rate increase to dental clinics operated by local public health departments and federally qualified health centers. Tobacco Settlement revenue of \$25,582,000 is replaced with GF/GP to reflect the reduced payments from cigarette manufacturers. The fund sources for the Respite Care Program, Elder Prescription Insurance Coverage, Pharmaceutical Services, and Long-Term Care Services line items are adjusted from \$41,418,000 in Tobacco Settlement revenue to Merit Award revenue. Funding for the Pharmaceutical Services line item is increased by \$57,500 Gross (\$28,800 GF/GP) pharmacy benefits manager contract costs associated with implementing the recently approved federal family planning waiver. The waiver expands eligibility for family planning services to women of childbearing age who are not currently Medicaid eligible up to 185% of the federal poverty level.

	FY 2006-07						
	FY 2005-06	EXECUTIVE	REVISED EXEC.	SENATE	HOUSE	ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 121. MEDICAL SERVICES							
Hospital services and therapy	1,146,145,700	1,128,391,400	0	1,128,391,400	1,235,103,200	1,124,379,500	1,124,379,500
Hospital disproportionate share payments	50,000,000	50,000,000	0	50,000,000	50,000,000	50,000,000	50,000,000
Physician services	265,150,300	279,406,100	0	279,406,200	290,586,500	276,530,100	276,530,100
Medicare premium payments	268,143,100	308,097,700	0	308,097,700	308,097,700	311,929,600	311,929,600
Pharmaceutical services	315,001,600	72,869,800	230,000	48,798,800	39,944,900	56,828,700	56,828,700
Home health services	62,714,300	67,241,000	0	67,241,000	5,580,300	5,580,300	5,580,300
Hospice services	0	0	0	0	61,660,700	64,181,300	64,181,300
Transportation	8,738,300	9,026,500	0	9,026,500	6,826,500	9,765,200	9,765,200
Auxiliary medical services	104,116,300	110,621,300	0	110,621,300	5,621,300	5,621,300	5,621,300
Dental services	0	0	0	0	105,000,000	101,750,800	101,750,800
Ambulance services	12,855,200	13,541,500	0	13,541,500	13,541,500	11,376,000	11,376,000
Long-term care services	1,885,038,300	1,989,051,000	0	1,961,540,800	1,605,681,600	1,594,415,800	1,594,415,800
Medicaid home and community-based services waiver	0	0	0	0	100,000,000	100,000,000	100,000,000
Adult home help services	0	0	0	0	206,406,700	221,924,000	221,924,000
Personal care services	0	0	0	0	25,509,700	25,509,700	25,509,700
Program of all-inclusive care for the elderly	0	0	0	0	11,200,000	11,200,000	11,200,000
Single point of entry	0	0	0	0	9,000,000	9,000,000	9,000,000
Elder prescription insurance coverage	3,900,000	0	0	0	0	0	0
Health plan services	1,935,938,100	2,421,668,900	(3,306,000)	2,409,060,300	2,197,305,200	2,484,260,000	2,484,260,000
MIChild program	47,875,600	47,875,600	0	47,875,600	46,575,600	46,575,600	46,575,600
Medicaid adult benefits waiver	95,696,400	106,608,600	0	106,608,600	106,608,600	122,239,500	122,239,500
Maternal and child health	20,279,500	20,279,500	0	20,279,500	20,279,500	20,279,500	20,279,500
Social services to the physically disabled	1,344,900	1,344,900	0	1,344,900	1,344,900	1,344,900	1,344,900
Federal Medicare pharmaceutical program	174,855,500	200,973,100	0	186,423,100	185,877,100	177,800,000	177,800,000
Health information technology waiver	0	0	0	10,000,000	0	0	0
Promotion of healthy behavior waiver	0	0	0	10,000,000	9,999,900	10,000,000	10,000,000
Restoration of prior year reductions to graduate medica	0	0	0	100	0	0	0
County indigent care and third share plans	89,167,400	88,518,500	0	88,518,500	88,518,500	88,518,500	88,518,500
Subtotal basic medical services program	6,486,960,500	6,915,515,400	(3,076,000)	6,856,775,800	6,736,269,900	6,931,010,300	6,931,010,300
School-based services	68,621,100	76,235,400	0	76,235,400	76,235,400	76,235,400	76,235,400
Special adjustor and special DSH payments	253,689,500	0	0	0	0	0	0
Special Medicaid reimbursement	0	290,892,100	0	290,892,100	290,892,200	290,892,100	290,892,100
Subtotal special medical services payments	322,310,600	367,127,500	0	367,127,500	367,127,600	367,127,500	367,127,500
GROSS APPROPRIATION	6,809,271,100	7,282,642,900	(3,076,000)	7,223,903,300	7,103,397,500	7,298,137,800	7,298,137,800
Appropriated from:							
Federal revenues:							
Total federal revenues	3,856,139,300	4,096,294,900	(1,538,000)	4,080,105,300	4,008,079,600	4,130,819,100	4,130,819,100
Special revenue funds:			0				
Total local revenues	64,578,800	65,497,700	0	65,497,700	65,497,700	65,497,700	65,497,700
Merit award trust fund	50,300,000	136,200,000	0	136,200,000	136,200,000	170,800,000	170,800,000
Tobacco settlement trust fund	67,000,000	0	0	0	0	0	0
Total other state restricted revenues	1,191,463,900	1,456,274,200	0	1,455,274,200	1,450,274,200	1,475,211,000	1,475,211,000
State general fund/general purpose	1,579,789,100	1,528,376,100	(1,538,000)	1,486,826,100	1,443,346,000	1,455,810,000	1,455,810,000

INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY

The federal revenue authorization for the Information Technology Services and Projects line item is increased by \$399,900 to recognize the Social Security Administration (SSA) Electronic Death Registry grant. The federal grant is to be used for providing more timely electronic death records to the SSA and prevent issuance of payments on behalf of deceased persons to individuals not eligible to receive those payments. Funds for the Information Technology Services and Projects line item are increased by \$263,200 Gross (\$86,900 GF/GP) to finance 3.5% net economic increase for employees' salary and wage costs. Funds for the Information Technology Services and Projects line item are increased by \$180,100 Gross (\$57,600 GF/GP) for employees' defined benefit retirement costs. Funds for the Information Technology Services and Projects line item are decreased by \$32,700 Gross (\$10,500 GF/GP) for employees' defined contribution retirement costs. Funds for the Information Technology Services and Projects line item are increased by \$86,600 Gross (\$28,300 GF/GP) for employees' insurance costs. Funds for the Information Technology Services and Projects line item are increased by \$61,200 Gross (all GF/GP) due to an economic adjustment for building and occupancy charges.

A \$100 federal Medicaid revenue placeholder is continued in the budget for the Medicaid Michigan Information System line item. Federal Medicaid revenue appropriated at a 90/10 federal/state match is being utilized for upgrading the medical services claims processing system which required approval of an advanced planning document from the Centers for Medicare and Medicaid Services. Necessary matching funds for the appropriation are identified and legislatively transferred to the Medicaid Michigan Information System line item.

	FY 2005-06	FY 2006-07 EXECUTIVE	FY 2006-07 REVISED EXEC.	FY 2006-07 SENATE	FY 2006-07 HOUSE	FY 2006-07 ENROLLED	FY 2006-07
FY 2006-07	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 330 of 2006 (SB 1083)	YEAR-TO-DATE	9-Feb-06	19-May-06	28-Mar-06	24-May-06	26-Jul-06	10-Aug-06
DEPARTMENT OF COMMUNITY HEALTH	9-Feb-06	(SB 1083)	(SB 1083)	(SB 1083)	(HB 5796)	(SB 1083)	(SB 1083)
Sec. 122. INFORMATION TECHNOLOGY							
Information technology services and projects	30,468,700	31,427,000	0	31,427,000	31,427,000	31,427,000	31,427,000
Michigan Medicaid information system	100	100	0	100	100	100	100
GROSS APPROPRIATION	30,468,800	31,427,100	0	31,427,100	31,427,100	31,427,100	31,427,100
Appropriated from:							
Federal revenues:							
Total federal revenues	18,603,900	19,296,500	0	19,296,500	19,296,500	19,296,500	19,296,500
Special revenue funds:							
Total other state restricted revenues	3,014,700	3,056,900	0	3,056,900	3,056,900	3,056,900	3,056,900
State general fund/general purpose	8,850,200	9,073,700	0	9,073,700	9,073,700	9,073,700	9,073,700

BOILERPLATE

GENERAL SECTIONS BOILERPLATE

Sec. 201. State Spending

Total FY 2006-07 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 act are subject to the Management and Budget Act. Provides that funds in which the state acts as a custodian or agent are not subject to an annual appropriation.

