

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for General Sections**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Totals the state spending from state resources under Part 1 for Fiscal Year (FY) 2003-04 and state spending from state resources to be paid to local units of government for FY 2003-04.</i></p> <p><b>Sec. 201.</b> Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2003-2004 is \$3,298,979,000.00 and state spending from state resources to be paid to units of local government for fiscal year 2003-2004 is \$1,042,260,100.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:</p>	<p><b>Sec. 201.</b> No changes from current law, except: "...total state spending under part 1 for fiscal year 2003-2004 2004-2005 is <del>\$3,298,979,000.00</del> <b>\$3,849,443,700.00</b> and state spending from state resources to be paid to units of local government for fiscal year <del>2003-2004</del> <b>2004-2005</b> is <del>\$1,042,260,100.00</del> <b>\$1,060,142,600.00.</b></p>	<p><b>Sec. 201.</b> No changes from current law, except: "...total state spending under part 1 for fiscal year 2003-2004 2004-2005 is <del>\$3,298,979,000.00</del> <b>\$3,894,552,800.00</b> and state spending from state resources to be paid to units of local government for fiscal year 2003-2004 2004-2005 is <del>\$1,042,260,100.00</del> <b>\$1,060,642,600.00.</b></p>	<p><b>Sec. 201.</b> No changes from current law, except: "...total state spending under part 1 for fiscal year 2003-2004 2004-2005 is <del>\$3,298,979,000.00</del> <b>\$3,875,375,800.00</b> and state spending from state resources to be paid to units of local government for fiscal year 2003-2004 2004-2005 is <del>\$1,042,260,100.00</del> <b>\$1,050,699,600.00.</b></p>
DEPARTMENT OF COMMUNITY HEALTH			
DEPARTMENTWIDE ADMINISTRATION			
Departmental administration and management .....\$11,657,700	.....\$11,087,100	.....\$11,087,100	..... \$11,087,100
Rural health services .....35,000	.....35,000	.....35,000	..... 35,000
MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS			
Mental health initiatives for older persons .....1,049,200	.....1,049,200	.....1,049,200	..... 1,049,300
COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS			
State disability assistance program substance abuse services .....2,509,800	.....2,509,800	.....2,509,800	..... 2,509,900
Community substance abuse prevention, education, and treatment programs..... 19,133,500	.....21,355,700	.....21,355,700	..... 18,590,600
Medicaid mental health services ..... 575,692,600	.....605,639,200	.....605,639,200	..... 584,514,900
Community mental health non-Medicaid services .....328,394,100	.....313,352,400	.....313,352,400	..... 313,352,500
Multicultural services .....3,663,800	.....3,663,800	.....3,663,800	Medicaid adult.... 12,120,100
Medicaid substance abuse services .....11,652,900	.....12,441,200	.....12,441,200	..... 3,663,900
Respite services .....1,000,000	.....1,000,000	.....1,000,000	..... 12,438,300
			..... 1,000,100
			Omnibus.....3,859,600

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<b>INFECTIOUS DISEASE CONTROL</b>			
AIDS prevention, testing and care programs ..... 1,466,800	..... 2,031,100	..... 2,031,100	..... 2,031,100
Immunization local agreements ..... 2,973,900	..... 2,973,900	..... 2,973,900	..... 2,973,900
Sexually transmitted disease control local agreements ..... 406,100	..... 406,100	..... 406,100	..... 406,100
<b>LOCAL HEALTH ADMINISTRATION AND GRANTS</b>			
Local public health operations..... 40,618,400	..... 40,618,400	..... 40,618,400	..... 40,618,400
<b>CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION</b>			
School health and education programs ..... 500,000	Delete	Delete	Delete
Smoking prevention program ..... 1,898,400	..... 1,960,300	..... 1,960,300	..... 1,960,300
<b>COMMUNITY LIVING, CHILDREN, AND FAMILIES</b>			<b>FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES</b>
Childhood lead program ..... 85,000	..... 106,900	..... 106,900	..... 106,900
Family planning local agreements..... 1,142,200	..... 2,094,400	..... 2,094,400	..... 2,094,400
Local MCH services ..... 246,100	..... 246,100	..... 246,100	..... 246,100
Omnibus budget reconciliation act implementation..... 2,030,800	..... 2,030,800	..... 2,030,800	Delete
Prenatal care outreach and service delivery support ..... 610,000	..... 610,000	..... 610,000	..... 610,000
		School health and education programs ..... 500,000	..... 500,000
<b>CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>			
Case management services ..... 3,169,900	..... 3,169,900	..... 3,169,900	..... 3,169,900
<b>MEDICAL SERVICES</b>			
Transportation ..... 1,175,300	..... 1,175,300	..... 1,175,300	..... 1,175,300

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
OFFICE OF SERVICES TO THE AGING			
Community services ..... 12,530,300	..... 12,148,400	..... 12,148,400	..... 12,148,400
Nutrition services ..... 12,439,500	..... 11,538,800	..... 11,538,800	..... 11,538,800
Senior volunteer services ..... 517,500	..... 517,500	..... 517,500	..... 517,500
 CRIME VICTIM SERVICES COMMISSION			
Crime victim rights services grants ..... 5,661,300	..... 6,381,300	..... 6,381,300	..... 6,381,300
 TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT ..... \$ 1,042,260,100	..... \$1,060,142,600	..... \$1,060,642,600	..... \$1,050,699,600
 Conference: Total state spending from state resources is \$4,021,911,100.00 and state resources to be paid to units of local government is \$1,054,030,900.00 for fiscal year 2004- 2005. Enacted: Total state spending from state resources is \$4,021,755,300.00 and state resources to be paid to units of local government is \$1,054,030,900.00 for fiscal year 2004- 2005.			
 <i>Provides that appropriations authorized under this act are subject to provisions of 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.</i>			
<b>Sec. 202.</b> (1) The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594. <b>Conference: Concurs with the Senate and House.</b>	<b>Sec. 202.</b> No changes from current law, except: "...this act bill..."	<b>Sec. 202.</b> (1) No changes from current law.	<b>Sec. 202.</b> (1) No changes from current law.



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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
(i) "GME" means graduate medical education.	Renumber subsection (h)		
(j) "Health plan" means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department's comprehensive health plan.	Renumber subsection (i)	<b>k) "HIV/AIDS" means human immunodeficiency virus/acquired immune deficiency syndrome.</b>	<b>k) "HIV/AIDS" means human immunodeficiency virus/acquired immune deficiency syndrome.</b>
(k) "HMO" means health maintenance organization.	Renumber subsection (j)	Renumber subsection (l)	Renumber subsection (l)
(l) "IDEA" means individual disability education act.	<b>(k) "HIV/AIDS" means human immunodeficiency virus/acquired immune deficiency syndrome.</b>	Renumber subsection (m)	Renumber subsection (m)
(m) "IDG" means interdepartmental grant.		Renumber subsection (n)	Renumber subsection (n)
(n) "MCH" means maternal and child health.		Renumber subsection (o)	Renumber subsection (o)
(o) "MICChild" means the program described in section 1670.		Renumber subsection (p)	Renumber subsection (p)
(p) "MSS/ISS" means maternal and infant support services.		<b>(p) "MIChoice" means the home and community based services waiver.</b>	
(q) "Specialty prepaid health plan" means a program described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.	Renumber subsection (q)	Renumber subsection (q)	Renumber subsection (q)
(r) "Title XVIII" means title XVIII of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 1395 to 1395b, 1395b-2, 1395b-6 to 1395b-7, 1395c to 1395i, 1395i-2 to 1395i-5, 1395j to 1395t, 1395u to 1395w, 1395w-2 to 1395w-4, 1395w-21 to 1395w-28, 1395x to 1395yy, and 1395bbb to 1395ggg.	Renumber subsection (r)	Renumber subsection (r)	Renumber subsection (r)
	Renumber subsection (s)	(s) "Title XVIII" means title XVIII of the social security act, 42 USC 1395 to 1395ggg.	(s) "Title XVIII" means title XVIII of the social security act, 42 USC 1395 to 1395ggg.
<b>Conference: Concurs with the Senate and House.</b>			

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<p>(s) "Title XIX" means title XIX of the social security act, chapter 531, 49 Stat. 620, 42 U.S.C&gt; 1396 to 1396r-6 and 1396r-8 to 1396v.</p> <p>(t) "Title XX" means title XX of the social security act, chapter 531, 49 Stat. 620, 49 U.S.C. 1397 to 1387f.</p> <p>(u) "WIC" means women, infants, and children supplemental nutrition program.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>Renumber subsection (t)</p> <p>Renumber subsection (u)</p> <p>Renumber subsection (v)</p>	<p>(t) Title XIX" means title XIX of the social security act, 42 USC 1396 to 1396v.</p> <p>(u) "Title XX" means title XX of the social security act, 49 USC 1397 to 1397f. Renumber subsection (v)</p>	<p>t) Title XIX" means title XIX of the social security act, 42 USC 1396 to 1396v.</p> <p>(u) "Title XX" means title XX of the social security act, 49 USC 1397 to 1397f. Renumber subsection (v)</p>
<p><b><i>Requires the Department of Civil Service to bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by the State Constitution of 1963. Requires payments for the total billing be made by the end of the second fiscal quarter.</i></b></p> <p><b>Sec. 204.</b> The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 204.</b> No changes from current law, except: "...shall bill <del>departments and agencies</del> the department and agencies..."</p>	<p><b>Sec. 204.</b> No changes from current law, except: "...shall bill <del>departments and agencies</del> the department and agencies..."</p>	<p><b>Sec. 204.</b> No changes from current law, except: "...shall bill <del>departments and agencies</del> the department and agencies..."</p>

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Imposes a hiring freeze on the state classified civil service employees, except for internal transfers of classified employees from one position to another within a department. Exceptions to the hiring freeze are also granted when it results in the Department being unable to deliver basic services, cause loss of revenue to the state, and results in the inability of the state to receive federal funds. Requires a quarterly report to the Chairpersons of the House of Representatives and Senate Appropriations Committees on the number of exceptions to the approved hiring freeze.</i></p> <p><b>Sec. 205. (1)</b> A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.</p> <p><b>Conference: Concurs with the House.</b></p>	Delete current law.	<b>Sec. 205. (1)</b> No changes from current law.	<b>Sec. 205. (1)</b> No changes from current law, except: "A hiring freeze is shall be imposed..."
<p>(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining the vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	(2) No changes from current law.	(2) No changes from current law.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
	<p>Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.</p>		<p>Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.</p>
<p>Conference: Concurs with the Senate.</p>			
	<p>(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.</p>		<p>(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.</p>
<p>Conference: Concurs with the Senate.</p>			

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Concurs with the Senate.	(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.		3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
Conference: Concurs with the Senate.	(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.		(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to submit a complete project plan to the appropriate House of Representatives and Senate Appropriations Subcommittees and the House and Senate Fiscal Agencies 60 days before beginning any effort to privatize services.</i></p> <p><b>Sec. 207.</b> Sixty days before beginning any effort to privatize services, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	Delete current law.	Delete current law.
<p><i>Requires the Department to use the Internet to fulfill the reporting requirements of this act.</i></p> <p><b>Sec. 208.</b> Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on the Internet or Intranet site.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 208.</b> No changes from current law, except: "...requirements of this act bill. This requirement may...for each reporting requirement, or it may..."	<b>Sec. 208.</b> No changes from current law.	<b>Sec. 208.</b> No changes from current law.
<p><i>Prohibits the use of appropriated funds for 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 use of appropriated funds for 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.</i></p> <p><b>Sec. 209.</b> (1) Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and comparable quality American goods or services, or both, are available.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 261.</b> No changes from current law, except: "Preference should be given to goods and services or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable value."	<b>Sec. 209.</b> (1) No changes from current law.	<b>Sec. 209.</b> (1) No changes from current law.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) Funds appropriated in part 1 shall not be used for 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.</p> <p><b>Conference: Concurs with the Senate and House.</b></p> <p><i>Requires the Director of the Department to take reasonable steps to ensure that businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Encourages the Director to subcontract with certified businesses in deprived and depressed communities for services or supplies, or both. Requires the Director to take reasonable steps to ensure equal opportunity for all who compete for and perform contracts to provide services or supplies, or both.</i></p>	Delete current law.	(2) No changes from current law.	(2) No changes from current law.
<p><b>Sec. 210.</b> (1) The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	Delete current law.	Delete current law.
<p>(2) The director shall take all reasonable steps to ensure equal opportunity for all who compete for and perform contracts to provide services or supplies, or both, for the department. The director shall strongly encourage firms with which the department contracts to provide equal opportunity for subcontractors to provide services or supplies, or both.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	Delete current law.	Delete current law.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Allows fee revenue to be carried forward, with the 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.</i></p> <p><b>Sec. 211.</b> If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward with the approval of the state budget director into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 211.</b> No changes from current law.</p>	<p><b>Sec. 211.</b> No changes from current law.</p>	<p><b>Sec. 211.</b> No changes from current law.</p>

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Caps the 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 initiative fund. Requires a report by February 1, 2004, on the FY 2003-04 appropriations fund sources by line item appropriations. Requires a report on the amount and sources of funds proposed to support the FY 2004-05 Executive Budget Recommendation upon release of the budget. Requires all revenue source detail for consolidated revenue line item detail to be provided upon a request to the Department.</i></p> <p><b>Sec. 212. (1)</b> From the amounts appropriated in part 1, no greater than the following amounts are supported with federal maternal and child health block grant, preventive health and health services block grant, substance abuse block grant, healthy Michigan fund, and Michigan health initiative funds:</p> <p>(a) Maternal and child health block grant .....\$ 21,714,000</p> <p>(b) Preventive health and health services block grant ...4,982,500</p> <p>(c) Substance abuse block grant..... 60,095,600</p> <p>(d) Healthy Michigan fund .....56,617,100</p> <p>(e) Michigan health initiative..... 9,060,200</p> <p><b>Conference: Concurs with the House, except the amount for the Healthy Michigan fund is \$43,400,000.</b></p> <p><b>Following are noted the correct amounts: Maternal and child block grant of \$21,162,400; Preventive health and health services block grant of \$5,960,800; Substance abuse block grant of \$60,441,100; Healthy Michigan fund of \$43,400,000; and Michigan health initiative funds of \$9,834,200.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 212. (1)</b> No changes from current law, except:</p> <p>..... \$21,714,000</p> <p>..... 4,982,500</p> <p>..... 59,260,700</p> <p>..... 81,689,500</p> <p>..... 9,834,100</p>	<p><b>Sec. 212. (1)</b> No changes from current law, except:</p> <p>..... \$21,714,000</p> <p>..... 5,081,300</p> <p>..... 60,269,400</p> <p>..... 81,767,600</p> <p>..... 9,834,100</p>

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) On or before February 1, 2004, the department shall report to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the detailed name and amounts of federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1 of this act.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 212.</b> No changes from current law, except: "On or before February 1, <del>2004</del> 2005, the department ... in part 1 of this act bill."</p>	<p>(2) No changes from current law, except: "On or before February 1, <del>2004</del> 2005..."</p>	<p>(2) No changes from current law, except: "On or before February 1, <del>2004</del> 2005..."</p>
<p>(3) Upon the release of the fiscal year 2004-2005 executive budget recommendation, the department shall report to the same parties in subsection (2) on the amounts and detailed sources of federal, restricted, private, and local revenue proposed to support the total funds appropriated in each of the line items in part 1 of the fiscal year 2004-2005 executive budget proposal.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p>(3) No changes from current law, except: "Upon the release of the fiscal year <del>2004-2005</del> 2005-2006...the fiscal year <del>2004-2005</del> 2005-2006 executive budget proposal."</p>	<p>(3) No changes from current law, except: "Upon the release of the fiscal year <del>2004-2005</del> 2005-2006...the fiscal year <del>2004-2005</del> 2005-2006 executive budget proposal."</p>
<p>(4) The department shall provide to the same parties in subsection (2) all revenue source detail for consolidated revenue line item detail upon request to the department.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p>(4) No changes from current law.</p>	<p>4) No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for General Sections