Sec. 203. Terms and Acronyms

Provides definitions for terms and acronyms used in this act.

Sec. 204. Civil Service Charges

Requires the Department of Civil Service to bill DCH at the end of the first fiscal quarter for the 1% charge authorized by the State Constitution of 1963. Requires payments for total billing be made by end of the second fiscal quarter.

Sec. 205. Hiring Freeze

Imposes hiring freeze on state classified civil service employees, except internal transfers of classified employees from one position to another within a department or when freeze would result in the Department being unable to deliver basic services, cause loss of revenue to the state, and result in inability of the state to receive federal funds. Requires quarterly report to Chairpersons of the House and Senate Appropriations Committees on number of exceptions to the hiring freeze.

Sec. 208. Internet Reporting Requirements

Requires the Department to use the Internet to fulfill the reporting requirements of this act.

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; prohibits the purchase of out-of-state goods or services, or both, if competitively priced and comparable quality Michigan goods or services, or both, are available.

Sec. 210. *Businesses in Deprived and Depressed Communities*

Requires DCH to take all reasonable steps to ensure that businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both.

Sec. 211. *Fee Revenue*

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

Sec. 212. *Caps on Funds Expended*

Caps funds expended from the federal maternal and child health block grant, federal preventive health and health services block grant, federal substance abuse block grant, healthy Michigan fund, and Michigan health initiative fund. Requires report by February 1, 2007, on FY 2006-07 appropriation fund sources by line item; requires report on the amount and source of funds to support the FY 2007-08 Executive Budget Recommendation upon budget release. Requires all revenue source detail for consolidated revenue line item detail to be provided on request to DCH.

Sec. 213. *Report on Tobacco Tax Funds*

Requires state departments, agencies, and commissions receiving tobacco tax funds to report on programs utilizing these funds by April 1, 2007, to the House and Senate Appropriations Committees, House and Senate Fiscal Agencies, and State Budget Director.

Sec. 214. *Use of Tobacco Tax Revenue*

Prohibits using tobacco tax revenue deposited in the Healthy Michigan Fund for lobbying as defined in 1978 PA 472.

Sec. 216. *Use of Prior-Year Revenue*

Allows use of prior-year revenue for write-offs of accounts receivables, deferrals, and prior-year obligations. Does not limit Department's ability to satisfy appropriation deductions in Part 1 to collections and accruals provided in the current fiscal year. Requires Department to report by March 15, 2007, on all reimbursements, refunds, adjustments, and settlements from prior years to House and Senate Appropriations Subcommittees on Community Health.

Sec. 218. *Basic Health Services*

Lists basic health services embodied in Part 23 of the Public Health Code that are to be available and accessible throughout the state.

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

Allows the Department to contract with the Michigan Public Health Institute for the design and implementation of projects and other public health related activities. Requires the Department to report on each funded project by November 1, 2006, and May 1, 2007, to the House and Senate Appropriations Subcommittees on Community Health, House and Senate Fiscal Agencies, and State Budget Director. Provides that reports not received by specified dates will result in nondisbursement of funds to the Institute until overdue reports are received. Requires the Department to provide copies of all reports, studies, and publications produced by the Institute by September 30, 2007.

Sec. 220. *Audits of Michigan Public Health Institute Contracts*

Requires all contracts with the Michigan Public Health Institute that are funded with Part 1 appropriations to include a provision requiring financial and performance audits by the State Auditor General.

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

Allows the Department 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.

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

Requires departments and agencies to pay user fees to the Department of Information Technology (DIT) for technology-related services and projects from Part 1 appropriated funds for IT. Subjects user fees to provisions of an interagency agreement between department and agencies, and DIT.

Sec. 260. *Information Technology (IT) Work Projects*

Allows designation of Part 1 appropriated funds for IT as work projects and to be carried forward. Provides that funds designated for work projects are not available for expenditure until approved as work projects under Section 451a of the Management and Budget Act.

Sec. 261. Medicaid Management Information System Upgrade

Provides that Part 1 appropriated funds for the Medicaid management information system upgrade are contingent upon approval of an advanced planning document from the Centers for Medicare and Medicaid services. Permits the appropriation to be designated as a work project and carried forward to support completion of the project.

Sec. 264. Submission of Medicaid Waiver

Requires the Department to notify the House and Senate Appropriations Subcommittees on Community Health and House and Senate Fiscal Agencies upon the submission of a Medicaid waiver, a Medicaid state plan amendment, or similar proposal to the Centers for Medicare and Medicaid Services.

Sec. 265. Retention of Reports

Requires departments and agencies receiving Part 1 appropriations to receive and retain copies of all reports funded from Part 1 appropriations.

Sec. 266. Out-of-State Travel

Limits out-of-state travel to when it is required by legal mandate, necessary to protect the health or safety of Michigan citizens, necessary to produce budgetary savings or increase state revenue, necessary to comply with federal requirements, necessary to secure specialized training for staff, or financed entirely by federal or nonstate funds, except if travel is granted an exception by the State Budget Director. Requires the Department to prepare an out-of-state travel report for the preceding fiscal year by January 1, 2007.

Sec. 267. Disciplinary Action Against State Employee

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

Sec. 269. Reimbursement of Antipsychotic and Antidepressant Prescriptions

Specifies conditions in which prepaid inpatient health plans (PIHPs) and Medicaid health plans are reimbursed for antipsychotic and antidepressant prescriptions under the Medicaid program. Requires DCH to provide quarterly reports to the House, Senate, and House and Senate Fiscal Agencies on coordination of psychotropic medications.

Sec. 270. Notification from Attorney General on Legal Actions

Requires the Department to provide written report on total amounts recovered from legal actions, programs or services for which monies were expended, details on the disposition of funds recovered from legal actions, and descriptions of facts involved in legal actions within 30 days after receipt of notice from the Attorney General of legal actions in which expenses have been recovered.

DEPARTMENTWIDE ADMINISTRATION BOILERPLATE

Sec. 301. Worker's Compensation Funds

Allows the Department to make payment from funds appropriated for worker's compensation for wage and salary and related fringe benefits for employees who return to work under limited duty assignments.

Sec. 303. First-Party Payments for Mental Health Services

Prohibits DCH from requiring first-party payments from individuals or families with taxable income of \$10,000 or less for mental health services for determinations made in accordance with Section 818 of the Mental Health Code.

MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES BOILERPLATE

MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS

Sec. 350. Michigan Protection and Advocacy Services

Allows the Department to enter into a contract with Michigan Protection and Advocacy Services or similar organization to provide legal services for gaining and maintaining occupancy in a community living arrangement under lease or contract with DCH or CMHSPs to provide services to persons with mental illness or developmental disability.

Sec. 351. Methamphetamine Cleanup Fund

Requires the Department to allow local governments to apply for money to cover their administrative costs associated with methamphetamine cleanup efforts from appropriated Part 1 funds. Specifies funds allocated for administrative costs shall not exceed \$800 per property.

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

Sec. 401. Comprehensive System of CMH Services

Provides that Part 1 appropriated funds are to support a comprehensive system of CMH services under full authority and responsibility of local CMHSPs or specialty prepaid health plans (PHPs). Requires the Department to ensure that each CMHSP or specialty PHP provides a complete array of mental health services, coordination of inpatient and outpatient hospital services, individualized plans of services, a case management system, and a system that serves at-risk and delinquent youth pursuant to provisions of the Mental Health Code.

Sec. 402. Contracts Between the Department and CMHSPs

Requires final authorizations to CMHSPs or specialty PHP be made upon execution of contracts between DCH and CMHSPs or specialty PHPs. Requires each contract with a CMHSP or specialty PHP to include provision that it is not valid unless total dollar obligation of all contracts entered into between DCH and CMHSPs or specialty PHPs for FY 2006-07 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 specialty PHPs that would affect enacted rates or expenditures.

Sec. 403. Multicultural Service Providers

Requires DCH to ensure CMHSPs or specialty PHPs meet with multicultural service providers to develop a workable framework for contracting, service delivery, and reimbursement.

Sec. 404. Report on CMHSPs

Requires the Department to provide a report by May 31, 2007, on the following for CMHSPs or specialty PHPs: expenditures and services data; information about access to CMHSPs; lapses and carry-forwards during FY 2005-06; information on the CMH Medicaid managed care program; and performance indicator information required to be submitted to DCH in contracts with CMHSPs or specialty PHPs.