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires state departments, agencies, and commissions receiving tobacco tax funds to report on programs utilizing these funds by January 1, 2004, to the House of Representatives and Senate Appropriations Committees, the House and Senate Fiscal Agencies, and the State Budget Director.</i></p> <p><b>Sec. 213.</b> The state departments, agencies, and commissions receiving tobacco tax funds from part 1 shall report by January 1, 2004, to the senate and house of representatives appropriations committees, the senate and house fiscal agencies, and the state budget director on the following:</p> <p>(a) Detailed spending plan by appropriation line item including description of programs.</p> <p>(b) Description of allocations or bid processes including need or demand indicators used to determine allocations.</p> <p>(c) Eligibility criteria for program participation and maximum benefit levels where applicable.</p> <p>(d) Outcome measures to be used to evaluate programs.</p> <p>(e) Any other information considered necessary by the house of representatives or senate appropriations committees or the state budget director.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 213.</b> No changes from current law, except: "The state departments, agencies, and commissions receiving tobacco tax funds from part 1 shall report by January 1, <del>2004</del> <b>2005</b>, to the ..."</p>	<p><b>Sec. 213.</b> No changes from current law, except: "The state departments, agencies, and commissions receiving tobacco tax funds from part 1 shall report by January 1, <del>2004</del> <b>2005</b>, to the ..."</p>	<p><b>Sec. 213.</b> No changes from current law, except: "The state departments, agencies, and commissions receiving tobacco tax funds from part 1 shall report by January 1, <del>2004</del> <b>2005</b>, to the ..."</p>
<p><i>Prohibits the use of tobacco tax revenue deposited in the healthy Michigan fund for lobbying as defined in Public Act 472 of 1978.</i></p> <p><b>Sec. 214.</b> The use of state-restricted tobacco tax revenue received for the purpose of tobacco prevention, education, and reduction efforts and deposited in the healthy Michigan fund shall not be used for lobbying as defined in 1978 PA 472, MCL 4.411 to 4.431.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 214.</b> No changes from current law, except: "The use of state-restricted..."</p>	<p><b>Sec. 214.</b> No changes from current law, except: "...4.431, <b>and shall not be used in attempting to influence the decisions of the legislature, the governor, or any state agency.</b>"</p>	<p><b>Sec. 214.</b> No changes from current law, except: "...4.431, <b>and shall not be used in attempting to influence the decisions of the legislature, the governor, or any state agency.</b>"</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for General Sections**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Allows the use of prior-year revenues for the write-offs of accounts receivables, deferrals, and prior-year obligations. Does not limit the Department's ability to satisfy appropriation deductions in Part 1 to collections and accruals provided in FY 2003-04. Requires the Department to report by March 15, 2004 on all reimbursements, refunds, adjustments and settlements from prior years to the House of Representatives and Senate Appropriations Subcommittees on Community Health.</i></p> <p><b>Sec. 216.</b> (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 216.</b> (1) No changes from current law.</p>	<p><b>Sec. 216.</b> (1) No changes from current law.</p>	<p><b>Sec. 216.</b> (1) No changes from current law.</p>
<p>(2) The department's ability to satisfy appropriation deductions in part 1 shall not be limited to collections and accruals pertaining to services provided in fiscal year 2003-2004, but shall also include reimbursements, refunds, adjustments, and settlements from prior years.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law, except: "...provided in fiscal year <del>2003-2004</del> 2004-2005, but shall..."</p>	<p>(2) No changes from current law, except: "...provided in fiscal year <del>2003-2004</del> 2004-2005, but shall..."</p>	<p>(2) No changes from current law, except: "...provided in fiscal year <del>2003-2004</del> 2004-2005, but shall..."</p>
<p>(3) The department shall report by March 15, 2004 to the house of representatives and senate appropriations subcommittees on community health on all reimbursements, refunds, adjustments, and settlements from prior years.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p>(3) No changes from current law, except: "The department shall report by March 15, <del>2004</del> 2005 to the house of representatives..."</p>	<p>(3) No changes from current law, except: "The department shall report by March 15, <del>2004</del> 2005 to the house of representatives..."</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for General Sections**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Lists the basic health services embodied in Part 23 of the Public Health Code that are to be available and accessible throughout the state.</i></p> <p><b>Sec. 218.</b> Basic health services for the purpose of part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321, are: immunizations, communicable disease control, sexually transmitted disease control, tuberculosis control, prevention of gonorrhea eye infection in newborns, screening newborns for the 8 conditions listed in section 5431(1) (a) through (h) of the public health code, 1978 PA 368, MCL 333.5431, community health annex of the Michigan emergency management plan, and prenatal care.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 218.</b> No changes from current law.</p>	<p><b>Sec. 218.</b> No changes from current law.</p>	<p><b>Sec. 218.</b> No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for General Sections

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>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, 2003, and May 1, 2004, to the House of Representatives and Senate Appropriations Subcommittees on Community Health, the House and Senate Fiscal Agencies, and the State Budget Director. Provides that reports not received by the specified dates will result in the nondisbursement of funds to the Institute until the overdue reports are received. Requires the Department to provide copies of all reports, studies, and publications produced by the Institute by September 30, 2004.</i></p> <p><b>Sec. 219.</b> (1) The department may contract with the Michigan public health institute for the design and implementation of projects and for other public health related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the institute to carry out these purposes for up to a 3-year period. The department shall report to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on or before November 1, 2003 and May 1, 2004 all of the following:</p> <p>(a) A detailed description of each funded project.</p> <p>(b) The amount allocated for each project, the appropriation line item from which the allocation is funded, and the source of financing for each project.</p> <p>(c) The expected project duration.</p> <p>(d) A detailed spending plan for each project, including a list of all subgrantees and the amount allocated to each subgrantee.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 219.</b> (1) No changes from current law, except: "...on or before November 1, <del>2003</del> <b>2004</b> and May 1, <del>2004</del> <b>2005</b> all of the ..."</p>	<p><b>Sec. 219.</b> (1) No changes from current law, except: "...on or before November 1, <del>2003</del> <b>2004</b> and May 1, <del>2004</del> <b>2005</b> all of the ..."</p>	<p><b>Sec. 219.</b> (1) No changes from current law, except: "...on or before November 1, <del>2003</del> <b>2004</b> and May 1, <del>2004</del> <b>2005</b> all of the ..."</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for General Sections**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) If a report required under subsection (1) is not received by the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on or before the date specified for that report, the disbursement of funds to the Michigan public health institute under this section shall stop. The disbursement of those funds shall recommence when the overdue report is received.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	(2) No changes from current law.	(2) No changes from current law	(2) No changes from current law
<p>(3) On or before September 30, 2004, the department shall provide to the same parties listed in subsection (1) a copy of all reports, studies, and publications produced by the Michigan public health institute, its subcontractors, or the department with the funds appropriated in part 1 and allocated to the Michigan public health institute.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	(3) No changes from current law, except: "...September 30, 2004 2005, the department..."	(3) No changes from current law, except: "...September 30, 2004 2005, the department..."	(3) No changes from current law, except: "...September 30, 2004 2005, the department..."
<p><b><i>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.</i></b></p> <p><b>Sec. 220.</b> All contracts with the Michigan public health institute funded with appropriations in part 1 shall include a requirement that the Michigan public health institute submit to financial and performance audits by the state auditor general of projects funded with state appropriations.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 220.</b> No changes from current law.	<b>Sec. 220.</b> No changes from current law.	<b>Sec. 220.</b> No changes from current law.

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for General Sections

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>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 the costs of conferences and workshops.</i></p> <p><b>Sec. 223.</b> The department of community health may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The costs shall not exceed fees collected.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 223.</b> No changes from current law.</p>	<p><b>Sec. 223.</b> No changes from current law.</p>	<p><b>Sec. 223.</b> No changes from current law.</p>
<p><i>Requires the Department to pay user fees to the Department of Information Technology for technology-related services and projects from the Part 1 appropriated funds for information technology. Subjects the user fees to provisions of an interagency agreement between the department and agencies and Department of Information Technology.</i></p> <p><b>Sec. 259.</b> From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology-related services and projects. Such user fees shall be subject to provisions of an interagency agreement between the departments and agencies and the department of information technology.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 259.</b> No changes from current law, except: "...between the <del>departments and agencies</del> department and the department of information technology.</p>	<p><b>Sec. 259.</b> No changes from current law, except: "...between the <del>departments and agencies</del> department and the department of information technology.</p>	<p><b>Sec. 259.</b> No changes from current law, except: "...between the <del>departments and agencies</del> department and the department of information technology.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for General Sections**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Permits the designation of Part 1 appropriated funds for information technology as work projects. 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.</i></p> <p><b>Sec. 260.</b> Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support department of community health projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 260.</b> No changes from current law, except: "...carried forward to support <del>department of community health-technology</del> projects..."</p>	<p><b>Sec. 260.</b> No changes from current law, except: "...carried forward to support <del>department of community health-technology</del> projects..."</p>	<p><b>Sec. 260.</b> No changes from current law, except: "...carried forward to support <del>department of community health-technology</del> projects..."</p>
<p><i>Requires the Department to provide a written explanation for all legislative transfers upon submission of the request for the legislative transfer by the Department of Management and Budget. Requires the explanation to include reasons for not fully expending appropriated funds. Requires the Department to provide an annual report of lapses by line item for this appropriation act.</i></p> <p><b>Sec. 262.</b> (1) The department shall provide the members of the house of representatives and senate appropriations subcommittees on community health and the house and senate fiscal agencies with a written explanation for all legislative transfers upon submission of the request for legislative transfer by the department of management and budget. The explanation should include reasons for not fully expending appropriated funds which shall include references to boilerplate language expressing intent for program implementation, if applicable, and transfers requested for work projects.</p> <p><b>Conference: Concurs with the House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 262.</b> (1) No changes from current law.</p>	<p>Delete current law.</p>
<p>(2) The department shall provide an annual report of lapses by line item for this appropriation act.</p> <p><b>Conference: Concurs with the House.</b></p>	<p>Delete current law.</p>	<p>(2) No changes from current law.</p>	<p>Delete current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for General Sections**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to notify the House of Representatives and Senate Appropriations Subcommittees on Community Health and the 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.</i></p> <p><b>Sec. 264.</b> Upon submission of a Medicaid waiver, a Medicaid state plan amendment, or a similar proposal to the centers for Medicare and Medicaid services, the department shall notify the house of representatives and senate appropriations subcommittees on community health and the house and senate fiscal agencies of the submission.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<b>Sec. 264.</b> No changes from current law.	<b>Sec. 264.</b> No changes from current law.
<p><i>Requires departments and agencies receiving Part 1 appropriations to receive and retain copies of all reports funded from Part 1 appropriations.</i></p> <p><b>Sec. 265.</b> The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<b>Sec. 265.</b> No changes from current law.	<b>Sec. 265.</b> No changes from current law.
<p><b>Conference:</b></p> <p><b>Sec. 266. (1)</b> Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2005 shall be limited to situations in which 1 or more of the following conditions apply:</p> <p>(a) The travel is required by legal mandate or court order or for law enforcement purposes.</p> <p>(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.</p> <p>(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.</p> <p>(d) The travel is necessary to comply with federal requirements.</p> <p>(e) The travel is necessary to secure specialized training for staff that is not available within this state.</p> <p>(f) The travel is financed entirely by federal or nonstate funds.</p>		<b>Sec. 266. (1)</b> The department shall not spend any of the funds appropriated in part 1 for travel outside the state of Michigan.	

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for General Sections**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the house and senate appropriations committees.		(2) From the funds appropriated in part 1, the department shall spend on travel in fiscal year 2004-2005 no more than 50% of the amount spent on travel in fiscal year 2003-2004.	
(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information: (a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state. (b) The destination of each travel occurrence. (c) The dates of each travel occurrence. (d) A brief statement of the reason for each travel occurrence. (e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues. (f) A total of all out-of-state travel funded for the immediately preceding fiscal year.			

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for General Sections**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Concurs with the Senate.			Sec. 267. (1) The negative appropriation for budgetary savings in part 1 shall be satisfied by savings realized from the hiring freeze imposed on the state classified civil service for the fiscal year ending September 30, 2005, efficiencies, lapses, unclassified positions, and other administrative savings that do not jeopardize essential state services identified by department directors and approved by the state budget director.
Conference: Concurs with the Senate.			(2) Appropriation authorization adjustments required to implement negative appropriations for budgetary savings shall be made only after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b><u>DEPARTMENTWIDE ADMINISTRATION</u></b></p> <p><i>Allows the Department to make payments from funds appropriated for worker's compensation for wage and salary and related fringe benefits for employees who return to work under limited duty.</i></p> <p><b>Sec. 301.</b> From funds appropriated for worker's compensation, the department may make payments in lieu of worker's compensation payments for wage and salary and related fringe benefits for employees who return to work under limited duty assignments.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 301.</b> No changes from current law.</p>	<p><b>Sec. 301.</b> No changes from current law.</p>	<p><b>Sec. 301.</b> No changes from current law.</p>
<p><i>Prohibits the Department from requiring first-party payments from individuals or families with a taxable income of \$10,000 or less for mental health services for determinations made in accordance with Section 818 of the Mental Health Code.</i></p> <p><b>Sec. 303.</b> The department is prohibited from requiring first-party payment from individuals or families with a taxable income of \$10,000.00 or less for mental health services for determinations made in accordance with section 818 of the mental health code, 1974 PA 258, MCL 330.1818.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 303.</b> No changes from current law.</p>	<p><b>Sec. 303.</b> No changes from current law.</p>	<p><b>Sec. 303.</b> No changes from current law.</p>
<p><i>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.</i></p> <p><b>Sec. 304.</b> The funds appropriated in part 1 for the Michigan essential health care provider program may also provide loan repayment for dentists that fit the criteria established by part 27 of the public health code, 1978 PA 368, MCL 333.2701 to 333.2727.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 304.</b> No changes from current law.</p>	<p><b>Sec. 304.</b> No changes from current law.</p>	<p><b>Sec. 304.</b> No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Mental Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Directs the Department to continue to fund multicultural agencies that provide primary care services.</i></p> <p><b>Sec. 305.</b> The department is directed to continue support of multicultural agencies that provide primary care services from the funds appropriated in part 1.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<b>Sec. 305.</b> No changes from current law.	<b>Sec. 305.</b> No changes from current law.
<p><i>Allocates up to \$2,790,100 to enhance the service capacity of federally qualified health centers and similar health clinics providing primary care services.</i></p> <p><b>Sec. 307.</b> From the funds appropriated in part 1 for primary care services, an amount not to exceed \$2,790,100.00 is appropriated to enhance the service capacity of the federally qualified health centers and other health centers which are similar to federally qualified health centers.</p> <p><b>Conference: Concurs with the House.</b></p>	Delete current law.	<b>Sec. 307.</b> No changes from current law, except: "...not to exceed <del>\$2,790,100.00</del> \$2,798,900.00..."	<b>Sec. 307.</b> No changes from current law, except: "...not to exceed <del>\$2,790,100.00</del> \$3,049,000.00..."
Conference; Concurs with the House.			<b>Sec. 308.</b> From the funds appropriated in part 1 for primary care services, \$250,000.00 shall be allocated to a pilot project to support operation of a health center that serves the uninsured, underinsured, and Medicaid population of Barry County who are not currently being served. Physicians shall provide services to the health center on a voluntary basis.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
<p><i>Requires a November 1, 2003 report to the House of Representatives and Senate Appropriations Subcommittees on Community Health, House and Senate Fiscal Agencies, and State Budget Director on activities undertaken by the Department to address compulsive gambling.</i></p> <p><b>Sec. 313.</b> By November 1, 2003, the department shall report to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on activities undertaken by the department to address compulsive gambling.</p> <p><b>Conference: Concurrs with the Senate and House.</b></p>	EXECUTIVE	SENATE	HOUSE
	Delete current law.	<p><b>Sec. 313.</b> No changes from current law, except: "By November 1, <del>2003</del> 2004, the department ..."</p>	<p><b>Sec. 313.</b> No changes from current law, except: "By November 1, <del>2003</del> 2004, the department ..."</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b><u>MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS</u></b></p> <p><i>Allows the Department to enter into a contract with the Michigan Protection and Advocacy Services or a similar organization to provide legal services for the purposes of gaining and maintaining occupancy in a community living arrangement which is under lease or contract with the Department or CMHSPs to provide services to persons with mental illness or developmental disability.</i></p> <p><b>Sec. 350.</b> The department may enter into a contract with the protection and advocacy service, authorized under section 931 of the mental health code, 1974 PA 258, MCL 330.1931, or a similar organization to provide legal services for purposes of gaining and maintaining occupancy in a community living arrangement which is under lease or contract with the department or a community mental health services program to provide services to persons with mental illness or developmental disability.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 350.</b> No changes from current law.</p>	<p><b>Sec. 350.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b><u>COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS</u></b></p> <p><i>Provides that Part 1 appropriated funds are to support a comprehensive system of CMH services under the full authority and responsibility of local CMHSPs or specialty prepaid health plans. Requires the Department to ensure that each CMHSP or specialty prepaid health plan provides a complete array of mental health services, the 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.</i></p> <p><b>Sec. 401.</b> Funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or specialty prepaid health plans. The department shall ensure that each CMHSP or specialty prepaid health plan provides all of the following:</p> <p>(a) A system of single entry and single exit.</p> <p>(b) A complete array of mental health services which shall include, but shall not be limited to, all of the following services: residential and other individualized living arrangements, outpatient services, acute inpatient services, and long-term, 24-hour inpatient care in a structured, secure environment.</p> <p>(c) The coordination of inpatient and outpatient hospital services through agreements with state-operated psychiatric hospitals, units, and centers in facilities owned or leased by the state, and privately-owned hospitals, units, and centers licensed by the state pursuant to sections 134 through 149b of the mental health code, 1974 PA 258, MCL 330.1134 to 330.1149b.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 401.</b> No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p>	<p><b>Sec. 401.</b> No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p>	<p><b>Sec. 401.</b> No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Mental Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
(d) Individualized plans of service that are sufficient to meet the needs of individuals, including those discharged from psychiatric hospitals or centers, and that ensure the full range of recipient needs is addressed through the CMHSP's or specialty prepaid health plan's program or through assistance with locating and obtaining services to meet these needs.	(d) No changes from current law.	(d) No changes from current law.	(d) No changes from current law.
(e) A system of case management to monitor and ensure the provision of services consistent with the individualized plan of services or supports.	(e) No changes from current law.	(e) No changes from current law.	(e) No changes from current law.
(f) A system of continuous quality improvement.	(f) No changes from current law.	(f) No changes from current law.	(f) No changes from current law.
(g) A system to monitor and evaluate the mental health services provided.	(g) No changes from current law.	(g) No changes from current law.	(g) No changes from current law.
(h) A system that serves at-risk and delinquent youth as required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106.	(h) No changes from current law.	(h) No changes from current law.	(h) No changes from current law.
<b>Conference: Concurs with the Senate and House.</b>			

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Mental Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires final authorizations to CMHSPs or specialty prepaid health plans be made upon the execution of contracts between the Department and CMHSPs or specialty prepaid health plans. Requires each contract with a CMHSP or specialty prepaid health plan to include a provision that it is not valid unless the total dollar obligation of all contracts entered into between the Department and CMHSPs or specialty prepaid health plans for FY 2003-04 does not exceed Part 1 appropriations. Requires the Department to report immediately to the House of Representatives and Senate Appropriations Subcommittees on Community Health, the House and Senate Fiscal Agencies, and the State Budget Director if there are new contracts or amendments to contracts with CMHSPs or specialty prepaid health plans that would affect enacted rates or expenditures.</i></p> <p><b>Sec. 402. (1)</b> From funds appropriated in part 1, final authorizations to CMHSPs or specialty prepaid health plans shall be made upon the execution of contracts between the department and CMHSPs or specialty prepaid health plans. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or specialty prepaid health plan that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or specialty prepaid health plans entered into under this subsection for fiscal year 2003-2004 does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 402. (1)</b> No changes from current law, except: "...under this subsection for fiscal year <del>2003-2004</del> <b>2004-2005</b> does not exceed the amount of money..."</p>	<p><b>Sec. 402. (1)</b> No changes from current law, except: "...under this subsection for fiscal year <del>2003-2004</del> <b>2004-2005</b> does not exceed the amount of money..."</p>	<p><b>Sec. 402. (1)</b> No changes from current law, except: "...under this subsection for fiscal year <del>2003-2004</del> <b>2004-2005</b> does not exceed the amount of money..."</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Mental Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) The department shall immediately report to the senate and house of representatives appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director if either of the following occurs:</p> <p>(a) Any new contracts with CMHSPs or specialty prepaid health plans that would affect rates or expenditures are enacted.</p> <p>(b) Any amendments to contracts with CMHSPs or specialty prepaid health plans that would affect rates or expenditures are enacted.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p>	<p>(2) No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p>	<p>(2) No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p>
<p>(3) The report required by subsection (2) shall include information about the changes and their effects on rates and expenditures.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>
<p><b><i>Requires the Department to ensure that CMHSPs or specialty prepaid health plans continue contracts with multicultural service providers.</i></b></p> <p><b>Sec. 403.</b> From the funds appropriated in part 1 for multicultural services, the department shall ensure that CMHSPs or specialty prepaid health plans continue contracts with multicultural services providers.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 403.</b> No changes from current law.</p>	<p><b>Sec. 403.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to provide a report by May 31, 2004, on the following for CMHSPs or specialty prepaid health plans: a demographic description of service recipients which include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis; a breakdown of clients served, by diagnosis as defined in the American Psychiatric Association's Diagnostic and Statistical Manual, when encounter data is available; per capita expenditures by client population group; expenditures by client group and fund source, and cost information by service category; data describing service outcomes; information about access to CMHSPs; an estimate of the number of FTEs employed by CMHSPs or specialty prepaid health plans, contracted with directly by CMHSPs or specialty prepaid health plans, and contracted with provider organizations as of September 30, 2003; lapses and carry-forwards during FY 2002-03; information on the CMH Medicaid managed care program; and performance indicator information required to be submitted to the Department in contracts with CMHSPs or specialty prepaid health plans.</i></p> <p><b>Sec. 404.</b> (1) Not later than May 31 of each fiscal year, the department shall provide a report on the community mental health services programs to the members of the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director that includes the information required by this section.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 404.</b> (1) No changes from current law.</p>	<p><b>Sec. 404.</b> (1) No changes from current law.</p>	<p><b>Sec. 404.</b> (1) No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) The report shall contain information for each CMHSP or specialty prepaid health plan and a statewide summary, each of which shall include at least the following information:</p> <p>(a) A demographic description of service recipients which, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.</p> <p>(b) When the encounter data is available, a breakdown of clients served, by diagnosis. As used in this subdivision, "diagnosis" means a recipient's primary diagnosis, stated as a specifically named mental illness, emotional disorder, or developmental disability corresponding to terminology employed in the latest edition of the American psychiatric association's diagnostic and statistical manual.</p> <p>(c) Per capita expenditures by client population group.</p> <p>(d) Financial information which, minimally, shall include a description of funding authorized; expenditures by client group and fund source; and cost information by service category, including administration. Service category shall include all department approved services.</p> <p>(e) Data describing service outcomes which shall include, but not be limited to, an evaluation of consumer satisfaction, consumer choice, and quality of life concerns including, but not limited to, housing and employment.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p> <p>(e) No changes from current law.</p>	<p>(2) No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p> <p>(e) No changes from current law.</p>	<p>(2) No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p> <p>(e) No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
(f) Information about access to community mental health services programs which shall include, but not be limited to, the following:	(f) No changes from current law.	(f) No changes from current law.	(f) No changes from current law.
(i) The number of people receiving requested services.	(i) No changes from current law.	(i) No changes from current law.	(i) No changes from current law.
(ii) The number of people who requested services but did not receive services.	(ii) No changes from current law.	(ii) No changes from current law.	(ii) No changes from current law.
(iii) The number of people requesting services who are on waiting lists for services.	(iii) No changes from current law.	(iii) No changes from current law.	(iii) No changes from current law.
(iv) The average length of time that people remained on waiting lists for services.	(iv) No changes from current law.	(iv) No changes from current law.	(iv) No changes from current law.
(g) The number of second opinions requested under the code and the determination of any appeals.	(g) No changes from current law.	(g) No changes from current law.	(g) No changes from current law.
(h) An analysis of information provided by community mental health service programs in response to the needs assessment requirements of the mental health code, including information about the number of persons in the service delivery system who have requested and are clinically appropriate for different services.	(h) No changes from current law.	(h) No changes from current law.	(h) No changes from current law.
(i) An estimate of the number of FTEs employed by the CMHSPs or specialty prepaid health plans or contracted with directly by the CMHSPs or specialty prepaid health plans as of September 30, 2003 and an estimate of the number of FTEs employed through contracts with provider organizations as of September 30, 2003.	(i) No changes from current law, except: "... as of September 30, 2003 2004 and an estimate of ... as of September 30, 2003 2004.	(i) No changes from current law, except: "... as of September 30, 2003 2004 and an estimate of ... as of September 30, 2003 2004.	(i) No changes from current law, except: "... as of September 30, 2003 2004 and an estimate of ... as of September 30, 2003 2004.
<b>Conference: Concurs with the Senate and House.</b>			

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(j) Lapses and carryforwards during fiscal year 2002-2003 for CMHSPs or specialty prepaid health plans.</p> <p>(k) Contracts for mental health services entered into by CMHSPs or specialty prepaid health plans with providers, including amount and rates, organized by type of service provided.</p> <p>(l) Information on the community mental health Medicaid managed care program, including, but not limited to, both of the following:</p> <p>(i) Expenditures by each CMHSP or specialty prepaid health plan organized by Medicaid eligibility group, including per eligible individual expenditure averages.</p> <p>(ii) Performance indicator information required to be submitted to the department in the contracts with CMHSPs or specialty prepaid health plans.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(j) No changes from current law, except: "...during fiscal year <del>2002-2003</del> 2003-2004 for CMHSPs..."</p> <p>(k) No changes from current law.</p> <p>(l) No changes from current law.</p> <p>(i) No changes from current law.</p> <p>(ii) No changes from current law.</p>	<p>(j) No changes from current law, except: "...during fiscal year <del>2002-2003</del> 2003-2004 for CMHSPs..."</p> <p>(k) No changes from current law.</p> <p>(l) No changes from current law.</p> <p>(i) No changes from current law.</p> <p>(ii) No changes from current law.</p>	<p>(j) No changes from current law, except: "...during fiscal year <del>2002-2003</del> 2003-2004 for CMHSPs..."</p> <p>(k) No changes from current law.</p> <p>(l) No changes from current law.</p> <p>(i) No changes from current law.</p> <p>(ii) No changes from current law.</p>
<p>(3) The department shall include data reporting requirements listed in subsection (2) in the annual contract with each individual CMHSP or specialty prepaid health plan.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law</p>	<p>(3) No changes from current law</p>
<p>(4) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs or specialty prepaid health plans.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(4) No changes from current law.</p>	<p>(4) No changes from current law.</p>	<p>(4) No changes from current law.</p>
<p><i>Provides that it is the Legislature's intent that the wage increase funded for direct care workers in local residential settings, day programs, supported employment, and other vocational programs continue to be paid.</i></p> <p><b>Sec. 405.</b> It is the intent of the legislature that the employee wage pass-through funded to the community mental health services programs for direct care workers in local residential settings and for paraprofessional and other nonprofessional direct care workers in day programs, supported employment, and other vocational programs shall continue to be paid to direct care workers.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 405.</b> No changes from current law, except: "<del>It is the intent of the legislature that the</del> The employee wage pass-through funded in <b>previous years</b> to the community mental health services programs..."</p>	<p><b>Sec. 405.</b> No changes from current law, except: "...wage pass-through funded in <b>previous years</b> to the community mental health services programs..."</p>	<p><b>Sec. 405.</b> No changes from current law, except: "...wage pass-through funded in <b>previous years</b> to the community mental health services programs..."</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires funds appropriated for the state disability assistance substance abuse services programs to be used to support per diem and board payments in substance abuse residential facilities. Requires the Department to reimburse all eligible licensed substance abuse programs at a rate equivalent to that paid by the Family Independence Agency to adult foster care providers.</i></p> <p><b>Sec. 406. (1)</b> The funds appropriated in part 1 for the state disability assistance substance abuse services program shall be used to support per diem room and board payments in substance abuse residential facilities. Eligibility of clients for the state disability assistance substance abuse services program shall include needy persons 18 years of age or older, or emancipated minors, who reside in a substance abuse treatment center.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 406. (1)</b> No changes from current law.</p>	<p><b>Sec. 406. (1)</b> No changes from current law.</p>	<p><b>Sec. 406. (1)</b> No changes from current law.</p>
<p>(2) The department shall reimburse all licensed substance abuse programs eligible to participate in the program at a rate equivalent to that paid by the family independence agency to adult foster care providers. Programs accredited by department-approved accrediting organizations shall be reimbursed at the personal care rate, while all other eligible programs shall be reimbursed at the domiciliary care rate.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Mental Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires that appropriations for substance abuse prevention, education, and treatment grants be expended for contracting with coordinating agencies or designated service providers. Provides that it is the Legislature's intent that coordinating agencies and designated service providers work with CMHSPs or specialty prepaid health plans to coordinate services provided to individuals with both mental illness and substance abuse diagnoses. Requires the Department to establish a fee schedule for providing substance abuse services and charge participants in accordance with their ability to pay.</i></p> <p><b>Sec. 407. (1)</b> The amount appropriated in part 1 for substance abuse prevention, education, and treatment grants shall be expended for contracting with coordinating agencies or designated service providers. It is the intent of the legislature that the coordinating agencies and designated service providers work with the CMHSPs or specialty prepaid health plans to coordinate the care and services provided to individuals with both mental illness and substance abuse diagnoses.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<b>Sec. 407. (1)</b> No changes from current law.	<b>Sec. 407. (1)</b> No changes from current law.
<p>(2) The department shall establish a fee schedule for providing substance abuse services and charge participants in accordance with their ability to pay. Any changes in the fee schedule shall be developed by the department with input from substance abuse coordinating agencies.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	(2) No changes from current law.	(2) No changes from current law.