Sec. 405. *Wage Increase to Direct Care Workers*

States legislative intent that the wage increase funded in previous years for direct care workers in local residential settings, and settings where skill building, community living supports and training, and personal care services are provided continue to be paid. Specifies that funds appropriated for Medicaid mental health services be utilized for providing a 2% wage increase to direct care workers, effective October 1, 2006.

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

Requires funds appropriated for 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 appropriations for substance abuse prevention, education, and treatment grants be expended for contracting with coordinating agencies. Requires coordinating agencies work with CMHSPs or specialty PHPs to coordinate services provided to individuals with both mental illness and substance abuse diagnoses. Requires the Department to approve a fee schedule for providing substance abuse services and charge participants in accordance with their ability to pay.

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

Requires the Department to report by April 15, 2007, on expenditures and services data on substance abuse prevention, education, and treatment programs for FY 2005-06.

Sec. 409. *Substance Abuse Services to Clients with Children*

Requires funds for substance abuse services to be distributed in a manner to provide priority to service providers that furnish child care services to clients with children.

Sec. 410. *Substance Abuse Treatment for DHS Recipients*

Requires the Department to assure that substance abuse treatment is provided to applicants and recipients of public assistance through the Department of Human Services 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*

Requires the Department to ensure that each contract with a CMHSP or specialty PHP require the CMHSP or specialty PHP to implement programs to encourage diversions for persons with mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate. Requires each CMHSP or specialty PHP 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 the Department to contract with the Salvation Army Harbor Light Program for providing non-Medicaid substance abuse services at not less than the amount contracted for in FY 2004-05.

Sec. 414. *Medicaid Substance Abuse Services*

Requires Medicaid substance abuse services to be managed by selected CMHSPs or specialty PHPs pursuant to the Centers for Medicare and Medicaid Services' approval of Michigan's 1915(b) waiver request to implement a managed care plan for specialized substance abuse services. Authorizes selected CMHSPs or specialty PHPs to receive a capitated payment on a per eligible per month basis to assure the provision of medically necessary substance abuse services. Requires selected CMHSPs or specialty PHPs to be responsible for reimbursement of claims for specialized substance abuse services. Allows CMHSPs or specialty PHPs that are not coordinating agencies to continue to contract with a coordinating agency provided that the alternative arrangement is based on client service needs and has prior approval from DCH.

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

Requires the Department to report monthly on the amount of funding paid to CMHSPs or specialty PHPs to support the Medicaid managed mental health program.

Sec. 423. *Delivery of Substance Abuse Prevention, Education, and Treatment Programs*

Requires the Department to work cooperatively with the Departments of Human Services, Corrections, Education, State Police, and Military and Veterans Affairs, within existing appropriations, to coordinate and improve the delivery of substance abuse prevention, education, and treatment programs. Requires the Department to establish a Work Group examining and reviewing the source and expenditure of funds for substance abuse programs and services. Requires the Work Group to develop and recommend cost-effective measures for expenditure of funds and delivery of substance abuse programs and services.

Sec. 424. *Timely Claims Process for CMHSPs*

Requires CMHSPs or specialty PHPs that contract with DCH to provide services to the Medicaid population to adhere to the timely claims processing and payments procedure to claims submitted by health professionals and facilities as described in 2000 PA 187.

Sec. 425. *Report on Prisoners Receiving Mental Health and Substance Abuse Services*

Requires the Department, in conjunction with the Department of Corrections, to report by April 1, 2007, on the following FY 2005-06 data to the House and Senate Appropriations Subcommittees on Community Health and Corrections, House and Senate Fiscal Agencies, and State Budget Office: the number of prisoners receiving substance abuse services; the number of prisoners with a primary diagnosis of mental illness and receiving mental health and substance abuse services; and data indicating if prisoners receiving mental health services for a primary diagnosis of mental illness and/or receiving substance abuse services were previously hospitalized in a state psychiatric hospital for persons with mental illness.

Sec. 428. *Contingency Appropriation for CMHSPs*

Requires CMHSPs or affiliations of CMHSPs 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 CMHSPs and affiliations of CMHSPs. Requires the distribution of the rate increase to be based on a formula developed by a Committee established by the Department that includes representatives from CMHSPs or affiliations of CMHSPs and department staff.

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. 442. *Medicaid Adult Benefits Waiver Program*

Expresses legislative intent that the \$40 million transferred from CMH Non-Medicaid Services to support Medicaid Adult Benefits Waiver program be used to provide state match for increases in federal funding for primary care and specialty services provided to Medicaid Adult Benefits waiver enrollees and economic increases for Medicaid Specialty Services and Supports program. Requires general fund match be transferred back to CMH Non-Medicaid Services if enrollment in Medicaid Adult Benefits Waiver program does not achieve expectations and funding for the program is not expended. Requires the Department to report

quarterly on a summary of eligible expenditures for the Medicaid Adult Benefits Waiver program to the House and Senate Appropriations Subcommittees on Community Health.

Sec. 450. *Audit and Reporting Requirements for CMHSPs*

Requires the Department to implement recommendations of Work Group on streamlining audit and reporting requirements for CMHSPs or specialty PHPs and contractors performing services for these entities by October 1, 2006. Requires the Department to submit a report on steps taken to implement and progress of implementation of recommendations by March 31, 2007.

Sec. 452. *Financial Impact on CMHSPs*

Prohibits retroactive implementation of any policy that results in negative financial impact on CMHSPs or prepaid inpatient health plans (PIHPs).

Sec. 456. *Consumer Choices for Mental Health Services*

Requires CMHSPs and PIHPs to honor consumer choices for skill-building assistance, rehabilitative and habilitative services, supported and integrated employment services program services, and work preparatory services provided in the community or by accredited community-based rehabilitation organizations. Requires CMHSPs and PIHPs to take all necessary steps to ensure that individuals with mental illness, developmental disabilities, or substance abuse issues are placed in the least restrictive settings if that is their choice.

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

Requires the Department to report by April 15, 2007, on the following: an updated plan for implementing recommendations of the Michigan Mental Health Commission report on October 15, 2004; a cost-benefit analysis of establishing secure residential facilities of fewer than 17 beds for adults with serious mental illness; and a cost-benefit analysis of establishing specialized mental health court program that diverts adults with serious mental illness alleged to have committed an offense deemed nonserious into treatment prior to the filing of any charges.

Sec. 459. *Detroit-Wayne County CMHSP*

Lowers Detroit-Wayne County CMHSP non-Medicaid funds by \$3.5 million monthly, beginning on December 1, 2006, until it becomes a CMH authority. Provides that funding reductions will be restored, however, if Detroit-Wayne County CMHSP becomes an authority by September 30, 2007. Specifies that funding reductions for the entity do not result in any reduction of direct services.

Sec. 460. *Uniform Standards for Reporting of Administrative Costs by CMHSPs*

Requires DCH to fully implement the uniform definitions, standards, and reporting of administrative costs by PIHPs, CMHSPs, and contracted organized provider systems that receive payment or reimbursements from PIHPs and CMHSPs by September 30, 2007.

Sec. 462. *Funding Equity Plan for CMH Non-Medicaid Services*

Requires DCH to establish Work Group to develop plan to achieve funding equity for all CMHSPs receiving funds appropriated under CMH Non-Medicaid Services; plan, at a minimum, to establish payment schedule or scale to ensure each CMHSP is paid and/or reimbursed equally based on recipient's diagnosis or individual plan of service to meet recipient's needs.

Sec. 463. *Program Evaluation Measures for Substance Abuse Services*

Directs the Department to establish standard program evaluation measures to assess the effectiveness of programs provided through coordinating agencies and service providers in reducing and preventing incidence of substance abuse.

Sec. 464. *Liquor License Fees*

Expresses legislative intent that revenue received by DCH from liquor license fees is to be expended only to fund programs for prevention, rehabilitation, care, and treatment of alcoholics pursuant to the Liquor Control Code provisions.

Sec. 465. *Respite Services*

Requires that funds appropriated for respite services be used for direct respite care services for children with serious emotional disturbances and their families. Specifies that no more than 1% of the funds allocated for respite services be expended by CMHSPs for administration and administrative purposes.

Sec. 467. *Funding for Community Substance Abuse Prevention, Education, and Treatment Programs*

Requires DCH to increase funding paid from the Community Substance Abuse Prevention, Education, and Treatment Programs line item to coordinating agencies to the level provided in FY 2002-03, if funds become available.