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Mental Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to report by April 15, 2004, on the following data on substance abuse prevention, education, and treatment programs for FY 2002-03: expenditures stratified by coordinating agency, by central diagnosis and referral agency, by fund source, by subcontractor, by population served, and by service type; expenditures per state client; number of services provided by central diagnosis and referral agency, by subcontractor, and by service type; and collections from other first/third party payers, private donations, or other state or local programs by coordinating agencies, by subcontractors, by population served, and by service type.</i></p> <p><b>Sec. 408.</b> (1) By April 15, 2004, the department shall report the following data from fiscal year 2002-2003 on substance abuse prevention, education, and treatment programs to the senate and house of representatives appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget office:</p> <p>(a) Expenditures stratified by coordinating agency, by central diagnosis and referral agency, by fund source, by subcontractor, by population served, and by service type. Additionally, data on administrative expenditures by coordinating agency and by subcontractor shall be reported.</p> <p>(b) Expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.</p> <p>(c) Number of services provided by central diagnosis and referral agency, by subcontractor, and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.</p> <p>(d) Collections from other first- or third-party payers, private donations, or other state or local programs, by coordinating agency, by subcontractor, by population served, and by service type.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 408.</b> (1) No changes from current law, except: "By April 15, 2004 2005, the department shall report the following data from fiscal year <del>2002-2003</del> 2003-2004 on substance abuse prevention, education, and treatment programs..."</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p>	<p><b>Sec. 408.</b> (1) No changes from current law, except: "By April 15, 2004 2005, the department shall report the following data from fiscal year <del>2002-2003</del> 2003-2004 on substance abuse prevention, education, and treatment programs..."</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p>	<p><b>Sec. 408.</b> (1) No changes from current law, except: "By April 15, 2004 2005, the department shall report the following data from fiscal year <del>2002-2003</del> 2003-2004 on substance abuse prevention, education, and treatment programs..."</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Mental Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) The department shall take all reasonable actions to ensure that the required data reported are complete and consistent among all coordinating agencies.</p> <p><b>Conference: Concurs with the Senate and House.</b></p> <p><i>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.</i></p> <p><b>Sec. 409.</b> The funding in part 1 for substance abuse services shall be distributed in a manner that provides priority to service providers that furnish child care services to clients with children.</p> <p><b>Conference: Concurs with the Senate and House.</b></p> <p><i>Requires the Department to assure that substance abuse treatment is provided to applicants and recipients of public assistance through the Family Independence Agency who are required to obtain substance abuse treatment as a condition of eligibility for public assistance.</i></p> <p><b>Sec. 410.</b> The department shall assure that substance abuse treatment is provided to applicants and recipients of public assistance through the family independence agency who are required to obtain substance abuse treatment as a condition of eligibility for public assistance.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p> <p><b>Sec. 409.</b> No changes from current law.</p> <p><b>Sec. 410.</b> No changes from current law.</p>	<p>(2) No changes from current law.</p> <p><b>Sec. 409.</b> No changes from current law.</p> <p><b>Sec. 410.</b> No changes from current law.</p>	<p>(2) No changes from current law.</p> <p><b>Sec. 409.</b> No changes from current law.</p> <p><b>Sec. 410.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to ensure that each contract with a CMHSP or specialty prepaid health plan require the CMHSP or specialty prepaid health plan 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 prepaid health plan to have jail diversion services and work toward establishing relationships with representative staff of local law enforcement agencies.</i></p> <p><b>Sec. 411.</b> (1) The department shall ensure that each contract with a CMHSP or specialty prepaid health plan requires the CMHSP or specialty prepaid health plan to implement programs to encourage diversion of persons with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 411.</b> (1) No changes from current law.</p>	<p><b>Sec. 411.</b> (1) No changes from current law.</p>	<p><b>Sec. 411.</b> (1) No changes from current law.</p>
<p>(2) Each CMHSP or specialty prepaid health plan shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies, including county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion services are strongly encouraged.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p><i>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 2002-03.</i></p> <p><b>Sec. 412.</b> The department shall contract directly with the Salvation Army harbor light program to provide non-Medicaid substance abuse services at not less than the amount contracted for in fiscal year 2002-2003.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 412.</b> No changes from current law, except: "...the amount contracted for in fiscal year <del>2002-2003</del> <b>2003-2004.</b>"</p>	<p><b>Sec. 412.</b> No changes from current law, except: "...the amount contracted for in fiscal year <del>2002-2003</del> <b>2003-2004.</b>"</p>	<p><b>Sec. 412.</b> No changes from current law, except: "...the amount contracted for in fiscal year <del>2002-2003</del> <b>2003-2004.</b>"</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
<p><i>Requires Medicaid substance abuse services to be managed by selected CMHSPs 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 prepaid health plans 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 prepaid health plans to be responsible for the reimbursement of claims for specialized substance abuse services. Allows CMHSPs or specialty prepaid health plans 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 the Department.</i></p> <p><b>Sec. 414.</b> Medicaid substance abuse treatment services shall be managed by selected CMHSPs or specialty prepaid health plans 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. The selected CMHSPs or specialty prepaid health plans shall receive a capitated payment on a per eligible per month basis to assure provision of medically necessary substance abuse services to all beneficiaries who require those services. The selected CMHSPs or specialty prepaid health plans shall be responsible for the reimbursement of claims for specialized substance abuse services. The CMHSPs or specialty prepaid health plans that are not coordinating agencies may continue to contract with a coordinating agency. Any alternative arrangement must be based on client service needs and have prior approval from the department.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	EXECUTIVE	SENATE	HOUSE
	<p><b>Sec. 414.</b> No changes from current law.</p>	<p><b>Sec. 414.</b> No changes from current law.</p>	<p><b>Sec. 414.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to report monthly on the amount of funding paid to CMHSPs or specialty prepaid health plans to support the Medicaid managed mental health program.</i></p> <p><b>Sec. 418.</b> On or before the tenth of each month, the department shall report to the senate and house of representatives appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to the CMHSPs or specialty prepaid health plans to support the Medicaid managed mental health care program in that month. The information shall include the total paid to each CMHSP or specialty prepaid health plan, per capita rate paid for each eligibility group for each CMHSP or specialty prepaid health plan, and number of cases in each eligibility group for each CMHSP or specialty prepaid health plan, and year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 418.</b> No changes from current law.</p>	<p><b>Sec. 418.</b> No changes from current law.</p>	<p><b>Sec. 418.</b> No changes from current law.</p>
<p><i>Requires the Department to work cooperatively with the Family Independence Agency and the Departments of 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 outcomes of the cooperative effort to be reported by March 15, 2004, to the House of Representatives and Senate Appropriations Subcommittees on Community Health, the House and Senate Fiscal Agencies, and the State Budget Director.</i></p> <p><b>Sec. 423.</b> The department shall work cooperatively with the family independence agency and the departments of corrections, education, state police, and military and veterans affairs to coordinate and improve the delivery of substance abuse prevention, education, and treatment programs within existing appropriations. The department shall report by March 15, 2004 on the outcomes of this cooperative effort to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 423.</b> No changes from current law, except: "...by March 15, 2004 2005 on the outcome..."</p>	<p><b>Sec. 423.</b> No changes from current law, except: "...by March 15, 2004 2005 on the outcome..."</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires CMHSPs or specialty prepaid health plans that contract with the Department 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 described in Public Act 187 of 2000.</i></p> <p><b>Sec. 424.</b> Each community mental health services program or specialty prepaid health plan that contracts with the department to provide services to the Medicaid population shall adhere to the following timely claims processing and payment procedure for claims submitted by health professionals and facilities:</p> <p>(a) A "clean claim" as described in section 111i of the social welfare act, 1939 PA 280, MCL 400.111i, must be paid within 45 days after receipt of the claim by the community mental health services program or specialty prepaid health plan. A clean claim that is not paid within this time frame shall bear simple interest at a rate of 12% per annum.</p> <p>(b) A community mental health services program or specialty prepaid health plan must state in writing to the health professional or facility any defect in the claim within 30 days after receipt of the claim.</p> <p>(c) A health professional and a health facility have 30 days after receipt of a notice that a claim or a portion of a claim is defective within which to correct the defect. The community mental health services program or specialty prepaid health plan shall pay the claim within 30 days after the defect is corrected.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 424.</b> No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p>	<p><b>Sec. 424.</b> No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p>	<p><b>Sec. 424.</b> No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department, in conjunction with the Department of Corrections, to report by April 1, 2004, on the following FY 2002-03 data to the House of Representatives and Senate Appropriations Subcommittees on Community Health and Corrections, the House and Senate Fiscal Agencies, and the State Budget Office: the number of prisoners receiving substance abuse services; the number of prisoners receiving mental health services; and data indicating if prisoners receiving mental health services were previously hospitalized in a state psychiatric hospital for persons with mental illness.</i></p> <p><b>Sec. 425.</b> By April 1, 2004, the department, in conjunction with the department of corrections, shall report the following data from fiscal year 2002-2003 on mental health and substance abuse services to the house of representatives and senate appropriations subcommittees on community health and corrections, the house and senate fiscal agencies, and the state budget office:</p> <p>(a) The number of prisoners receiving substance abuse services which shall include a description and breakdown on the type of substance abuse services provided to prisoners.</p> <p>(b) The number of prisoners receiving mental health services which shall include a description and breakdown on the type of mental health services provided to prisoners.</p> <p>(c) Data indicating if prisoners receiving mental health services were previously hospitalized in a state psychiatric hospital for persons with mental illness.</p> <p><b>Conference: Concurs with the House.</b></p>	<p>Delete current law.</p>	<p>Delete current law.</p>	<p><b>Sec. 425.</b> No changes from current law, except: "By April 1, <del>2004</del> <b>2005</b>, ...from fiscal year <del>2002-2003</del> <b>2003-2004</b> on mental health and substance abuse services..."</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Mental Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>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.</i></p> <p><b>Sec. 428.</b> (1) Each CMHSP and affiliation of CMHSPs shall provide, from internal resources, local funds to be used as a bona fide part of the state match required under the Medicaid program in order to increase capitation rates for CMHSPs and affiliations of CMHSPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a CMHSP or an affiliation of CMHSPs.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 428.</b> (1) No changes from current law.</p>	<p><b>Sec. 428.</b> (1) No changes from current law.</p>	<p><b>Sec. 428.</b> (1) No changes from current law.</p>
<p>(2) The distribution of the aforementioned increases in the capitation payment rates, if any, shall be based on a formula developed by a committee established by the department, including representatives from CMHSPs or affiliations of CMHSPs and department staff.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p><i>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.</i></p> <p><b>Sec. 435.</b> A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1, 2003.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 435.</b> No changes from current law, except: "...first payment being made by October 1, 2003 2004.</p>	<p><b>Sec. 435.</b> No changes from current law, except: "...first payment being made by October 1, 2003 2004.</p>	<p><b>Sec. 435.</b> No changes from current law, except: "...first payment being made by October 1, 2003 2004.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Expresses the Legislature's intent that the Department, in conjunction with CMHSPs, supports pilot projects that facilitate the movement of adults with mental illness from state psychiatric hospitals to community residential settings. Provides that the purpose of the voluntary pilot projects are to encourage the placement of persons with mental illness in community residential settings who, among other things, require a secured and supervised living environment and assistance in taking prescribed medications. Requires quarterly reports to the House of Representatives and Senate Appropriations Subcommittees on Community Health, the House and Senate Fiscal Agencies, and the State Budget Office on activities undertaken by the Department and CMHSPs for pilot projects implemented under this section.</i></p> <p>Sec. 439. (1) It is the intent of the legislature that the department, in conjunction with CMHSPs, support pilot projects that facilitate the movement of adults with mental illness from state psychiatric hospitals to community residential settings.</p> <p>Conference: Concurs with the Senate.</p>	<p>Delete current law.</p>	<p>Sec. 439. (1) No changes from current law.</p>	<p>Sec. 439. (1) No changes from current law, except: "<del>It is the intent of the legislature that the</del> <b>The</b> department, in conjunction with CMHSPs, shall support..."</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) The purpose of the pilot projects is to encourage the placement of persons with mental illness in community residential settings who may require any of the following:</p> <p>(a) A secured and supervised living environment.</p> <p>(b) Assistance in taking prescribed medications.</p> <p>(c) Intensive case management services.</p> <p>(d) Assertive community treatment team services.</p> <p>(e) Alcohol or substance abuse treatment and counseling.</p> <p>(f) Individual or group therapy.</p> <p>(g) Day or partial day programming activities.</p> <p>(h) Vocational, educational, or self-help training or activities.</p> <p>(i) Other services prescribed to treat a person's mental illness to prevent the need for hospitalization.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<p>(2) No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p> <p>(e) No changes from current law.</p> <p>(f) No changes from current law.</p> <p>(g) No changes from current law.</p> <p>(h) No changes from current law.</p> <p>(i) No changes from current law.</p>	<p>(2) No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p> <p>(e) No changes from current law.</p> <p>(f) No changes from current law.</p> <p>(g) No changes from current law.</p> <p>(h) No changes from current law.</p> <p>(i) No changes from current law.</p>
<p>(3) The pilot projects described in this section shall be completely voluntary.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	(3) No changes from current law.	(3) No changes from current law.
<p>(4) The department shall provide semiannual reports to the house of representatives and senate appropriations subcommittees on community health, the state budget office, and the house and senate fiscal agencies as to any activities undertaken by the department and CMHSPs for pilot projects implemented under this section.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	(4) No changes from current law.	(4) No changes from current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Expresses the Legislature's intent that the \$40 million transferred from CMH Non-Medicaid Services to support the 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 the Medicaid Specialty Services and Supports program. Requires the general fund match be transferred back to CMH Non-Medicaid Services if enrollment in the Medicaid Adult Benefits Waiver program does not achieve expectations and the funding for the program is not expended. Also requires the Department to request in a Medicaid Specialty Services waiver renewal application that the amount of savings retained by a specialty prepaid health plan (PHP) be changed from 5% to 7.5% of aggregate capitation payments. If the Department is unable to secure federal approval for this change, the Department is then required to allow PHPs and their affiliate CMHSP members to retain 50% of the GF/GP portion of the funds allocated under the Medicaid Specialty Services waiver. Requires the Department to quarterly report on a summary of eligible expenditures for the Medicaid Adult Benefits Waiver program to the House and Senate Appropriations Subcommittees on Community Health.</i></p> <p>Sec. 442. (1) It is the intent of the legislature that the \$40,000,000.00 in funding transferred from the community mental health non-Medicaid services line to support the 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 for economic increases for the Medicaid specialty services and supports program.</p> <p><b>Conference: Concurs with the House.</b></p>	Delete current law.	Delete current law.	Sec. 442. (1) No changes from current law.
<p>(2) The department shall assure that persons eligible for mental health services under the priority population sections of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, will receive mandated services under this plan.</p> <p><b>Conference: Concurs with the House.</b></p>	Delete current law.	Delete current law.	(2) No changes from current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(3) Capitation payments to CMHSPs or specialty prepaid health plans for persons who become enrolled in the Medicaid adult benefits waiver program shall be made using the same rate methodology as payments for the current Medicaid beneficiaries.</p> <p><b>Conference: Concurs with the House.</b></p>	Delete current law.	Delete current law.	(3) No changes from current law.
<p>(4) If enrollment in the Medicaid adult benefits waiver program does not achieve expectations and the funding appropriated for the Medicaid adult benefits waiver program for specialty services is not expended, the general fund balance shall be transferred back to the community mental health non-Medicaid services line. The department shall report quarterly to the senate and house of representatives appropriations subcommittees on community health a summary of eligible expenditures for the Medicaid adult benefits waiver program by CMHSPs or specialty prepaid health plans.</p> <p><b>Conference: Concurs with the House.</b></p>	Delete current law.	Delete current law.	(4) No changes from current law.
<p>(5) In the waiver renewal application the department submits to the centers for Medicare and Medicaid services for continuation of the state's 1915(b) specialty services waiver, the department will request that the amount of savings that may be retained by a specialty prepaid health plan be changed from 5% to 7.5% of aggregate capitation payments. If the department is unable to secure centers for Medicare and Medicaid services approval for this change, the department shall allow specialty prepaid health plans and their affiliate CMHSP members to retain 50% of the unspent general fund/general purpose portion of the funds allocated to the specialty prepaid health plan for services to be provided under the Medicaid specialty services waiver. Any such general fund/general purpose portion retained by the specialty prepaid health plan and its CMHSP affiliates under this section shall be considered as state revenues for purposes of determining the amount of state funds that the CMHSP may carry forward under section 226(2)(c) of the mental health code, 1974 PA 258, MCL 330.1226.</p> <p><b>Conference: Concurs with the House.</b></p>	Delete current law.	Delete current law.	(5) No changes from current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to establish a Work Group comprised of CMHSPs or specialty prepaid health plans and department staff to recommend strategies to streamline audit and reporting requirements for CMHSPs or specialty prepaid health plans.</i></p> <p><b>Sec. 450.</b> The department shall establish a work group comprised of CMHSPs or specialty prepaid health plans and departmental staff to recommend strategies to streamline audit and reporting requirements for CMHSPs or specialty prepaid health plans. The department shall report on the recommendations of the work group by March 31, 2004 to the house of representatives and senate appropriations subcommittees on community health, the house fiscal agency, the senate fiscal agency, and the state budget director.</p> <p><b>Conference: Concurs with the House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 450.</b> The department shall take into consideration the recommendations of the work group established in section 450 of 2003 PA 159.</p>	<p><b>Sec. 450.</b> No changes from current law, except: "The department shall <del>establish</del> continue a work group ..."</p>
<p><b>Conference: Concurs with the House.</b></p>		<p><b>Sec. 451.</b> The department shall request a waiver of 42 CFR part 438.6 (c) (3) from the centers for Medicare and Medicaid services to obtain approval to implement actuarially sound capitation rates for Medicaid mental health and substance abuse services provided by CMHSPs over 2 years.</p>	
<p><b>Conference: Concurs with the Senate.</b></p>		<p><b>Sec. 452.</b> Unless otherwise authorized by law, the department shall not implement retroactively any policy that would lead to a negative financial impact on community mental health services programs or prepaid inpatient health plans.</p>	