Sec. 468. *Incorporation of Coordinating Agencies into CMH Authorities*

Requires the Department to recommend changes in its criteria for the incorporation of a city, county, or regional substance abuse coordinating agency into a local CMH authority. Permits the Department to make accommodations or adjustments in the formula distribution to coordinating agencies provided all of the following: funding not exceeding \$75,000 is provided to any coordinating agency for administrative costs incurred by incorporating into a CMH authority; accommodations or adjustments do not favor coordinating agencies who voluntarily elect to integrate with CMH authorities; and accommodations or adjustments do not negatively affect other coordinating agencies.

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

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

Sec. 471. *Administrative Costs for Coordinating Agencies*

Limits administrative costs for coordinating agencies and Salvation Army Harbor Light Program to the same percentage of their total expenditures in FY 2004-05 or 9%, whichever is less.

Sec. 474. *Guardianship of Recipients*

Requires the Department to ensure that 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. Expresses legislative intent that a CMHSP or PIHP shall not attempt to reduce or restrict the ability of a recipient or his/her family from obtaining legal guardianship without just cause.

Sec. 475. Allocation for Jewish Federation of Metropolitan Detroit

Allocates \$990,000 to the Jewish Federation of Metropolitan Detroit from the Part 1 funds for multicultural services.

STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES

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

Requires that priority be given to obtaining third-party payments for services in the funding of staff in the financial support division, reimbursement, billing, and collection services. Requires the collections from individual recipients of services to be handled in a sensitive and nonharassing manner. Requires the Department to continue a revenue recapture project to generate additional third party revenue from cases that are closed or inactive.

Sec. 602. Gifts and Bequests

Authorizes carry forward of unexpended and unencumbered funds up to \$1,000,000 from gifts and bequests for patient living and treatment environments for one fiscal year.

Sec. 603. Forensic Mental Health Services Provided to the Department of Corrections (DOC)

Specifies that funds appropriated in Part 1 for Forensic Mental Health Services provided to DOC are in accordance with the interdepartmental plan developed in cooperation with DOC. Authorizes Department to receive and expend funds from DOC to fulfill obligations outlined in the interdepartmental agreement.

Sec. 604. Annual Reports for CMHSPs

Requires CMHSPs or specialty PHPs to provide annual reports to DCH on the following: the number of days of care purchased from state hospitals, state centers, and private hospitals; the number and type of alternative placements to state hospitals and centers other than private hospitals; and waiting lists for placements in state hospitals and centers. Requires DCH to annually report the information to the House and Senate Appropriations Subcommittees on Community Health, House and Senate Fiscal Agencies, and State Budget Director.

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

Prohibits the Department from implementing closures or consolidations of state hospitals, centers, and agencies until CMHSPs or specialty PHPs have programs and services in place for those persons currently in the facilities. Requires DCH to provide a closure plan four months after closure certification to the House and Senate Appropriations Subcommittees on Community Health and State Budget Director. Requires transfer of remaining operational funds from closed state hospitals, centers, and agencies to CMHSPs or specialty PHPs responsible for providing services to these clients.

Sec. 606. *Patient Reimbursement*

Allows the Department to collect revenue for patient reimbursement from first/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. Permits carry forward of revenue collected that exceeds current year expenditures if approved by the State Budget Director.

PUBLIC HEALTH BOILERPLATE

PUBLIC HEALTH ADMINISTRATION

Sec. 650. *Fish Consumption Advisory*

Requires the Department to communicate the annual public health consumption advisory for sport fish, at minimum to post the advisory on the Internet and provide it to participants of the Women, Infants, and Children special supplemental nutrition program.

Sec. 651. *Activities of the Surgeon General*

Requires the Department to report by April 30, 2007 on activities and efforts of the Surgeon General to improve the health status of the citizens of the state pursuant to the goals and objectives stated in the "Healthy Michigan 2010" report, and to indicate measurable progress made.

HEALTH POLICY, REGULATION, AND PROFESSIONS

Sec. 704. Emergency Medical Services (EMS) Grantees and Contractors

Requires the Department to continue to work 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. 705. Internet Posting of Inspections of Nursing Homes

Requires DCH to post the executive summary of latest inspection for each licensed nursing home on the Internet.

Sec. 706. Nursing Home Inspectors

Requires DCH to make every effort to hire nursing home inspectors with past experience in long-term care industry.

Sec. 707. Nurse Scholarship Program

Require funds appropriated for the Nurse Scholarship Program be used to increase nurses practicing in Michigan. Requires the Department and Board of Nursing to work cooperatively with the Michigan Higher Education Assistance Authority to coordinate scholarship assistance. Encourages the Board of Nursing to structure scholarships in which recipients who intend to practice nursing in this state are rewarded.

Sec. 708. Quarterly Staff Reports from Nursing Facilities

Requires nursing facilities in their quarterly reports to DCH to report on the total patient care hours provided each month and the percentage of pool staff used each month during the preceding quarter. Requires DCH to make the quarterly staff report available to the public.

Sec. 709. Michigan Essential Health Care Provider Program

Allows funds appropriated for the Michigan Essential Health Care Provider Program to be used to provide loan repayment for dentists that meet the criteria established in Part 27 of the Public Health Code.

Sec. 710. Primary Care Services Funding for Health Centers

Allocates up to \$1,723,300 to enhance the service capacity of federally qualified health centers and similar health clinics providing primary care services.

Sec. 711. Customized Listings of Nonconfidential Information

Allows the Department to make customized listings of nonconfidential information in its possession, such as names and addresses of licensees, available to interested entities. Allows the Department to establish and collect a reasonable charge for providing this service. Requires revenue received from this service be used to offset expenses for providing the service. Requires unexpended revenue balances to revert to the appropriate restricted fund.

Sec. 712. Free Health Clinics

Allocates \$250,000 to free health clinics, nonprofit organizations that use volunteer health professions to provide care to uninsured individuals, from funds appropriated for primary care services. Requires DCH to distribute funds equally to each free health clinic.

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

Directs the Department to continue to fund multicultural agencies that provide primary care services and ensure 100% of the funds are allocated to these agencies in a timely fashion.

Sec. 714. Nursing Facility Complaint Investigations

Requires DCH to report to the Legislature on the timeliness of nursing facility complaint investigations and the number of complaints that are substantiated on an annual basis.

Sec. 715. Emergency Medical Service (EMS) Providers

Requires the Department to maintain existing contractual and funding arrangements to provide testing, certification, and inspections services for EMS providers through December 31, 2006.

INFECTIOUS DISEASE CONTROL

Sec. 801. Priority for Adolescents for AIDS Prevention Services

Requires the Department and its subcontractors to ensure that adolescents receive priority for AIDS prevention, education, and outreach services.

Sec. 802. AIDS Provider Education

Allows the Department to provide funding to the Michigan State Medical Society as lead agency for continuing the development and implementation of AIDS provider education activities.

Sec. 803. *AIDS Drug Assistance Program*

Directs the Department to continue the AIDS Drug Assistance Program, maintaining the prior year eligibility criteria and drug formulary, without prohibiting the Department from providing assistance for improved AIDS treatment medications. Allows the Department to revise the criteria and formulary, consistent with federal program guidelines, if the appropriation is insufficient to maintain the prior year criteria and formulary.

Sec. 804. *Hepatitis C Cooperative Program with Department of Corrections*

Directs the Department to cooperate with the Department of Corrections to share data and information regarding prisoners being released and Hepatitis C, related to the Michigan prisoner reentry initiative; and requires a report by April 1, 2007.

Sec. 805. *Childhood Vaccinations*

Requires the Department to work with health plans, medical providers, and pharmaceutical manufacturers to ensure that children under age 5 receive all scheduled vaccinations, including pneumococcal conjugate vaccine.

LOCAL HEALTH ADMINISTRATION AND GRANTS

Sec. 901. *Informed Consent Law Reimbursement of Local Costs*

Directs DCH to reimburse local health departments for costs incurred for services provided in accordance with the Informed Consent Law.

Sec. 902. *Funding Penalty in Case of Dissolution of Multi-County Local Health Department*

Provides authority for the Department to assess a penalty on a county of up to 5% of the local health department's local public health operations funding if that county ceases to be part of a district health department or an associated arrangement with other local health departments.

Sec. 903. *Lead Abatement Program Report*

Directs the Department to report annually on the expenditures and activities of the lead abatement program.

Sec. 904. *Local Public Health Operations Allocations*

Directs that local public health operations line item funds shall be prospectively allocated to local public health departments to support costs for nine state and local cost-shared services. Local public health departments

will be held to contractual standards for these services. Certain of these services shall be provided in consultation with the Michigan Departments of Agriculture, and Environmental Quality. Local eligibility for distributions is contingent upon local spending of at least the amount expended locally in FY 1992-93 for these services. Requires that a report on planned allocations be made available upon request by April 1, 2007.

Sec. 905. *Hearing Screening and Vision Services*

Allocates \$5.15 million of local public health operations line item funds to continue funding hearing and vision screening services through local public health departments at a level similar to service levels provided in fiscal year 2004-05.

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Sec. 1003. *Alzheimer's Disease Information and Referral Services*

Allocates funds to provide information and referral services for persons with Alzheimer's disease or related disorders through regional networks.

Sec. 1006. *Priority for Smoking Prevention Funding and Allocation for Quit Kits*

Requires the Department to give priority to prevention and smoking cessation programs for pregnant women, women with young children, and adolescents in spending smoking prevention program line item funds. Establishes an allocation of \$900,000 of smoking prevention funds for the Quit Kit program that includes the nicotine patch or nicotine gum, for purposes of complying with 2004 PA 164.

Sec. 1007. *Violence Prevention Program*

Directs that violence prevention line item funds be used for, but not limited to, programs aimed at preventing spouse, partner or child abuse and rape, and workplace violence; directs DCH to give equal consideration to public and private nonprofit grant applicants; DCH may provide funds to local school districts.

Sec. 1008. *Diabetes Management Pilot Project*

Allocates \$25,000 for a diabetes management pilot project in Muskegon County from the diabetes and kidney program line item appropriation.

Sec. 1009. Grant to National Kidney Foundation of Michigan

Permits allocation of funds from the diabetes and kidney program line item to the National Kidney Foundation of Michigan for kidney disease prevention programs.

Sec. 1010. Osteoporosis Prevention and Education Funding

Allocates \$200,000 of chronic disease prevention line item funds for osteoporosis prevention and treatment education programming.

Sec. 1019. Stroke Prevention Funding

Allows the Department to allocate \$50,000 of chronic disease prevention line item funds for stroke prevention, education, and outreach.

Sec. 1028. African-American Male Health Initiative Funding

Allows the Department to appropriate funds for the African-American Male Health Initiative if Healthy Michigan Funds or federal Preventive Health and Health Services Block Grant funds are available.

Sec. 1029. African-American Male Health Initiative Program Participation

States legislative intent that the male participation rate in the African-American Male Health Initiative program be no less than 75%.

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

Sec. 1101. Reallocation of Funds for Certain Programs in Cases of Underexpenditures

Requires the Department to review the basis for distribution of funds to local health departments and other agencies from various programs in the Family, Maternal, and Children's Health Services appropriation unit and the WIC program and indicate the basis on which any projected underexpenditures are to be reallocated to other local agencies that demonstrate need.

Sec. 1104. Department Report Regarding Certain Pregnancy Planning and Prenatal Programs

Requires the Department to report by April 1, 2007 on planned allocations and prior fiscal year actual service and expenditure data for local maternal and child health services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs.

Sec. 1105. *Contract with Local Agencies Best Able to Serve Clients*

Requires the Department to contract for services to be provided through the Family, Maternal, and Children's Health Services appropriation unit with local agencies best able to serve clients. Factors upon which to evaluate an agency's ability to serve clients are described.

Sec. 1106. *Family Planning Title X Funding Compliance*

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

Sec. 1106a. *Abstinence Education Program Requirements*

Establishes specific items of instruction as requirements for abstinence education programs expending federal abstinence education funds. Directs that funded programs target teenagers most likely to engage in high-risk behavior. Gives priority in allocation of funds to programs that do not provide contraceptives to minors and that strive to include parental involvement. Qualifying programs may receive such funds directly from DCH.

Sec. 1107. *Prenatal Care Outreach Administrative Cost Limit*

Restricts local administrative, data processing, and evaluation costs to not more than 9% of the amount appropriated for prenatal care outreach and service delivery support.

Sec. 1108. *Restrictions on Use of Pregnancy Prevention Funding*

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

Sec. 1109. *Volunteer Dental Services Program for the Uninsured*

Allocates funds from the dental programs line item to the Michigan Dental Association to administer a volunteer program of dental services to the uninsured; and requires a report by DCH to be made available upon request not later than December 1.

Sec. 1110. *Designation of Delegate Agencies for Family Planning and Pregnancy Prevention Funds*

Provides that agencies currently receiving pregnancy prevention and family planning funds shall have the option of receiving those funds directly from DCH and be designated as delegate agencies.

Sec. 1111. Allocation of Funds for Services for Family Planning and Pregnancy Prevention

Directs the Department to allocate no less than 88% of family planning and pregnancy prevention line item funds for the direct provision of services.

Sec. 1112. Allocation for Communities with High Infant Mortality Rates

Allocates at least \$1,000,000 to communities with high infant mortality rates from prenatal care outreach and service delivery support line item funds.

Sec. 1113. Family Planning Patient Information

Directs that service providers receiving funds appropriated for family planning local agreements or pregnancy prevention program shall include an optional response field on general patient information documents requesting information on a patient's marital status.

Sec. 1114. Safe Delivery of Newborns Law Website

Allocates \$30,000 from the special projects line item for creation of an Internet website to inform and train public service and public safety agency personnel regarding the provisions of the Safe Delivery of Newborns Law; also to be available to the general public.

Sec. 1129. Report of Elevated Blood Lead Levels

Requires DCH to annually report to the Legislature from information available to DCH on the number of children with elevated blood lead levels, by county, indicating blood lead level and sources of information.

Sec. 1132. Nurse Family Partnership Program Allocation

Allocates \$400,000 to the Nurse Family Partnership Program from the special projects appropriation line item.

Sec. 1133. Infant Mortality Data Release

Requires the Department to release infant mortality rate data to all local public health departments no later than 48 hours prior to releasing infant mortality rate data to the public.

Sec. 1135. *School Health Education Curriculum*

Establishes that the 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; requires curriculum materials be made available upon request.

WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

Sec. 1151. *Farmer's Market Nutrition Program Local Contributions*

Allows the Department to work with local participating agencies to define local annual contributions for the Farmer's Market Nutrition Program, Project FRESH, to enable DCH to request federal matching funds based on local commitment of funds.

Sec. 1152. *Lead Testing for Children in WIC Program*

The Department shall require that all Medicaid children participating in the Special Supplemental Food Program for Women, Infants, and Children receive lead screening testing.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1201. *Medical Care and Treatment Reimbursement Policies*

Requires payments for medical care and treatment be made consistent with reimbursement policies of Michigan medical services program.

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, genetic diagnostic and counseling services, and services to persons age 21 or older with hemophilia.

Sec. 1203. *Referrals to Locally-Based Services Programs*

Requires that Department refer clients of the program to the locally-based services program in their community.

OFFICE OF DRUG CONTROL POLICY

Sec. 1250. Interdepartmental Grant to Judiciary for Drug Treatment Courts

Requires the Department to provide \$1.8 million of federal Byrne formula grant program funding to the Judicial Branch as an interdepartmental grant, for local drug treatment courts.

CRIME VICTIM SERVICES COMMISSION

Sec. 1301. Grant Recipient Conditions

Requires that Crime Victim Services Commission funds granted to an organization shall not be used by that organization for lobbying, and shall not be used to attempt to influence decisions of the Legislature, Governor or any state agency. The Department shall ensure that this provision is not violated.

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

Allocates up to \$50,000 for expansion of forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault. Unexpended funds shall be carried forward.

Sec. 1304. Sexual Assault Evidence Collection Procedures

Requires the Department to work with the Department of State Police and certain statewide organizations to ensure that recommended standard procedures for emergency treatment of sexual assault victims are followed in the collection of evidence in cases of sexual assault.

OFFICE OF SERVICES TO THE AGING

Sec. 1401. Persons Who Qualify for Certain Senior Program Funding

Provides that funding for community, nutrition, and home services be restricted to eligible individuals at least 60 years of age who fail to qualify for home care services under Titles XVIII, XIX, or XX of the Social Security Act.

Sec. 1403. Home-Delivered Meals Waiting Lists

Requires area agency on aging regions to report home-delivered meals waiting lists to the Office of Services to the Aging and establishes standard criteria for persons to be included on the waiting list.