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Concurs with the Senate.		Sec. 453. By December 1, 2004, the department shall share with the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies the findings of their federal substance abuse block grant work group.	
Conference: Concurs with the House. Enacted: Vetoed by the Governor.			Sec. 454. (1) From the funds appropriated in part 1 for mental health/substance abuse program administration, \$50,000.00 shall be used to conduct a study of the feasibility for increased coordination and collaboration among community health and human services agencies, including, but not limited to, any of the following: (a) Community mental health services programs. (b) Local public health departments. (c) Community health centers. (d) Other local community agencies that may be relevant to a study on the advantages of the collaborative endeavor.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>Conference: Concurs with the House. Enacted: Vetoed by the Governor.</p>			<p>(2) The department shall report the results and recommendations from the feasibility study by September 20, 2005 to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director.</p>
<p><b><u>STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES</u></b></p> <p><i>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.</i></p> <p><b>Sec. 601.</b> (1) In funding of staff in the financial support division, reimbursement, and billing and collection sections, priority shall be given to obtaining third-party payments for services. Collection from individual recipients of services and their families shall be handled in a sensitive and nonharassing manner.</p> <p>Conference: Concurs with the Senate and House.</p>	<p><b>Sec. 601.</b> (1) No changes from current law.</p>	<p><b>Sec. 601.</b> (1) No changes from current law.</p>	<p><b>Sec. 601.</b> (1) No changes from current law.</p>
<p>(2) The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are inactive. Revenues collected through project efforts are appropriated to the department for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.</p> <p>Conference: Concurs with the Senate and House.</p>	<p>(2) No changes from current law, except: "...Upon approval by the state budget director, such revenues may be allocated and spent <del>Revenues collected through project efforts are appropriated to the department</del> for departmental costs and contractual fees associated with these retroactive collections..."</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Authorizes the carry forward of unexpended and unencumbered funds up to \$500,000 from pay telephone revenues and gifts and bequests for patient living and treatment environments for one fiscal year.</i></p> <p><b>Sec. 602.</b> Unexpended and unencumbered amounts and accompanying expenditure authorizations up to \$500,000.00 remaining on September 30, 2004 from pay telephone revenues and the amounts appropriated in part 1 for gifts and bequests for patient living and treatment environments shall be carried forward for 1 fiscal year. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.</p> <p><b>Conference: Concurs with the House, except \$1,000,100.00 is replaced with \$1,000,000.00.</b></p>	<p><b>Sec. 602.</b> No changes from current law, except: "...remaining on September 30, <del>2004</del> 2005 ..."</p> <p><b>Technical Note:</b> \$500,000.00 should be changed to \$1,000,000.00 based on Part 1 recommendation.</p>	<p><b>Sec. 602.</b> No changes from current law, except: "...remaining on September 30, <del>2004</del> 2005 ..."</p> <p><b>Technical Note:</b> \$500,000.00 should be changed to \$1,000,000.00 based on Part 1 recommendation.</p>	<p><b>Sec. 602.</b> No changes from current law, except: "... up to <del>\$500,000.00</del> \$1,000,100.00 remaining on September 30, <del>2004</del> 2005..."</p>
<p><i>Specifies that the funds appropriated in Part 1 for Forensic Mental Health Services provided to the Department of Corrections are in accordance with the interdepartmental plan developed in cooperation with the Department of Corrections. Authorizes the Department to receive and expend funds from the Department of Corrections to fulfill the obligations outlined in the interdepartmental agreement.</i></p> <p><b>Sec. 603.</b> The funds appropriated in part 1 for forensic mental health services provided to the department of corrections are in accordance with the interdepartmental plan developed in cooperation with the department of corrections. The department is authorized to receive and expend funds from the department of corrections in addition to the appropriations in part 1 to fulfill the obligations outlined in the interdepartmental agreements.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 603.</b> No changes from current law.</p>	<p><b>Sec. 603.</b> No changes from current law.</p>	<p><b>Sec. 603.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires CMHSPs or specialty prepaid health plans to provide semiannual reports to the Department on the following information: The number of days of care purchased from state hospitals and centers; the number of days of care purchased from private hospitals in lieu of purchasing days of care from state hospitals and centers; 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 the Department to semiannually report the information to the House of Representatives and Senate Appropriations Subcommittees on Community Health, the House and Senate Fiscal Agencies, and the State Budget Director.</i></p> <p><b>Sec. 604.</b> (1) The CMHSPs or specialty prepaid health plans shall provide semiannual reports to the department on the following information:</p> <p>(a) The number of days of care purchased from state hospitals and centers.</p> <p>(b) The number of days of care purchased from private hospitals in lieu of purchasing days of care from state hospitals and centers.</p> <p>(c) The number and type of alternative placements to state hospitals and centers other than private hospitals.</p> <p>(d) Waiting lists for placements in state hospitals and centers.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 604.</b> (1) No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p>	<p><b>Sec. 604.</b> (1) No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p>	<p><b>Sec. 604.</b> (1) No changes from current law.</p> <p>(a) No changes from current law.</p> <p>(b) No changes from current law.</p> <p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p>
<p>(2) The department shall semiannually report the information in subsection (1) to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Prohibits the Department from implementing the closures or consolidations of state hospitals, centers, and agencies until CMHSPs or specialty prepaid health plans have programs and services in place for those persons currently in the facilities. Requires the Department to provide a closure plan four months after the closure certification to the House of Representatives and Senate Appropriations Subcommittees on Community Health. Requires the transfer of remaining operational funds from closed state hospitals, centers, and agencies to CMHSPs responsible for providing services to these clients.</i></p> <p><b>Sec. 605.</b> (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or specialty prepaid health plans have programs and services in place for those persons currently in those facilities and a plan for service provision for those persons who would have been admitted to those facilities.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 605.</b> (1) No changes from current law.</p>	<p><b>Sec. 605.</b> (1) No changes from current law.</p>	<p><b>Sec. 605.</b> (1) No changes from current law.</p>
<p>(2) All closures or consolidations are dependent upon adequate department-approved CMHSP plans that include a discharge and aftercare plan for each person currently in the facility. A discharge and aftercare plan shall address the person's housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate to meet the person's housing needs.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p>(3) Four months after the certification of closure required in section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the house of representatives and senate appropriations subcommittees on community health.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>
<p>(4) Upon the closure of state-run operations and after transitional costs have been paid, the remaining balances of funds appropriated for that operation shall be transferred to CMHSPs or specialty prepaid health plans responsible for providing services for persons previously served by the operations.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(4) No changes from current law.</p>	<p>(4) No changes from current law.</p>	<p>(4) No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Mental Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Allows the Department to collect revenue for patient reimbursement from first/third party payers, including Medicaid, to cover the cost of placement in state hospitals and centers. Authorizes the Department to adjust financing sources for patient reimbursement based on actual revenues earned. Permits the carry forward of revenue collected that exceeds current year expenditures if approved by the State Budget Director.</i></p> <p><b>Sec. 606.</b> The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 606.</b> No changes from current law.</p>	<p><b>Sec. 606.</b> No changes from current law.</p>	<p><b>Sec. 606.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
<p>Conference: Concurs with the House.</p>	EXECUTIVE	SENATE	HOUSE
			<p><b><u>PUBLIC HEALTH ADMINISTRATION</u></b></p> <p><b>Sec. 650. THE DEPARTMENT SHALL COMMUNICATE THE ANNUAL PUBLIC HEALTH CONSUMPTION ADVISORY FOR SPORTFISH FOR CALENDAR YEARS 2004 AND 2005. THE DEPARTMENT SHALL, AT A MINIMUM, POST THE ADVISORY FOR EACH CALENDAR YEAR ON THE INTERNET AND MAKE THE INFORMATION IN THE ADVISORY AVAILABLE TO THE CLIENTS OF THE WOMEN, INFANTS, AND CHILDREN SPECIAL SUPPLEMENTAL NUTRITION PROGRAM.</b></p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Bureau of Health Regulatory Systems**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b><u>HEALTH REGULATORY SYSTEMS</u></b></p> <p><b>New Boilerplate Transferred from CIS Due to E.O. 2003-18:</b></p> <p><i>Allows the carry forward of revenue generated from occupational safety and health, health systems administration, or radiological health administration and projects fees if the collections exceed part 1 appropriations.</i></p> <p><b>Sec. 309.</b> If the revenue collected by the department for occupational safety and health, health systems administration, or radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p align="center">Delete current law.</p>	<p align="center"><b><u>BUREAU OF HEALTH SYSTEMS</u></b></p> <p align="center">Delete current law.</p>	<p align="center"><b><u>BUREAU OF HEALTH SYSTEMS</u></b></p> <p align="center">Delete current law.</p>
<p><i>Requires the Department to provide funding for at least 113 inspectors to survey and investigate care in nursing homes, county medical care facilities and hospital long-term care units. Also requires complaint investigations to be conducted on nights and weekends where there are allegations of poor care occurring on nights and weekends.</i></p> <p><b>Sec. 312.</b> (1) From the amount appropriated in part 1 to health systems administration, the department shall provide funding for not less than 113 inspectors to annually survey and investigate the care and services delivered in nursing homes, county medical care facilities, and hospital long-term care units in accordance with provisions in the public health code, 1978 PA 368, MCL 333.1101 to 333.25211, and federal Medicare and Medicaid certification standards.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p align="center">Delete current law.</p>	<p align="center">Delete current law.</p>	<p align="center">Delete current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Bureau of Health Regulatory Systems**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) The department, in keeping with the severity of the allegations, shall investigate complaints alleging poor care and services occurring on nights or weekends in nursing homes, county medical care facilities, and hospital long-term care units by conducting onsite investigations on nights or weekends.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	Delete current law.	Delete current law.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to report semi-annually on the initial and follow-up surveys conducted on all nursing homes which will include information on the number of surveys conducted and the number of citations per home.</i></p> <p><b>Sec. 316.</b> The department shall provide electronic notification to the state budget office, the fiscal agencies, and the subcommittees on April 30 and October 31 on the initial and follow-up surveys conducted on all nursing homes in this state. The notification shall contain the location of the Internet site where the report is posted. The report shall include all of the following information:</p> <p>(a) The number of surveys conducted.</p> <p>(b) The number requiring follow-up surveys.</p> <p>(c) The number referred to the Michigan public health institute for remediation.</p> <p>(d) The number of citations per home.</p> <p>(e) The number of night and weekend complaints filed.</p> <p>(f) The number of night and weekend responses to complaints conducted by the department.</p> <p>(g) The average length of time for the department to respond to a complaint filed against a nursing home.</p> <p>(h) The number and percentage of citations appealed.</p> <p>(i) The number and percentage of citations overturned and/or modified.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 701.</b> No changes from current law.</p>	<p><b>Sec. 701.</b> No changes from current law.</p>

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to report on the status of the nursing home complaint investigation backlog.</i></p> <p><b>Sec. 318.</b> The department shall report by November 1 to the state budget office, the legislature, and the fiscal agencies the status of the nursing home complaint investigation backlog.</p> <p><b>Conference: Concur with the House.</b></p>	Delete current law.	<b>Sec. 702.</b> No changes from current law.	Delete current law.
<p><i>Requires nursing home investigations to be initiated within 15 days of written complaint and for written response to complainant within 30 days of receipt of written complaint. Also requires the Department to assist complainants in putting complaints in writing.</i></p> <p><b>Sec. 319.</b> As a condition for receiving the general fund/general purpose appropriations in part 1 for health systems administration, the department shall provide assistance to any person making an oral request for a nursing home investigation in putting his or her request into writing, shall initiate investigations on all written nursing home complaints filed with the department within 15 days or receipt of the complaint, and shall provide a written response to the complainant within 30 days of receipt of the written complaint.</p> <p><b>Conference: Concur with the Senate and House.</b></p>	Delete current law.	<b>Sec. 703.</b> No changes from current law.	<b>Sec. 703.</b> No changes from current law.
<p><i>Requires the Department to continue to work with emergency medical services grantees and contractors funded from appropriations to ensure that a sufficient number of qualified Emergency Medical Services (EMS) personnel exist to serve rural areas of the state.</i></p> <p><b>Sec. 321.</b> The department shall continue to work with grantees supported through the appropriation in part 1 for emergency medical services grants and contracts to ensure that a sufficient number of qualified emergency medical services personnel exist to serve rural areas of the state.</p> <p><b>Conference: Concur with the Senate and House.</b></p>	<b>Sec. 701.</b> No changes from current law.	<b>Sec. 704.</b> No changes from current law.	<b>Sec. 704.</b> No changes from current law.