Sec. 1404. Authorization for Spending for Senior Day Care, Care Management, Respite Care

Allows area agencies on aging and local providers to receive and expend fees for the provision of day care, care management, respite care, and certain eligible home and community-based services. Fees shall be based on a sliding scale, taking client income into consideration, and shall be used to expand services.

Sec. 1406. Allocation of Respite Care Tobacco Settlement Funds for Direct Care

Requires that the \$5.0 million respite care appropriation of Merit Award Trust Fund monies be used only for direct respite care or adult respite care center services, and be allocated according to a long-term care plan. Not more than 9% of the allocation shall be expended for administrative purposes.

Sec. 1413. Support of Locally-Based Community Senior Services

Establishes legislative support of locally-based services, support of local counties in their approval of area agency on aging plans and in changing membership of area agencies on aging in their region, and legislative intent to prohibit area agencies on aging from providing direct services unless a waiver has been received from DCH.

Sec. 1416. Support for In-Home Services for Non-Medicaid Seniors

Establishes legislative commitment to provide in-home services, resources, and assistance for the frail elderly who are not being served by the Medicaid home- and community-based services waiver program.

MEDICAL SERVICES BOILERPLATE

MICHIGAN FIRST HEALTHCARE PLAN

Sec. 1501. Michigan First Healthcare Plan Funding Contingency

Requires that funding for the Michigan First Healthcare Plan is contingent on approval of a waiver from the federal government.

Sec. 1502. Michigan First Healthcare Plan Provider Determination

Requires the Department to provide a report detailing the process used to determine which insurance entities will be selected for participation in the Michigan First Healthcare Plan and that a single source contract shall not be awarded to a health plan through the Michigan First Healthcare Plan.

Sec. 1503. *Provide Copy of Federal Approval of Plan/Proposal Prior to Implementation*

Requires the Department to provide a copy of the federally approved Michigan First Healthcare Plan or similar proposal at least 90 days before implementing any portion of the plan, or proposal.

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. 1602. *Medicaid Eligibility for the Elderly and Disabled*

Provides Medicaid eligibility to low income elderly and disabled persons up to 100% of the poverty level.

Sec. 1603. *Medical Services Buy-In Program*

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

Sec. 1604. *Medicaid Eligibility Application*

Specifies certain conditions of the Medicaid eligibility application process.

Sec. 1605. *Medicaid Protected Income Level*

Establishes the Medicaid protected income level at 100% of the public assistance standard and requires 90-day notice prior to implementation of changes in the protected income level.

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

Limits the allowable deduction for guardian and conservator charges to \$45 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.

Sec. 1610. *Provider Cost Report Grievance Procedure*

Requires the Department to provide a cost report grievance process for medical providers and payment within nine months following submission of cost reports.

Sec. 1611. *Medicaid Payment in Full Provisions*

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

Sec. 1615. *Medicaid Electronic Billing*

Directs DCH to require enrolled Medicaid providers to submit billings electronically unless prohibited by law or regulation.

Sec. 1620. *Pharmacy Dispensing Fee, Copayments, and Mail Order Drugs*

Establishes the pharmacy dispensing fee at \$2.50 (\$2.75 for nursing home pharmacies) or the pharmacy's usual and customary charge, whichever is less. Specifies prescription copayments for Medicaid recipients of \$1.00 for a generic drug and \$3.00 for a brand-name drug except as prohibited by federal or state law or regulation. Requires availability of a voluntary mail order pharmacy program.

Sec. 1621. *Drug Utilization Review and Disease Management*

Authorizes drug utilization review and disease management systems with physician oversight and consultation with various medical provider groups. Prohibits therapeutic substitution.

Sec. 1621a. *Disease Management Pilot Projects*

Allows DCH to establish pilot projects to test the efficacy of disease/health management systems and use the savings in lieu of supplemental rebates to include the drug manufacturer's products on the preferred drug list.

Sec. 1623. *Dispensing of Maintenance Drugs*

Continues current Medicaid policy that allows for the dispensing of a 100-day supply for maintenance drugs and notice to medical providers regarding this policy. Requires dispensing medication in the quantity prescribed unless subsequent consultation with the physician indicates otherwise.

Sec. 1625. *Atypical Antipsychotic Medications*

Directs the Department to continue placing all atypical antipsychotic medications on the Medicaid preferred drug list.

Sec. 1627. *Drug Rebates for the State Medical Program and CSHCS Program*

Authorizes the Department to secure manufacturer drug rebates for participants in MICHild, MOMS, State Medical, Children's Special Health Care Services, and Adult Benefit Waiver programs that are equivalent to Medicaid rebates, and allows for preauthorization of drugs if rebates are not provided.

Sec. 1628. *Medicare Part D Psychotropic Pharmacy Administration Committee and Study*

Requires DCH to convene a committee to study implementation of psychotropic pharmacy administration under Medicare Part D for individuals dually enrolled in Medicare and Medicaid programs by April 2007; details committee representation; requires final report by September 30, 2007.

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

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

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

Continues podiatric, adult dental and chiropractic services at not less than the level in effect on October 1, 2002. Prohibits restrictions on chiropractic services unless the recipient exceeds 18 visits within a year. Authorizes Department to implement bulk order purchasing of hearing aids, imposes limits on binaural hearing aid benefits and limits replacement of hearing aids to once every three years.

Sec. 1631. *Medical Services Copayments*

Requires copayments on dental, podiatric, chiropractic, vision, and hearing aid services unless prohibited by law or regulation. Specifies copayments of \$2 for a physician office visit, \$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. 1633. *Healthy Kids Dental Program Expansion*

Requires DCH to expand the Healthy Kids Dental program statewide if funds available specifically for this purpose.

Sec. 1634. *Continuation of Ambulance Services Rate Increases*

Requires continuation of the FY 2000-01 5% increase in ambulance service payment rates and continuation of the FY 2005-06 ambulance mileage reimbursement rate increase of \$4.25 per mile.

Sec. 1635. *Continuation of Medicaid Obstetrical Rate Increase*

Requires continuation of the FY 2005-06 allocation of \$6,910,800 between Physician Services and Health Plan Services appropriation lines for the increase of Medicaid reimbursement rates for obstetrical services.

Sec. 1636. *Medicaid Physician Well Child and Primary Care Procedures Rate Increase*

Provides \$23,874,800 between the Physician Services and Health Plan Services appropriation lines for an increase in Medicaid reimbursement rates for physician well child procedure codes and primary care procedure codes. A report is required based on the affected procedure codes.

Sec. 1637. *Personal Health Responsibility Agreement*

Requires that all Medicaid recipients be offered the opportunity to sign a Medicaid personal responsibility agreement which contains various provisions regarding healthy behaviors.

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. 1643. *Psychiatric Residency Training Program*

Allocates \$10,359,600 from Graduate Medical Education funds for a psychiatric residency training program if the universities involved provide the necessary allowable Medicaid matching funds.

Sec. 1647. *Continuation of Graduate Medical Education Payments*

Requires graduate medical education payments to hospitals at no less than the level of rates and payments in effect on April 1, 2005.

Sec. 1648. *Automated Toll-Free Eligibility Verification Phone Line*

Requires the Department to maintain an automated toll-free phone line for medical providers to verify Medicaid eligibility.

Sec. 1649. *Breast and Cervical Cancer Treatment Coverage*

Directs the Department to establish breast and cervical cancer treatment coverage for uninsured women under age 65 and with incomes below 250% of the poverty level, pursuant to federal legislation.

Sec. 1650. *Mandatory Managed Care Enrollment Requirement*

Authorizes continuation of Medicaid managed care and assignment of recipients who do not select a provider. Requires notice of exception criteria to enrollment, the right to change plans, and complaint/grievance procedures. Specifies criteria for medical exceptions to mandatory managed care enrollment.

Sec. 1651. *Hospice Services Under Medicaid Managed Care*

Allows access to hospice services for Medicaid patients enrolled in health maintenance organizations.

Sec. 1653. *Conditions for Implementation of Medicaid Managed Care Plans*

Establishes conditions for implementing Medicaid managed care plans related to continuity of care, submitting HMO data for evaluation, health plan advisory council, and choice of plans and prohibits mandatory enrollment in non-metropolitan areas with only one HMO unless there is a choice of two or more physicians. Maintains voluntary enrollment in Children's Special Health Care Plan, and requires a budget neutral case rate adjustment for persons with AIDS and other high-cost conditions.

Sec. 1654. *Reimbursement for HMO Covered Services*

Requires Medicaid HMOs to pay for services by non-HMO providers if medically necessary, approved by the HMO, immediately required, and cannot be obtained through HMO providers on a timely basis. Services are considered approved if the authorization request is not responded to within 24 hours.

Sec. 1655. *Twelve-Month Lock-In for HMO Enrollment*

Allows for a 12-month lock-in to HMOs with good cause exceptions and allows recipients to change plans for any reason within the first 90 days.

Sec. 1656. HMO Expedited Complaint Review Procedures

Requires expedited grievance procedure for Medicaid recipients enrolled in qualified health plans and a toll free phone number to help resolve problems and complaints; requires annual reports on complaints and resolution.

Sec. 1657. HMO Reimbursement for Hospital ER Services and Solvency Standards

Requires reimbursement for emergency room 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. Requires DCH to receive assurances from Office of Financial and Insurance Services that new Medicaid HMOS meet net worth and solvency standards prior to contracting with them.

Sec. 1658. HMO Contracts with Hospitals

Requires that HMOs shall have contracts with local hospitals; requires reimbursement to non-contracted hospitals at Medicaid fee-for-service rates; requires hospitals that do not contract with HMOs in their service area enter into a hospital access agreement as specified in a MSA policy bulletin.

Sec. 1659. Applicable Boilerplate Sections for Medicaid Managed Care

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

Sec. 1660. Access to EPSDT, Well Child, and Maternal and Infant Support Services

Requires timely access to EPSDT services for children enrolled in Medicaid managed care programs; specifies primary care provider's responsibility to assure child's vision/hearing screening; requires local health departments provide preschool vision/hearing screenings and accept referrals; requires that HMOs provide EPSDT utilization data, well child visits, and maternal and infant support services as described in Medicaid policy; requires DCH to provide budget neutral incentives to improve performance related to care of children and pregnant women.

Sec. 1661. Prohibition on Prior Authorization for EPSDT and MSS/ISS Services

Requires timely access to Maternal/Infant Support services (MSS/ISS) and coordination with other state or local programs; prohibits prior authorization for EPSDT and MSS/ISS screening referrals and up to three MSS/ISS service visits.

Sec. 1662. *Review and Analysis of HMO Performance, EPSDT and MSS/ISS Technical Assistance*

Directs DCH to assure that an external quality review of each HMO is performed that results 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; directs DCH to submit copies of the analysis of HMO HEDIS reports and annual external quality review report within 30 days; requires DCH to work with Michigan Association of Health Plans and Michigan Association for Local Public Health to improve EPSDT and MSS/ISS services, and assure that training and technical assistance are available for EPSDT and MSS/ISS.

Sec. 1666. *System Changes Providing Timelier Inclusion of Newborns in Medicaid Eligibility File*

Directs DCH to implement system changes to assure that within 30 days of birth newborns of health plan covered Medicaid mothers are included in Medicaid eligibility file and enrolled in the same health plan as the mother.

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; health care coverage is to be provided through expanded Medicaid eligibility for children in families up to 150% of poverty and through a state-based private health care program for children in families between 150% and 200% of poverty. 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 be used to determine eligibility for MICHild program. 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.

Sec. 1671. *MICHild Marketing and Outreach*

Requires the Department to continue a comprehensive approach to marketing and outreach of the MICHild program, and to coordinate such efforts with the Department's existing outreach and marketing activities.

- Sec. 1673. *MiChild Premiums and Prohibition on MiChild Copayments***
Allows the Department to establish premiums for eligible persons above 150% of poverty level from \$10 to \$15 per month for a family and prohibits copayments under the MiChild program.
- Sec. 1677. *MiChild Benefits***
Specifies the benefits to be covered by the MiChild program based on the state employee insurance plan.
- Sec. 1680. *Nursing Home Wage Pass-Through***
Requires that previous payment increases for enhanced wages and new or enhanced employee benefits provided in previous years through Medicaid nursing home wage pass-through program be continued; requires that DCH not increase or decrease the Medicaid nursing home wage pass-through program in FY 2005-06.
- Sec. 1681. *Home and Community Based Services***
Requires the Department and local waiver agents to encourage the use of family members, friends, and neighbors to provide non-medical home and community based services, where appropriate.
- Sec. 1682. *OBRA Nursing Home Enforcement Provisions***
Authorizes DCH to implement federal nursing home enforcement provisions and receive/expend penalty money for noncompliance.
- Sec. 1683. *Dignity and Rights of Terminally Ill and Chronically Ill Patients***
Requires the Department to promote activities that preserve the dignity and rights of terminally ill and chronically ill individuals, including hospice care, pain management, and suicide prevention.
- Sec. 1684. *Home and Community-Based Services (HCBS) Administrative Expenses***
Requires the continuation of the FY 2005-06 HCBS waiver program payment rate for administrative expenses be reduced by \$2.00 per person per day, and savings be reallocated to increase enrollment in waiver program; DCH will report by April 1, 2007 on number of nursing home patients discharged who are subsequently enrolled in HCBS waiver program, and associated cost savings.

Sec. 1685. *Prospective Setting of Medicaid Nursing Home Payment Rates*

Requires Medicaid nursing home payment rates to be set 30 days in advance of the facility's fiscal year, and to be based on the most recent cost report submitted.

Sec. 1686. *Long Term Care Single Point of Entry Pilot Project*

Requires the Department to report by April 30, 2007, on the progress of four Medicaid long-term care single point of entry services pilot projects and expresses legislative intent that funding end for the single point of entry program on September 30, 2008.

Sec. 1687. *Psychiatric Care for Alzheimer's Disease or Dementia*

Authorizes DCH to contract with a stand-alone psychiatric facility to provide access to Medicaid recipients who require specialized Alzheimer's disease or dementia care. Facility must provide at least 20% of its total care to Medicaid recipients. Requires report to both legislative subcommittees on Community Health and fiscal agencies on effectiveness of the facility contract in improving quality of services to Medicaid recipients.

Sec. 1688. *Personal Care Services Reimbursement Rate*

Prohibits a limit on personal care services reimbursement under Medicaid Home and Community-Based Services program, but allows DCH to maintain aggregate per day client reimbursement cap for all services provided under the waiver program.

Sec. 1689. *Home and Community Based Services*

Gives priority in HCBS enrollment to nursing home residents and those eligible for nursing homes, and requires screening to prevent unnecessary nursing home admissions. Directs DCH to transfer funds to the HCBS program for successfully moving persons out of nursing homes if there is a net reduction in the number of Medicaid nursing home days of care and a net cost savings attributable to moving persons out of nursing homes. Requires a quarterly report on HCBS allocations and expenditures by regions and net cost savings.

Sec. 1691. *Adult Home Help Worker Wage Increase*

Provides that all adult home help workers receive a wage of at least \$7 per hour effective October 1, 2006, and that workers employed by a county which paid those workers at least \$7 per hour as of July 1, 2006, shall receive a wage increase of 50¢ per hour.

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. Allocation to Children's Hospitals

Authorizes distribution of funds to children's hospitals with high indigent care volume for poison control services.

Sec. 1697. Local Match Funds for School-Based or School-Linked Services

Allows the Department to utilize school district funds received from a health system as state match for federal Medicaid or children's health insurance program funds to be used for new school-based or school-linked services.

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

Authorizes separate payments for hospitals serving a disproportionate share of indigent payments and those hospitals providing GME in the amount of \$50.0 million.

Sec. 1701. Provider Access to Medicaid Recipient Benefits Information

The Department shall make available to Medicaid providers and HMOs, at no charge, an online resource that will list enrollment and benefits information for each Medicaid recipient.

Sec. 1710. MIChoice Home and Community Based Services

Requires DCH to report proposed changes in MIChoice home and community based services waiver program screening process to House and Senate Appropriations Subcommittees on Community prior to implementation.

Sec. 1711. Medicaid Two-Tier Case Rate for Emergency Services and Emergency Room Observation Rate

Requires continuation of a two-tier Medicaid case rate for emergency physician charges, and that payments by case and aggregate not exceed 70% of Medicare rates. Requires the Department to encourage each Medicaid HMO to create a criteria-based emergency room observation rate for Medicaid eligibles.

Sec. 1712. Rural Health Initiative

Subject to availability of funds, requires DCH to implement a rural health initiative with funds to be first allocated to a rural outpatient hospital adjustor, and secondly, for defibrillator grants, EMT training, or other similar programs.

Sec. 1713. Dentist Medicaid Participation Study

Requires the Department to perform a study on the level of participation by licensed dentists in Medicaid program by April 1, 2007, that includes recommendations to reduce or eliminate barriers to participation.