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Boilerplate for Bureau of Health Regulatory Systems**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department, in consultation with nursing home providers, the Department of Community Health, the Long-Term Care Ombudsman, and the federal Health Care Finance Administration, to continue to collaborate on clarifying the meaning of key terminology affecting regulatory activities for nursing homes. Requires the Department to provide joint training with nursing home surveyors and providers on frequently-issued citations and to measure the impact of training.</i></p> <p><b>Sec. 323.</b> (1) The department in consultation with nursing home provider groups, the department of community health, the state long-term care ombudsman, and the federal health care finance administration shall continue to work to clarify the following terms as those terms are used in title XVII and title XIX and applied by the department to provide more consistent regulation of nursing homes in Michigan:</p> <ul style="list-style-type: none"> <li>(a) Immediate jeopardy.</li> <li>(b) Harm.</li> <li>(c) Potential harm.</li> <li>(d) Avoidable.</li> <li>(e) Unavoidable.</li> </ul> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	Delete current law.	Delete current law.
<p>(2) The department shall seminannually provide for joint training with nursing home surveyors and providers on at least 1 of the 10 most frequent issued federal citations in this state during the past calendar year. The department shall provide a mechanism to measure the effect of the training and shall report to the legislature and the state budget office on the effect of the training by January 15.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	Delete current law.	Delete current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Bureau of Health Regulatory Systems**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to post on Internet the executive summary of latest nursing home annual survey for each licensed home and to work toward posting these summaries for day care centers.</i></p> <p><b>Sec. 325.</b> (1) The department shall post on the Internet the executive summary of the latest inspection for each licensed nursing home.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<b>Sec. 705.</b> No changes from current law.	<b>Sec. 705.</b> No changes from current law.
<p>(2) The department shall work toward posting inspection summaries for licensed day care centers on the Internet.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	Delete current law.	Delete current law.
<p><i>Requires the Department to make every effort to hire nursing home inspectors with past experience in the long-term care industry.</i></p> <p><b>Sec. 327.</b> When hiring any new nursing home inspectors funded through appropriations in part 1, the department shall make every effort to hire individuals with past experience in the long-term care industry.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 702.</b> No changes from current law.	<b>Sec. 706.</b> No changes from current law.	<b>Sec. 706.</b> No changes from current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Bureau of Health Regulatory Systems**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Expresses Legislature's intent that funds for nursing home scholarships be used to increase the number of nurses practicing in Michigan, that incentives be developed to reward nurses who practice in Michigan and that the Department, Board of Nursing, and the Michigan Higher Education Assistance Authority monitor where the scholarship recipients practice nursing.</i></p> <p><b>Sec. 329.</b> It is the intent of the legislature that the funds appropriated in part 1 for the nurse scholarship program, established in section 16315 of the public health code, 1978 PA 368, MCL 333.16315, are used to increase the number of nurses practicing in Michigan. The board of nursing is encouraged to structure scholarships funded under this act in a manner that rewards recipients who practice nursing in Michigan. In addition, it is the intent of the legislature that the department and the board of nursing work cooperatively with the Michigan higher education assistance authority to identify and monitor the location in which scholarship recipients practice nursing.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 703.</b> No changes from current law, except: <del>"It is the intent of the legislature that the</del> The funds appropriated...structure scholarships funded under this act bill in a manner that rewards recipients who <b>intend to practice nursing in Michigan.</b> <del>In addition, it is the intent of the legislature that the</del> The department and board of nursing <b>shall</b> work cooperatively...authority to identify and monitor the location in which scholarship recipients practice nursing coordinate scholarship assistance with scholarships provided pursuant to the Michigan nursing scholarship act, 2002 PA 591, MCL 390.1181 et seq. "</p>	<p><b>Sec. 707.</b> No changes from current law, except: "...in a manner that rewards recipients who <b>intend to practice nursing in Michigan.</b> In addition...the board of nursing work cooperatively with the Michigan higher education assistance authority to identify and monitor the location in which scholarship recipients practice nursing coordinate scholarship assistance with scholarships provided pursuant to the Michigan nursing scholarship act, 2002 PA 591, MCL390.1181 to 390.1189."</p>	<p><b>Sec. 707.</b> No changes from current law, except: "...in a manner that rewards recipients who <b>intend to practice nursing in Michigan.</b> In addition...the board of nursing work cooperatively with the Michigan higher education assistance authority to identify and monitor the location in which scholarship recipients practice nursing coordinate scholarship assistance with scholarships provided pursuant to the Michigan nursing scholarship act, 2002 PA 591, MCL390.1181 to 390.1189."</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Bureau of Health Regulatory Systems**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires nursing facilities in their quarterly staff reports to the Department to report on total patient care hours provide each month and the percentage of pool staff used each month during the preceding quarter. Requires the Department to make the quarterly staff report available to the public.</i></p> <p><b>Sec. 331.</b> Nursing facilities shall report in the quarterly staff report to the department, the total patient care hours provided each month, by state licensure and certification classification, and the percentage of pool staff, by state licensure and certification classification, used each month during the preceding quarter. The department shall make available to the public the quarterly staff report compiled for all facilities including the total patient care hours and the percentage of pool staff used, by classification.</p> <p><b>Conference: Concurs with the Senate.</b></p>	<p><b>Sec. 704.</b> No changes from current law.</p>	<p><b>Sec. 708.</b> No changes from current law.</p>	<p><b>Sec. 708.</b> No changes from current law, except: "Nursing facilities shall may report in the quarterly staff report to the department..."</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b><u>INFECTIOUS DISEASE CONTROL</u></b></p> <p><i>Requires the Department and its subcontractors to ensure that adolescents receive priority for AIDS prevention, education, and outreach services.</i></p> <p><b>Sec. 801.</b> In the expenditure of funds appropriated in part 1 for AIDS programs, the department and its subcontractors shall ensure that adolescents receive priority for prevention, education, and outreach services. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 801.</b> No changes from current law.</p>	<p><b>Sec. 801.</b> No changes from current law.</p>	<p><b>Sec. 801.</b> No changes from current law.</p>
<p><i>Allows the Department to provide funding to the Michigan State Medical Society as the lead agency for continuing the development and implementation of AIDS provider education activities.</i></p> <p><b>Sec. 802.</b> In developing and implementing AIDS provider education activities, the department may provide funding to the Michigan state medical society to serve as lead agency to convene a consortium of health care providers, to design needed educational efforts, to fund other statewide provider groups, and to assure implementation of these efforts, in accordance with a plan approved by the department. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 802.</b> No changes from current law.</p>	<p><b>Sec. 802.</b> No changes from current law.</p>	<p><b>Sec. 802.</b> No changes from current law.</p>
<p><i>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.</i></p> <p><b>Sec. 803.</b> The department shall continue the AIDS drug assistance program maintaining the prior year eligibility criteria and drug formulary. This section is not intended to prohibit the department from providing assistance for improved AIDS treatment medications. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 803.</b> No changes from current law.</p>	<p><b>Sec. 803.</b> No changes from current law.</p>	<p><b>Sec. 803.</b> No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Public Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>Conference: Concurs with the House..</p>			<p><b>Sec. 804. THE DEPARTMENT SHALL REQUIRE THAT THE TETANUS AND DIPHTHERIA IMMUNIZATION BE OFFERED ANNUALLY AT THE SAME TIME THAT THE INFLUENZA IMMUNIZATION IS OFFERED TO PATIENTS 65 YEARS OF AGE OR OLDER WHO ARE RESIDENTS OF LONG-TERM CARE FACILITIES.</b></p>
<p><b><u>EPIDEMIOLOGY</u></b> <b><i>(THIS FY 2003-04 SECTION WAS VETOED BY THE GOVERNOR)</i></b> <b><i>New language to allocate up to \$1.0 million of federal bioterrorism preparedness funding to a Biosafety Level 2/3 certified laboratory facility, as allowed by federal law and regulations.</i></b></p> <p><b>Sec. 853.</b> From the funds appropriated in part 1 for bioterrorism preparedness, up to \$1,000,000.00, as allowed by federal law and regulations, shall be allocated for bioterrorism preparedness and response services to a multispecies laboratory and necropsy facility located in this state that is certified by the United States department of agriculture animal, plant, health inspection service, with a biosafety level 2/3 certification. <b>Conference: Concurs with the Senate and House.</b></p>	<p>Not included.</p>	<p>Not included.</p>	<p>Not included.</p>
<p><b><u>LOCAL HEALTH ADMINISTRATION AND GRANTS</u></b></p> <p><b><i>Directs the Department to reimburse local health departments for costs incurred for services under the informed consent law.</i></b></p> <p><b>Sec. 901.</b> The amount appropriated in part 1 for implementation of the 1993 amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall reimburse local health departments for costs incurred related to implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 901.</b> No changes from current law.</p>	<p><b>Sec. 901.</b> No changes from current law.</p>	<p><b>Sec. 901.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>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.</i></p> <p><b>Sec. 902.</b> If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an arrangement after October 1, 2003, the department shall have the authority to assess a penalty from the local health department's operational accounts in an amount equal to no more than 5% of the local health department's local public health operations funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 902.</b> No changes from current law, except: "... 2003 2004, ... "</p>	<p><b>Sec. 902.</b> No changes from current law, except: "... 2003 2004, ... "</p>	<p><b>Sec. 902.</b> No changes from current law, except: "... 2003 2004, ... "</p>
<p><i>Directs the Department to report annually on the expenditures and activities of the lead abatement program.</i></p> <p><b>Sec. 903.</b> The department shall provide a report annually to the house of representatives and senate appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the expenditures and activities undertaken by the lead abatement program. The report shall include, but is not limited to, a funding allocation schedule, expenditures by category of expenditure and by subcontractor, revenues received, description of program elements, and description of program accomplishments and progress. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 903.</b> No changes from current law.</p>	<p><b>Sec. 903.</b> No changes from current law.</p>	<p><b>Sec. 903.</b> No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Public Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Establishes that local public health operations funds shall be prospectively allocated to local public health departments to support costs for nine state/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 minimum local spending at FY 1992-93 levels for these services. Requires that a report on planned allocations be made available upon request by April 1, 2004.</i></p> <p><b>Sec. 904.</b> (1) Funds appropriated in part 1 for local public health operations shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the Michigan department of agriculture. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the Michigan department of environmental quality. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 904.</b> (1) No changes from current law.</p>	<p><b>Sec. 904.</b> (1) No changes from current law.</p>	<p><b>Sec. 904.</b> (1) No changes from current law.</p>
<p>(2) Local public health departments will be held to contractual standards for the services in subsection (1). <b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p>(3) Distributions in subsection (1) shall be made only to counties that maintain local spending in fiscal year 2003-2004 of at least the amount expended in fiscal year 1992-1993 for the services described in subsection (1). <b>Conference: Concurs with the Senate and House.</b></p>	<p>(3) No changes from current law, except: “... <del>2003-2004</del> 2004-2005 ... “</p>	<p>(3) No changes from current law, except: “... <del>2003-2004</del> 2004-2005 ... “</p>	<p>(3) No changes from current law, except: “... <del>2003-2004</del> 2004-2005 ... “</p>
<p>(4) By April 1, 2004, the department shall make available upon request a report to the senate or house of representatives appropriations subcommittee on community health, the senate or house fiscal agency, or the state budget director on the planned allocation of the funds appropriated for local public health operations. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(4) No changes from current law, except: “... <del>2004</del> 2005, ... “</p>	<p>(4) No changes from current law, except: “... <del>2004</del> 2005, ... “</p>	<p>(4) No changes from current law, except: “... <del>2004</del> 2005, ... “</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b><u>CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION</u></b></p> <p><i>Requires the Department to allocate funds to promote awareness, education and early detection of breast, cervical, prostate, and colorectal cancer and provide for other health promotion media activities.</i></p> <p><b>Sec. 1001.</b> From the state funds appropriated in part 1, the department shall allocate funds to promote awareness, education, and early detection of breast, cervical, prostate, and colorectal cancer, and provide for other health promotion media activities. <b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 1001.</b> No changes from current law.</p>	<p><b>Sec. 1001.</b> No changes from current law.</p>
<p><i>Requires that the provision of a school health education curriculum shall be in accordance with the health education goals established by the Michigan Model for the Comprehensive School Health Education State Steering Committee. Establishes steering committee membership and requires that curriculum materials be made available upon request.</i></p> <p><b>Sec. 1002.</b> (1) Provision of the school health education curriculum, such as the Michigan model or another comprehensive school health education curriculum, shall be in accordance with the health education goals established by the Michigan model for the comprehensive school health education state steering committee. The state steering committee shall be comprised of a representative from each of the following offices and departments:</p> <p>(a) The department of education. (b) The department of community health. (c) The health administration in the department of community health. (d) The bureau of mental health and substance abuse services in the department of community health. (e) The family independence agency. (f) The department of state police. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1002.</b> (1) No changes from current law.</p>	<p><b>Sec. 1135.</b> (1) No changes from current law.  (This Section is moved, with funding, to Community Living, Children, and Families)</p>	<p><b>Sec. 1135.</b> (1) No changes from current law.  (This Section is moved, with funding, to Community Living, Children, and Families)</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) Upon written or oral request, a pupil not less than 18 years of age or a parent or legal guardian of a pupil less than 18 years of age, within a reasonable period of time after the request is made, shall be informed of the content of a course in the health education curriculum and may examine textbooks and other classroom materials that are provided to the pupil or materials that are presented to the pupil in the classroom. This subsection does not require a school board to permit pupil or parental examination of test questions and answers, scoring keys, or other examination instruments or data used to administer an academic examination. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p><b><i>Allocates funds to provide Alzheimer's disease information and referral services through regional networks.</i></b></p> <p><b>Sec. 1003.</b> Funds appropriated in part 1 for the Alzheimer's information network shall be used to provide information and referral services through regional networks for persons with Alzheimer's disease or related disorders, their families, and health care providers. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1003.</b> No changes from current law.</p>	<p><b>Sec. 1003.</b> No changes from current law.</p>	<p><b>Sec. 1003.</b> No changes from current law.</p>
<p><b><i>Requires the Department to give priority to prevention and smoking cessation programs for pregnant women, women with young children, and adolescents, in spending funds allocated to smoking prevention programs.</i></b></p> <p><b>Sec. 1006.</b> In spending the funds appropriated in part 1 for the smoking prevention program, priority shall be given to prevention and smoking cessation programs for pregnant women, women with young children, and adolescents. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1006.</b> No changes from current law.</p>	<p><b>Sec. 1006.</b> No changes from current law.</p>	<p><b>Sec. 1006.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Directs that violence prevention funds be used for, but not limited to, programs aimed at the prevention of spouse, partner or child abuse and rape, and programs aimed at the prevention of workplace violence. Directs that the Department give equal consideration to public and private nonprofit grant applicants. The Department may provide funds to local school districts.</i></p> <p><b>Sec. 1007.</b> (1) The funds appropriated in part 1 for violence prevention shall be used for, but not be limited to, the following: (a) Programs aimed at the prevention of spouse, partner, or child abuse and rape. (b) Programs aimed at the prevention of workplace violence. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1007.</b> (1) No changes from current law.</p>	<p><b>Sec. 1007.</b> (1) No changes from current law.</p>	<p><b>Sec. 1007.</b> (1) No changes from current law.</p>
<p>(2) In awarding grants from the amounts appropriated in part 1 for violence prevention, the department shall give equal consideration to public and private nonprofit applicants. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p>(3) From the funds appropriated in part 1 for violence prevention, the department may include local school districts as recipients of the funds for family violence prevention programs. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>
<p><i>Permits the allocation of funds from the diabetes and kidney program line item to the National Kidney Foundation of Michigan for kidney disease prevention programs.</i></p> <p><b>Sec. 1009.</b> From the funds appropriated in part 1 for the diabetes and kidney program, a portion of the funds may be allocated to the National Kidney Foundation of Michigan for kidney disease prevention programming including early identification and education programs and kidney disease prevention demonstration projects. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1009.</b> No changes from current law.</p>	<p><b>Sec. 1009.</b> No changes from current law.</p>	<p><b>Sec. 1009.</b> No changes from current law.</p>

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Appropriates funds for osteoporosis prevention and treatment education contingent on the availability of Healthy Michigan Funds or federal Preventive Health and Health Services Block Grant funds.</i></p> <p><b>Sec. 1010.</b> Contingent on the availability of state restricted healthy Michigan fund money or federal preventive health and health services block grant fund money, funds shall be appropriated for osteoporosis prevention and treatment education. <b>Conference: Replaces current law with:</b> <b>"FROM THE FUNDS APPROPRIATED IN PART 1 FOR CHRONIC DISEASE PREVENTION, \$400,000.00 SHALL BE ALLOCATED FOR OSTEOPOROSIS PREVENTION AND TREATMENT EDUCATION."</b></p>	Delete current law.	<b>Sec. 1010.</b> No changes from current law.	Delete current law.
<p><i>Allocates \$50,000 for stroke prevention, education, and outreach.</i></p> <p><b>Sec. 1019.</b> From the funds appropriated in part 1 for chronic disease prevention, \$50,000.00 shall be allocated for stroke prevention, education, and outreach. The objectives of the program shall include education to assist persons in identifying risk factors, and education to assist persons in the early identification of the occurrence of a stroke in order to minimize stroke damage. <b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 1019.</b> No changes from current law.	<b>Sec. 1019.</b> No changes from current law.	<b>Sec. 1019.</b> No changes from current law.
<p><i>Allocates \$105,000 for a childhood and adult arthritis program.</i></p> <p><b>Sec. 1020.</b> From the funds appropriated in part 1 for chronic disease prevention, \$105,000.00 shall be allocated for a childhood and adult arthritis program. <b>Conference: No changes from current law, except:</b> <b>"... \$105,000.00 \$906,100.00 ..."</b></p>	<b>Sec. 1020.</b> No changes from current law.	<b>Sec. 1020.</b> No changes from current law.	<b>Sec. 1020.</b> No changes from current law, except: <b>"... \$105,000.00 \$856,100.00 ..."</b>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Appropriates funds for the African-American Male Health Initiative contingent on the availability of Healthy Michigan Funds or federal Preventive Health and Health Services Block Grant funds.</i></p> <p><b>Sec. 1028.</b> Contingent on the availability of state restricted healthy Michigan fund money or federal preventive health and health services block grant fund money, funds shall be appropriated for the African-American male health initiative. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<b>Sec. 1028.</b> No changes from current law.	<b>Sec. 1028.</b> No changes from current law.
<p><b>Conference: Replaces Senate language with:</b> "SEC. 1029. FROM THE FUNDS APPROPRIATED IN PART 1 FOR THE MICHIGAN PARKINSON'S FOUNDATION, \$200,000.00 SHALL BE APPROPRIATED FOR PROGRAMS RELATED TO PARKINSON'S DISEASE."</p>		<b>SEC. 1029. CONTINGENT ON THE AVAILABILITY OF STATE FUNDS, FUNDS SHALL BE APPROPRIATED FOR PROGRAMS RELATED TO PARKINSON'S DISEASE.</b>	Not included.
<p><b><u>COMMUNITY LIVING, CHILDREN, AND FAMILIES</u></b></p> <p><i>Requires the Department to review the basis for the distribution of funds to local health departments and other agencies from various programs in the Community Living, Children, and Families 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.</i></p> <p><b>Sec. 1101.</b> The department shall review the basis for the distribution of funds to local health departments and other public and private agencies for the women, infants, and children food supplement program; family planning; and prenatal care outreach and service delivery support program and indicate the basis upon which any projected underexpenditures by local public and private agencies shall be reallocated to other local agencies that demonstrate need. <b>Conference: Concurs with the Senate and House, and makes the change to the heading name.</b></p>	<b>Sec. 1101.</b> No changes from current law.	<b>Sec. 1101.</b> No changes from current law.	Heading renamed to "FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES"