Sec. 1716. Adult Benefits Waiver Enrollment Level

Requires Department to seek to maintain a constant enrollment level within the Medicaid Adult Benefits Waiver program through FY 2006-07.

Sec. 1717. Disproportionate Share Payments to Hospitals (DSH)

Increases DSH funding by \$5.0 million and requires distribution of DSH funds through two separate pools; first pool would distribute \$45.0 million based on methodology in FY 2003-04; remaining \$5.0 million would be allocated to hospitals that received less than \$900,000 in DSH payments in FY 2003-04 based on each hospital's Medicaid revenue and utilization.

Sec. 1718. Adult Home Help Review Process

Authorizes Medicaid adult home help beneficiaries to request a departmental review of any decisions that may adversely affect their access to home help services.

Sec. 1720. Medicare Recovery Program

Directs the Department to continue its Medicare recovery program.

Sec. 1721. Medicaid Financial Eligibility For Long-Term Care Patients

Requires review of Medicaid eligibility requirements for long-term care patients related to prepaid funds that are subsequently returned to individuals who qualify for Medicaid.

Sec. 1722. Medicaid Disproportionate Share Payment

Specifies DSH payment amount to be paid to Hutzal Hospital.

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. 1725. *Medicaid Eligibility Error Rate Reduction*

Requires the Department to implement a plan, and detail the plan in a report, on how it will reduce Medicaid eligibility errors related to basic eligibility requirements.

Sec. 1726. *Creatinine Test Reporting by Clinical Laboratories*

Requires clinical laboratories performing a creatinine test to report the glomerular filtration rate (eGFR) as a percent of kidney function remaining for Medicaid beneficiaries.

Sec. 1728. *Lifting and Transferring Devices for Medicaid Recipients*

Requires the Department to make available to Medicaid recipients, not based on Medicare guidelines, freestanding, electric, lifting and transferring devices.

Sec. 1731. *Medicaid Asset Test*

Requires the Department to establish Medicaid eligibility asset test for optional parents/caretaker relatives and 19 and 20 year olds. Excludes coverage for 19 and 20 year olds whose parent or legal guardian has health care coverage or access to health coverage.

Sec. 1732. *Nursing Home QAAP Modification Assurance*

Assures that nursing home reimbursement rates will not be reduced to achieve GF/GP savings if proposed modifications to the quality assurance assessment program for nursing homes are not implemented.

Sec. 1733. *Federal Funds for Electronic Prescribing and Health Information Technology Initiatives*

Requires the Department to seek federal funds to permit the state to provide financial support for electronic prescribing and other health information technology initiatives.

Sec. 1734. *Medicaid Recipients Healthy Behavior Incentive Program*

Requires the Department to seek federal funds that will permit the state to provide financial incentives for positive health behavior practiced by Medicaid recipients.

Sec. 1735. *Durable Medical Equipment Contract Savings*

Requires the Department to establish a committee to identify possible Medicaid program savings associated with the creation of a preferred provider program or an alternative program for durable medical equipment, prosthetics and orthotics; to involve providers who can offer a broad statewide network of services and who are accredited by the Joint Commission On Accreditation of Healthcare Organizations and the American Board of Accreditation; identifies organizations which will have representation on the committee; and requires a report on anticipated savings from contracting opportunities.

Sec. 1738. *Medicaid Disproportionate Share (DSH) Cap Increase*

Requires the Department to explore ways of increasing the federal cap for DSH payments. If successful in raising the cap, the Department should consider additional DSH funding for county health plans and for trauma centers.

Sec. 1739. *Health Plan Outcome Target Bonus Payments*

Requires the Department to determine the 10 most prevalent and costly ailments affecting Medicaid recipients and to establish medical outcome targets for each of those ailments, making bonus payments available to Medicaid HMOs that meet these outcome targets.

Sec. 1740. *Graduate Medical Education Funds Distribution*

Requires assurance from the Department that all GME funds are promptly distributed to hospitals using a methodology developed in consultation with the graduate medical education advisory group; mandates the representation of the advisory group; and stipulates the distribution methodology if the department and the advisory group are unable to reach a consensus.

Sec. 1741. *Nursing Home Interim Payments*

Requires the Department to continue to provide nursing homes the opportunity to receive interim payments upon their request and that that these payments are as similar to expected cost-settled payments as possible.

Sec. 1742. *Hurley Medical Center Special Financing*

Requires the Department to allow the retention of \$1,000,000.00 in special Medicaid reimbursement funding by any public hospital that meets certain criteria. Only Hurley Medical Center meets the criteria.

Sec. 1746. Medicaid Personal Care Supplement

Requires the Department to increase the monthly Medicaid personal care supplement on October 1, 2006, by \$10.00.

Sec. 1747. Adult Home Help Service Coordination

Conditions that reimbursement for adult home help services requires that the matching of adult home help providers with service recipients be coordinated by the local county department of human services.

Sec. 1749. Standard Billing Formats for Health Plans

Mandates that the Department shall require all Medicaid health plans to use the same standard billing formats starting September 30, 2007.

Sec. 1751. Establishment of DRGs Based on Fee-For-Service and Health Plan Costs

Requires the Department to provide a report by April 1, 2007, on establishing Medicaid diagnosis related group rates based on fee-for-service and health plan costs.

Sec. 1752. Sharing of Third Party Liability Information With Health Plans

Requires the Department to provide Medicaid health plans with any information that may assist the health plan in determining whether another party may be responsible for the payment of health care benefits.

Sec. 1753. Auto Insurer Health Care Claim Information

Requires the Department to obtain data from auto insurers on insurance payouts for health care claims, propose legislation if the auto insurers do not voluntarily release the information, and provide the information received to Medicaid health plans.

Sec. 1756. Medical Management of High Cost Medicaid Beneficiaries

Requires the Department to establish and implement by March 1, 2007, a specialized case management program to serve the most costly Medicaid beneficiaries who are not enrolled in a health plan and are noncompliant with medical management. The case management program shall provide a performance payment incentive for physicians, it may include contractual arrangements with Medicaid HMOs for the provision of specialized case management services, and the contracts may require collection of data related to Medicaid recipient compliance.

Sec. 1757. Medicaid Applicants Proving Legal Residence

Requires the Department to direct the Department of Human Services (DHS) to require Medicaid applicants to prove that they are residing legally in the United States.

Sec. 1758. Emergency Services Only Medicaid Benefit Eligibles

Requires the Department to provide a report by April 1, 2007, on the number of individuals who receive the emergency services only Medicaid benefit and the annual amount of expenditures on this population.

Sec. 1759. Federal Deficit Reduction Act Policy Changes

Requires the Department to implement certain policy changes included in the Federal Deficit Reduction act of 2005. They are: lengthening the look back policy for asset transfers, changing the penalty period to begin the day an individual applies for Medicaid, including a home equity threshold for Medicaid eligibility, to utilize Michigan's Medicaid False Claims Act to collect fraudulent Medicaid claims.

Sec. 1760. Health Information Technology Grant Applications

Requires the Department to identify and apply for federal and private grant funding for health information technology efforts, with a specific application to be made for Medicaid Transformation grant funds made available in the Federal Deficit Reduction act of 2005.

Sec. 1761. Hospital QAAP Distribution of Payments Exceeding Upper Payment Limit

Requires the Department to distribute Medicaid access to care initiative payments (MACI) that exceed hospitals upper payment limits to hospitals that meet certain conditions, most likely rural hospitals.

Sec. 1762. Internet-Based Workflow Management Tool

Requires the Department to adopt an Internet-based workflow management tool to streamline Medical Services administrative functions.

Sec. 1763. Electronic Exchange of Health Information Pilot Project

Requires the Department to participate in a pilot project in Southeast Michigan related to the electronic exchange of health information. The project will be competitively bid.

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

Requires the Department to annually certify that rates paid to Medicaid health plans are actuarially sound and to notify the House of Representatives, the Senate, and the fiscal agencies immediately upon rate certification and approval.

Sec. 1767. Pharmacist Payment Report

Requires the Department to evaluate and produce a report on the impact of the change in which the Medicaid program pays pharmacists for prescriptions from average wholesale price to average manufacturer price.

FY 2005-06 SUPPLEMENTAL ACTIONS

PUBLIC ACT 153 OF 2006 SUPPLEMENTAL APPROPRIATIONS

Sec. 231. Medicare Part D Complaints

Directs the Department to keep a record of all constituent complaints regarding the new federal Medicare Part D program.