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to report by April 1, 2004, on planned allocations and additional actual service and expenditure data for the following line items: Local Maternal and Child Health Services, Prenatal Care Outreach and Service Delivery Support, Family Planning Local Agreements, and Pregnancy Prevention Programs.</i></p> <p><b>Sec. 1104.</b> Before April 1, 2004, the department shall submit a report to the house and senate fiscal agencies and the state budget director on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report shall include information on all of the following: (a) Funding allocations. (b) Actual number of women, children, and/or adolescents served and amounts expended for each group for the fiscal year 2002-2003. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1104.</b> No changes from current law, except: “... April 1, 2004 2005, ...” and “... 2002-2003 2003-2004 ...”</p>	<p><b>Sec. 1104.</b> No changes from current law, except: “... April 1, 2004 2005, ...” and “... 2002-2003 2003-2004 ...”</p>	<p><b>Sec. 1104.</b> No changes from current law, except: “... April 1, 2004 2005, ...” and “... 2002-2003 2003-2004 ...”</p>
<p><i>Requires the Department to contract for services to be provided through the Community Living, Children, and Families appropriation unit with local agencies best able to serve clients. Establishes factors upon which to evaluate an agency's ability to serve clients.</i></p> <p><b>Sec. 1105.</b> For all programs for which an appropriation is made in part 1, the department shall contract with those local agencies best able to serve clients. Factors to be used by the department in evaluating agencies under this section shall include ability to serve high-risk population groups; ability to serve low-income clients, where applicable; availability of, and access to, service sites; management efficiency; and ability to meet federal standards, when applicable. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1105.</b> No changes from current law.</p>	<p><b>Sec. 1105.</b> No changes from current law.</p>	<p><b>Sec. 1105.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
<p><i>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.</i></p> <p><b>Sec. 1106.</b> Each family planning program receiving federal title X family planning funds shall be in compliance with all performance and quality assurance indicators that the United States bureau of community health services specifies in the family planning annual report. An agency not in compliance with the indicators shall not receive supplemental or reallocated funds. <b>Conference: Concurs with the Senate and House.</b></p>	EXECUTIVE	SENATE	HOUSE
	<p><b>Sec. 1106.</b> No changes from current law.</p>	<p><b>Sec. 1106.</b> No changes from current law.</p>	<p><b>Sec. 1106.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>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 the Department.</i></p> <p><b>Sec. 1106a. (1)</b> Federal abstinence money expended in part 1 for the purpose of promoting abstinence education shall provide abstinence education to teenagers most likely to engage in high-risk behavior as their primary focus, and may include programs that include 9- to 17-year-olds. Programs funded must meet all of the following guidelines:            (a) Teaches the gains to be realized by abstaining from sexual activity.            (b) Teaches abstinence from sexual activity outside of marriage as the expected standard for all school-age children.            (c) Teaches that abstinence is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other health problems.            (d) Teaches that a monogamous relationship in the context of marriage is the expected standard of human sexual activity.            (e) Teaches that sexual activity outside of marriage is likely to have harmful effects.            (f) Teaches that bearing children out of wedlock is likely to have harmful consequences.            (g) Teaches young people how to avoid sexual advances and how alcohol and drug use increases vulnerability to sexual advances.            (h) Teaches the importance of attaining self-sufficiency before engaging in sexual activity.  <b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 1106a. (1)</b> No changes from current law.</p>	<p><b>Sec. 1106a. (1)</b> No changes from current law.</p>
<p>(2) Coalitions, organizations, and programs that do not provide contraceptives to minors and demonstrate efforts to include parental involvement as a means of reducing the risk of teens becoming pregnant shall be given priority in the allocations of funds.  <b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 1106a. (2)</b> No changes from current law.</p>	<p><b>Sec. 1106a. (2)</b> No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Public Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(3) Programs and organizations that meet the guidelines of subsection (1) and criteria of subsection (2) shall have the option of receiving all or part of their funds directly from the department of community health. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<b>Sec. 1106a.</b> (3) No changes from current law.	<b>Sec. 1106a.</b> (3) No changes from current law.
<p><i>Restricts local administrative, data processing, and evaluation costs to 10% of the amount appropriated for prenatal care outreach and service delivery support.</i></p> <p><b>Sec. 1107.</b> Of the amount appropriated in part 1 for prenatal care outreach and service delivery support, not more than 10% shall be expended for local administration, data processing, and evaluation. <b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 1107.</b> No changes from current law.	<b>Sec. 1107.</b> No changes from current law.	<b>Sec. 1107.</b> No changes from current law.
<p><i>Prohibits pregnancy prevention appropriation line item funds from being used for abortion counseling, referrals, or services.</i></p> <p><b>Sec. 1108.</b> The funds appropriated in part 1 for pregnancy prevention programs shall not be used to provide abortion counseling, referrals, or services. <b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 1108.</b> No changes from current law.	<b>Sec. 1108.</b> No changes from current law.	<b>Sec. 1108.</b> No changes from current law.
<p><i>Contingent upon the receipt of a report, allocates funds to the Michigan Dental Association to administer a volunteer dental program to provide dental services to the uninsured; requires a report by the Department to be made available upon request not later than December 1; and requires a report by the Michigan Dental Association by December 1, 2003 documenting its efforts to increase membership participation as Medicaid providers.</i></p> <p><b>Sec. 1109.</b> (1) Subject to subsection (3), from the amounts appropriated in part 1 for dental programs, funds shall be allocated to the Michigan dental association for the administration of a volunteer dental program that would provide dental services to the uninsured in an amount that is no less than the amount allocated to that program in fiscal year 1996-1997. <b>Conference: Concurs with the House.</b></p>	<p><b>Sec. 1109.</b> (1) No changes from current law, except:</p> <p><del>"Subject to subsection (3), f</del> From the amounts..."</p>	<p><b>Sec. 1109.</b> (1) No changes from current law.</p>	<p><b>Sec. 1109.</b> (1) No changes from current law, except:</p> <p><del>"Subject to subsection (3), f</del> From the amounts..."</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) Not later than December 1 of the current fiscal year, the department shall make available upon request a report to the senate or house of representatives appropriations subcommittee on community health or the senate or house of representatives standing committee on health policy the number of individual patients treated, number of procedures performed, and approximate total market value of those procedures through September 30, 2003. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law, except: “... September 30, <del>2003</del> 2004.”</p>	<p>(2) No changes from current law, except: “... September 30, <del>2003</del> 2004.”</p>	<p>(2) No changes from current law, except: “... September 30, <del>2003</del> 2004.”</p>
<p>(3) As a condition to receiving the allocation of the funds described in subsection (1), the Michigan dental association shall provide a report to the senate and house subcommittees on community health and the senate and house fiscal agencies documenting the Michigan dental association's efforts to increase its membership's participation as Medicaid providers. This report shall be provided no later than December 1, 2003. <b>Conference: Concurs with the House.</b></p>	<p>(3) Delete current law.</p>	<p>(3) No changes from current law, except: “As a condition to receiving the allocation of the funds described in subsection (1), <b>AND CONTINGENT ON FULL RESTORATION OF COVERAGE FOR MEDICAID ADULT DENTAL SERVICES, ...</b>”  and “... December 1, <del>2003</del> 2004.”</p>	<p>(3) Delete current law.</p>
<p><b>Agencies currently receiving pregnancy prevention and family planning funds shall have the option of receiving those funds directly from the Department and be designated as delegate agencies.</b></p> <p><b>Sec. 1110.</b> Agencies that currently receive pregnancy prevention funds and either receive or are eligible for other family planning funds shall have the option of receiving all of their family planning funds directly from the department of community health and be designated as delegate agencies. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1110.</b> No changes from current law.</p>	<p><b>Sec. 1110.</b> No changes from current law.</p>	<p><b>Sec. 1110.</b> No changes from current law.</p>
<p><b>Directs the Department to allocate no less than 87% of Family Planning Local Agreements and Pregnancy Prevention Program line item funds for the direct provision of services.</b></p> <p><b>Sec. 1111.</b> The department shall allocate no less than 87% of the funds appropriated in part 1 for family planning local agreements and the pregnancy prevention program for the direct provision of family planning/pregnancy prevention services. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1111.</b> No changes from current law.</p>	<p><b>Sec. 1111.</b> No changes from current law.</p>	<p><b>Sec. 1111.</b> No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Public Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Allocates at least \$1,000,000 to communities with high infant mortality rates.</i></p> <p><b>Sec. 1112.</b> From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall allocate at least \$1,000,000.00 to communities with high infant mortality rates. <b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 1112.</b> No changes from current law.	<b>Sec. 1112.</b> No changes from current law.	<b>Sec. 1112.</b> No changes from current law.
<p><i>Requires the Department to allocate \$450,000 from federal Maternal and Child Health Services Block Grant funds for the statewide fetal infant mortality review network if additional block grant funds are available, and directs that the network be funded with a like amount in FY 2004-05 if federal funds become available.</i></p> <p><b>Sec. 1124.</b> (1) From the funds appropriated in part 1 from the federal maternal and child health block grant, \$450,000.00 shall be allocated if additional block grant funds are available for the statewide fetal infant mortality review network. <b>Conference: Concurs with the Senate.</b></p>	Delete current law.	<b>Sec. 1124.</b> (1) No changes from current law.	Delete current law.
<p>(2) It is the intent of the legislature that this project shall be funded with a like amount in fiscal year 2004-2005 should federal funds become available. <b>Conference: Concurs with the Senate.</b></p>	Delete current law.	<b>Sec. 1124.</b> (2) No changes from current law, except: “... 2004-2005 2005-2006 ...”	Delete current law.
<p><i>Requires the Department to make every effort to maximize the receipt of federal Medicaid funds to support the activities of the migrant health care program, as funded by the migrant health services appropriation line item.</i></p> <p><b>Sec. 1128.</b> The department shall make every effort to maximize the receipt of federal Medicaid funds to support the activities of the migrant health care line item. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<b>Sec. 1128.</b> No changes from current law.	<b>Sec. 1128.</b> No changes from current law.

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Public Health Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to annually report to the Legislature on the number of children with elevated blood lead levels, by county, and indicating the blood lead level, and source of information.</i></p> <p><b>Sec. 1129.</b> The department shall provide a report annually to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the number of children with elevated blood lead levels from information available to the department. The report shall provide the information by county, shall include the level of blood lead reported, and shall indicate the sources of the information. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1129.</b> No changes from current law.</p>	<p><b>Sec. 1129.</b> No changes from current law.</p>	<p><b>Sec. 1129.</b> No changes from current law.</p>
<p><i>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.</i></p> <p><b>Sec. 1133.</b> The department shall 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. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1133.</b> No changes from current law.</p>	<p><b>Sec. 1133.</b> No changes from current law.</p>	<p><b>Sec. 1133.</b> No changes from current law.</p>
<p><i>Allows the department to provide \$100,000 to the yellow ribbon suicide prevention program for a pilot project, on the condition that unallocated funds are available in the Special Projects line item following allotment of funds to existing programs that are required to be funded under this act.</i></p> <p><b>Sec. 1134.</b> On the condition that there are unallocated funds remaining in the special projects line item, following the allotment of funds from this line item to existing programs that are required to be funded under this act, the department may provide \$100,000.00 to the yellow ribbon suicide prevention program for an adolescent suicide and assessment pilot project. <b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p>Delete current law.</p>	<p>Delete current law.</p>
<p><b>Conference: Concurs with the Senate and House.</b></p>		<p><b>Sec. 1135.</b> (1) and (2) No changes from current law, Sec. 1002, moved from the Chronic Disease and Injury Prevention and Health Promotion unit.</p>	<p><b>Sec. 1135.</b> (1) and (2) No changes from current law, Sec. 1002, moved from the Chronic Disease and Injury Prevention and Health Promotion unit.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>Conference: Concurs with the Senate, except: "... APPROPRIATED ALLOCATED ..."</p>		<p>SEC. 1136. CONTINGENT ON THE AVAILABILITY OF STATE FUNDS, FUNDS SHALL BE APPROPRIATED FOR CHILD ADVOCACY CENTERS.</p>	<p>Not included.</p>
<p><b><u>WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM</u></b></p> <p><i>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 the Department to request federal matching funds by April 1, 2004, based on local commitment of funds.</i></p> <p><b>Sec. 1151.</b> The department may work with local participating agencies to define local annual contributions for the farmer's market nutrition program, project FRESH, to enable the department to request federal matching funds by April 1, 2004 based on local commitment of funds.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1151.</b> No changes from current law, except: "... April 1, 2004 2005 ..."</p>	<p><b>Sec. 1151.</b> No changes from current law, except: "... April 1, 2004 2005 ..."</p>	<p><b>Sec. 1151.</b> No changes from current law, except: "... April 1, 2004 2005 ..."</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Public Health Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b><u>CHILDREN'S SPECIAL HEALTH CARE SERVICES</u></b></p> <p><i>Requires that payments for medical care and treatment be made consistent with the reimbursement policies of the Michigan medical services program.</i></p> <p><b>Sec. 1201.</b> Funds appropriated in part 1 for medical care and treatment of children with special health care needs shall be paid according to reimbursement policies determined by the Michigan medical services program. Exceptions to these policies may be taken with the prior approval of the state budget director. <b>Conference: Concurs with the Senate and House</b></p>	<p><b>Sec. 1201.</b> No changes from current law.</p>	<p><b>Sec. 1201.</b> No changes from current law.</p>	<p><b>Sec. 1201.</b> No changes from current law.</p>
<p><i>Allows the Children's Special Health Care Services program to provide (a) special formula for persons with certain metabolic and allergic disorders; (b) treatment to persons age 21 or older with cystic fibrosis; (c) genetic diagnostic and counseling services; and (d) services to persons age 21 or older with hemophilia.</i></p> <p><b>Sec. 1202.</b> The department may do 1 or more of the following:</p> <p>(a) Provide special formula for eligible clients with specified metabolic and allergic disorders.</p> <p>(b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 21 years of age or older.</p> <p>(c) Provide genetic diagnostic and counseling services for eligible families.</p> <p>(d) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 21 years of age or older. <b>Conference: Concurs with the Senate and House</b></p>	<p><b>Sec. 1202.</b> No changes from current law.</p>	<p><b>Sec. 1202.</b> No changes from current law.</p>	<p><b>Sec. 1202.</b> No changes from current law.</p>
<p><i>Requires that the Department refer clients of the program to the locally-based services program in their community.</i></p> <p><b>Sec. 1203.</b> All children who are determined medically eligible for the children's special health care services program shall be referred to the appropriate locally-based services program in their community. <b>Conference: Concurs with the Senate and House</b></p>	<p><b>Sec. 1203.</b> No changes from current law.</p>	<p><b>Sec. 1203.</b> No changes from current law.</p>	<p><b>Sec. 1203.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Drug Control Policy Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b><u>OFFICE OF DRUG CONTROL POLICY</u></b></p> <p><i>Directs that \$1.8 million of federal Byrne grant funds be provided to the Judicial Branch for local drug treatment courts as an interdepartmental grant, in addition to the \$1.8 million funding that the Department currently distributes to local drug treatment courts from the Byrne grant.</i></p> <p><b>Sec. 1250.</b> In addition to the \$1,800,000.00 in Byrne formula grant program funding the department provides to local drug treatment courts, the department shall provide \$1,800,000.00 in Byrne formula grant program funding to the judiciary by interdepartmental grant. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1250.</b> No changes from current law.</p>	<p><b>Sec. 1250.</b> No changes from current law.</p>	<p><b>Sec. 1250.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Crime Victim Services Commission Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b><u>CRIME VICTIM SERVICES COMMISSION</u></b></p> <p><i>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.</i></p> <p><b>Sec. 1302.</b> From the funds appropriated in part 1 for justice assistance grants, up to \$50,000.00 shall be allocated for expansion of forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault. The funds shall be used for program coordination, training, and counseling. Unexpended funds shall be carried forward. <b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 1302.</b> No changes from current law.</p>	<p><b>Sec. 1302.</b> No changes from current law.</p>
<p><i>Requires the Department to work with other named entities to ensure that certain recommended procedures are followed in the collection of evidence in cases of sexual assault.</i></p> <p><b>Sec. 1304.</b> The department shall work with the department of state police, the Michigan hospital association, the Michigan state medical society, and the Michigan nurses association to ensure that the recommendations included in the "Standard Recommended Procedures for the Emergency Treatment of Sexual Assault Victims" are followed in the collection of evidence. <b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 1304.</b> No changes from current law.</p>	<p><b>Sec. 1304.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Offices of Services to the Aging Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b><u>OFFICE OF SERVICES TO THE AGING</u></b></p> <p><i>Funding for community, nutrition, and home services is restricted to eligible individuals at least 60 years of age who fail to qualify for home care services under certain federal provisions.</i></p> <p><b>Sec. 1401.</b> The appropriation in part 1 to the office of services to the aging, for community and nutrition services and home services, shall be restricted to eligible individuals at least 60 years of age who fail to qualify for home care services under title XVIII, XIX, or XX. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1401.</b> No changes from current law.</p>	<p><b>Sec. 1401.</b> No changes from current law.</p>	<p><b>Sec. 1401.</b> No changes from current law.</p>
<p><i>Requires regions to report home-delivered meals waiting lists to the Office of Services to the Aging and establishes criteria for the waiting list.</i></p> <p><b>Sec. 1403.</b> The office of services to the aging shall require each region to report to the office of services to the aging home delivered meals waiting lists based upon standard criteria. Determining criteria shall include all of the following: (a) The recipient's degree of frailty. (b) The recipient's inability to prepare his or her own meals safely. (c) Whether the recipient has another care provider available. (d) Any other qualifications normally necessary for the recipient to receive home delivered meals. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1403.</b> No changes from current law.</p>	<p><b>Sec. 1403.</b> No changes from current law.</p>	<p><b>Sec. 1403.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Offices of Services to the Aging Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>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.</i></p> <p><b>Sec. 1404.</b> The area agencies and local providers may receive and expend fees for the provision of day care, care management, respite care, and certain eligible home and community-based services. The fees shall be based on a sliding scale, taking client income into consideration. The fees shall be used to expand services. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1404.</b> No changes from current law.</p>	<p><b>Sec. 1404.</b> No changes from current law.</p>	<p><b>Sec. 1404.</b> No changes from current law.</p>
<p><i>Requires that the \$5,000,000 Respite Care Program line item appropriation of tobacco settlement funds shall be used only for direct respite care or adult respite care center services, and shall be allocated according to a long-term care plan. Not more than 10% of the allocation shall be expended for administrative purposes.</i></p> <p><b>Sec. 1406.</b> The appropriation of \$5,000,000.00 of tobacco settlement funds to the office of services to the aging for the respite care program shall be allocated in accordance with a long-term care plan developed by the long-term care working group established in section 1657 of 1998 PA 336 upon implementation of the plan. The use of the funds shall be for direct respite care or adult respite care center services. Not more than 10% of the amount allocated under this section shall be expended for administration and administrative purposes. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1406.</b> No changes from current law.</p>	<p><b>Sec. 1406.</b> No changes from current law.</p>	<p><b>Sec. 1406.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Offices of Services to the Aging Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Establishes the Legislature's 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 the Legislature's intent to prohibit area agencies on aging from providing direct services unless a waiver has been received from the Department.</i></p> <p><b>Sec. 1413.</b> The legislature affirms the commitment to locally-based services. The legislature supports the role of local county board of commissioners in the approval of area agency on aging plans. The legislature supports choice and the right of local counties to change membership in the area agencies on aging if the change is to an area agency on aging that is contiguous to that county. The legislature supports the office of services to the aging working with others to provide training to commissions to better understand and advocate for aging issues. It is the intent of the legislature to prohibit area agencies on aging from providing direct services, including home and community-based waiver services, unless they receive a waiver from the department. The legislature's intent in this section is conditioned on compliance with federal and state laws, rules, and policies. <b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 1413.</b> No changes from current law.</p>	<p><b>Sec. 1413.</b> No changes from current law.</p>
<p><i>Establishes the Legislature's 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.</i></p> <p><b>Sec. 1416.</b> The legislature affirms the 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. <b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law.</p>	<p><b>Sec. 1416.</b> No changes from current law.</p>	<p><b>Sec. 1416.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b><u>MEDICAL SERVICES</u></b></p> <p><i>Requires remedial service costs to be used in determining medically-needy eligibility for those in adult foster care and homes for the aged.</i></p> <p><b>Sec. 1601.</b> The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1601.</b> No changes from current law.</p>	<p><b>Sec. 1601.</b> No changes from current law.</p>	<p><b>Sec. 1601.</b> No changes from current law.</p>
<p><i>Provides Medicaid eligibility to low income elderly and disabled persons up to 100% of the poverty level.</i></p> <p><b>Sec. 1602.</b> Medical services shall be provided to elderly and disabled persons with incomes less than or equal to 100% of the official poverty line, pursuant to the state's option to elect such coverage set out at section 1902(a)(10)(A)(ii) and (m) of title XIX, 42 U.S.C. 1396a. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1602.</b> No changes from current law.</p>	<p><b>Sec. 1602.</b> No changes from current law.</p>	<p><b>Sec. 1602.</b> No changes from current law.</p>
<p><i>Allows the Department to establish a statewide program for persons to purchase medical coverage at a rate determined by DCH.</i></p> <p><b>Sec. 1603.</b> (1) The department may establish a program for persons to purchase medical coverage at a rate determined by the department. (2) The department may receive and expend premiums for the buy-in of medical coverage in addition to the amounts appropriated in part 1. (3) The premiums described in this section shall be classified as private funds. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1603.</b> (1) No changes from current law. (2) No changes from current law. (3) No changes from current law.</p>	<p><b>Sec. 1603.</b> (1) No changes from current law. (2) No changes from current law. (3) No changes from current law.</p>	<p><b>Sec. 1603.</b> (1) No changes from current law. (2) No changes from current law. (3) No changes from current law.</p>
<p><i>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.</i></p> <p><b>Sec. 1605.</b> (1) The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1605.</b> (1) No changes from current law.</p>	<p><b>Sec. 1605.</b> (1) No changes from current law.</p>	<p><b>Sec. 1605.</b> (1) No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Medical Services Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) The department shall notify the senate and house of representatives appropriations subcommittees on community health and the state budget director of any proposed revisions to the protected income level for Medicaid coverage related to the public assistance standard 90 days prior to implementation.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	(2) No changes from current law.	(2) No changes from current law.	(2) No changes from current law.
<p><b>Limits the allowable deduction for guardian and conservator charges to \$60 per month when determining Medicaid eligibility and patient pay amounts.</b></p> <p><b>Sec. 1606.</b> For the purpose of guardian and conservator charges, the department of community health may deduct up to \$60.00 per month as an allowable expense against a recipient's income when determining medical services eligibility and patient pay amounts.</p>	<b>Sec. 1606.</b> No changes from current law.	<b>Sec. 1606.</b> No changes from current law.	<b>Sec. 1606.</b> No changes from current law.
<p><b>Stipulates that Medicaid applicants whose qualifying condition is pregnancy shall be presumed to be eligible unless the preponderance of the 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. Also specifies that obstetrical and prenatal care claims are to be paid at Medicaid fee-for-service rates if there is no contract between the provider and the managed care plan.</b></p> <p><b>Sec. 1607.</b> (1) An applicant for Medicaid, whose qualifying condition is pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance of evidence in her application indicates otherwise. The applicant who is qualified as described in this subsection shall be allowed to select or remain with the Medicaid participating obstetrician of her choice.</p>	<b>Sec. 1607.</b> (1) No changes from current law.	<b>Sec. 1607.</b> (1) No changes from current	<b>Sec. 1607.</b> (1) No changes from current

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
(2) An applicant qualified as described in subsection (1) shall be given a letter of authorization to receive Medicaid covered services related to her pregnancy. All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participation obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant's residence.	(2) No changes from current law.	(2) No changes from current law except to replace "participation" with "participating".	(2) No changes from current law except to replace "participation" with "participating".
(3) In the event that an applicant, presumed to be eligible pursuant to subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to an applicant under this section is entitled to reimbursement for those services until such time as they are notified by the department that the applicant was found to be ineligible for Medicaid.	(3) No changes from current law.	(3) No changes from current law.	(3) No changes from current law.
(4) If the preponderance of evidence in an application indicates that the applicant is not eligible for Medicaid, the department shall refer that applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.	(4) No changes from current law.	(4) No changes from current law.	(4) No changes from current law.
(5) The department shall develop an enrollment process for pregnant women covered under this section that facilitates the selection of a managed care plan at the time of application. <b>Conference: Concurs with the Senate and House.</b>	(5) No changes from current law.	(5) No changes from current law.	(5) No changes from current law.
<i>Provides for a pamphlet on patient rights and responsibilities to be updated and distributed to providers.</i>			
<b>Sec. 1608.</b> The department shall update by October 1, 2003 and distribute by November 1, 2003 to health care providers the pamphlet identifying patient rights and responsibilities described in section 20201 of the public health code, 1978 PA 368, MCL 333.20201. <b>Conference: Concurs with the Senate and House.</b>	Delete current law.	Delete current law.	Delete current law.
<b>Conference: Not included.</b>			<b>New</b> <b>Sec. 1609.</b> Effective October 1, 2004, the department shall eliminate Medicaid eligibility for parents, caretaker relatives, and persons under age 21, but older than age 18 who are not required to be covered under federal Medicaid requirements.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to provide a cost report grievance process for medical providers and payment within nine months following submission of cost reports.</i></p> <p><b>Sec. 1610.</b> The department of community health shall provide an administrative procedure for the review of cost report grievances by medical services providers with regard to reimbursement under the medical services program. Settlements of properly submitted cost reports shall be paid not later than 9 months from receipt of the final report. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1610.</b> No changes from current law.</p>	<p><b>Sec. 1610.</b> No changes from current law.</p>	<p><b>Sec. 1610.</b> No changes from current law.</p>
<p><i>Requires Medicaid payment rate to be accepted as payment in full, including payments from other third-party sources. The Hospital Services payments for persons who are dually eligible for Medicare and Medicaid are to include capital payments in determining the Medicaid reimbursement amount.</i></p> <p><b>Sec. 1611. (1)</b> For care provided to medical services recipients with other third-party sources of payment, medical services reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for medical services-only patients. The medical services payment rate shall be accepted as payment in full. Other than an approved medical services copayment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. Nothing in this section shall be considered to affect the level of payment from a third-party source other than the medical services program. The department shall require a nonenrolled provider to accept medical services payments as payment in full.</p>	<p><b>Sec. 1611. (1)</b> No changes from current law.</p>	<p><b>Sec. 1611. (1)</b> No changes from current law.</p>	<p><b>Sec. 1611. (1)</b> No changes from current law.</p>
<p>(2) Notwithstanding subsection (1), medical services reimbursement for hospital services provided to dual Medicare/medical services recipients with Medicare Part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for medical services-only patients, including capital payments. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Medical Services Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires enrolled Medicaid providers to submit their billings electronically by April 1, 2004, and directs the Department to have a program for Medicaid providers to submit their bills for services over the internet, unless prohibited by law or regulation.</i></p> <p><b>Sec. 1615.</b> Unless prohibited by federal or state law or regulation, the department shall require enrolled Medicaid providers to submit their billings for services electronically by April 1, 2004 and have a program that provides a mechanism for Medicaid providers to submit their billings for services over the Internet. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1615.</b> Amends current law by striking out: “...by April 1, 2004 and have a program that provides a mechanism for Medicaid providers to submit their billings for services over the Internet.”</p>	<p><b>Sec. 1615.</b> Amends current law by striking out: “...by April 1, 2004 and have a program that provides a mechanism for Medicaid providers to submit their billings for services over the Internet.”</p>	<p><b>Sec. 1615.</b> Amends current law by striking out: “...by April 1, 2004 and have a program that provides a mechanism for Medicaid providers to submit their billings for services over the Internet.”</p>
<p><i>Maintains the pharmacy dispensing fee at \$3.77 or the pharmacy's usual and customary charge, whichever is less. Sets the dispensing fee for managed care recipients at the usual charge allowed by the patient's HMO if it is less than \$3.77 and the pharmacy's usual and customary charge. Requires prescription copayments for Medicaid recipients except as prohibited by federal or state law or regulation.</i></p> <p><b>Sec. 1620.</b> (1) For fee-for-service recipients, the pharmaceutical dispensing fee shall be \$3.77 or the pharmacy's usual or customary cash charge, whichever is less. <b>Conference: Concurs with the Senate and also specifies dispensing fee of \$2.75 for nursing home pharmacies.</b></p>	<p><b>Sec. 1620.</b> (1) No changes from current law, except: “ ... <del>\$3.77</del> \$2.50 ...”</p>	<p><b>Sec. 1620.</b> (1) No changes from current law, except: “ ... <del>\$3.77</del> \$2.50 ...”</p>	<p><b>Sec. 1620.</b> (1) No changes from current law.</p>
<p>(2) If carved-out of the capitation rate for managed care recipients, the pharmaceutical dispensing fee shall be \$3.77 or the pharmacy's usual or customary cash charge or the usual charge allowed by the recipient's Medicaid HMO, whichever is less. <b>Conference: Concurs with the Senate.</b></p>	<p>Delete current law.</p>	<p>Delete current law.</p>	<p>(2) No changes from current law.</p>
<p>(3) The department shall require a prescription copayment for Medicaid recipients except as prohibited by federal or state law or regulation. <b>Conference: Concurs with the House and also makes a technical change.</b></p>	<p>Delete current law.</p>	<p>Delete current law.</p>	<p>(3) <b>Except as prohibited by federal or state law or regulation, the department shall require a prescription copayment for Medicaid recipients of \$1.00 for a generic drug and \$3.00 for a brand-name drug when a generic equivalent is available.</b></p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Not included.			(4) The department may limit the number of brand-name drugs that may be reimbursed for each Medicaid recipient to 4 prescriptions per month, without prior authorization. No monthly limit shall be placed on the number of generic drug prescriptions that may be reimbursed through Medicaid.
Conference: Concurs with the House.	(2) For fee-for-service recipients payment for generic drugs shall be the lower of the average wholesale price minus 30 percent or the maximum allowable cost. Payments for sole-source drugs shall be the average wholesale price minus 15.5 percent for independent pharmacies and the average wholesale price minus 17.1 percent for chain pharmacies.	(2) For fee-for-service recipients payment for generic drugs shall be the lower of the average wholesale price minus 30 percent or the maximum allowable cost. Payments for sole-source drugs shall be the average wholesale price minus 15.5 percent for independent pharmacies and the average wholesale price minus 17.1 percent for chain pharmacies.	Not included
Conference: Concurs with the Senate.	(3) For fee-for-service recipients an optional mail order pharmacy program shall be implemented.	(3) For fee-for-service recipients an optional mail order pharmacy program shall be implemented.	Not included

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Concurs with the Senate.	(4) If a pharmaceutical quality assurance assessment program is established by September 30, 2004 that allows the state to retain \$18.9 million of the assessment, the dispensing fee and payments for generic and sole-source drugs shall remain at fiscal year 2004 levels; and the mail order pharmacy program shall not be implemented.	(4) If a pharmaceutical quality assurance assessment program is established by September 30, 2004 that allows the state to retain \$18.9 million of the assessment, the dispensing fee and payments for generic and sole-source drugs shall remain at fiscal year 2004 levels; and the mail order pharmacy program shall not be implemented.	Not included
<i>Authorizes drug utilization review and disease management systems with physician oversight and consultation with various medical provider groups. Prohibits therapeutic substitution.</i>  Sec. 1621. (1) The department may implement prospective drug utilization review and disease management systems. The prospective drug utilization review and disease management systems authorized by this subsection shall have physician oversight, shall focus on patient, physician, and pharmacist education, and shall be developed in consultation with the national pharmaceutical council, Michigan state medical society, Michigan association of osteopathic physicians, Michigan pharmacists' association, Michigan health and hospital association, and Michigan nurses' association.	Delete current law.	Sec. 1621. (1) No changes from current law.	Sec. 1621. (1) No changes from current law.
(2) This section does not authorize or allow therapeutic substitution. Conference: Concurs with the Senate and House.	Delete current law.	(2) No changes from current law.	(2) No changes from current law.
<i>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.</i>  Sec. 1621a. (1) The department, in conjunction with pharmaceutical manufacturers or their agents, may establish pilot projects to test the efficacy of disease management and health management programs.	Delete current law.	Sec. 1621a. (1) No changes from current law.	Sec. 1621a. (1) No changes from current law.
(2) The department may negotiate a plan that uses the savings resulting from the services rendered from these programs, in lieu of requiring a supplemental rebate for the inclusion of those participating parties' products on the department's preferred drug list. Conference: Concurs with the Senate and House.	Delete current law.	(2) No changes from current law.	(2) No changes from current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Specify conditions for the continued implementation of the Department's pharmaceutical initiative related to the prior authorization process, the pharmacy and therapeutics committee, and reporting requirements.</i></p> <p><b>Sec. 1622.</b> The department shall implement a pharmaceutical best practice initiative. All of the following apply to that initiative:</p> <p>a) A physician that calls the department's agent for prior authorization of drugs that are not on the department's preferred drug list shall be informed of the option to speak to the agent's physician on duty concerning the prior authorization request if the agent's pharmacist denies the prior authorization request. If immediate contact with the agent's physician on duty is requested, but cannot be arranged, the physician placing the call shall be immediately informed of the right to request a 72-hour supply of the nonauthorized drug.</p> <p>(b) The department's prior authorization and appeal process shall be available on the department's website. The department shall also continue to implement a program that allows providers to file prior authorization and appeal requests electronically. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1622.</b> No changes from current law for (a) and (b).</p>	<p><b>Sec. 1622.</b> No changes from current law for (a) and (b).</p>	<p><b>Sec. 1622.</b> No changes from current law for (a) and (b).</p>
<p>(c) The department shall provide authorization for prescribed drugs that are not on its preferred drug list if the prescribing physician verifies that the drugs are necessary for the continued stabilization of the patient's medical condition following documented previous failures on earlier prescription regimens. Documentation of previous failures may be provided by telephone, facsimile, or electronic transmission.</p> <p>(d) Meetings of the department's pharmacy and therapeutics committee shall be open to the public with advance notice of the meeting date, time, place, and agenda posted on the department's website 14 days in advance of each meeting date. By January 31 of each year, the department shall publish the committee's regular meeting schedule for the year on the department's website. The pharmacy and therapeutics committee meetings shall be subject to the requirements of the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. The committee shall provide an opportunity for interested parties to comment at each meeting following written notice to the committee's chairperson of the intent to provide comment. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p>	<p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p>	<p>(c) No changes from current law.</p> <p>(d) No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(e) The pharmacy and therapeutics committee shall make recommendations for the inclusion of medications on the preferred drug list based on sound clinical evidence found in labeling, drug compendia, and peer-reviewed literature pertaining to use of the drug in the relevant population. The committee shall develop a method to receive notification and clinical information about new drugs. The department shall post this process and the necessary forms on the department's website.</p> <p>(f) The department shall assure compliance with the published Medicaid bulletin implementing the Michigan pharmaceutical best practices initiative program. The department shall also include this information on its website. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(e) No changes from current law.</p> <p>(f) Delete current law.</p>	<p>(e) No changes from current law.</p> <p>(f) No changes from current law.</p>	<p>(e) No changes from current law.</p> <p>(f) No changes from current law.</p>
<p>(g) The department shall by March 15, 2004 provide to the members of the house and senate appropriations subcommittees on community health a report on the impact of the pharmaceutical best practice initiative on the Medicaid community. The report shall include, but not be limited to, the number of appeals used in the prior authorization process and any reports of patients who are hospitalized because of authorization denial. <b>Conference: Concurs with the House.</b></p> <p>(h) By May 15, 2004, the department shall provide a report to the members of the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies identifying the prescribed drugs that are grandfathered in as preferred drugs and available without prior authorization and the population groups to which they apply. The report shall assess strategies to improve the drug prior authorization process. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(g) Delete current law.</p> <p>(h) Delete current law.</p>	<p>(g) No changes from current law except to revise date to 2005.</p> <p>(h) No changes from current law except to revise date to 2005.</p>	<p>(g) Delete current law.</p> <p>(g) No changes from current law except to revise date to 2005.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Expresses legislative intent regarding the make up of the pharmacy and therapeutics committee to include 5 licensed retail pharmacists and 6 licensed physicians all of whom are to be in active clinical practice, residing in the state, and have a representative portion of Medicaid fee-for-service clients in their practice. Also expresses intent that the committee membership shall come from recommendations by the Michigan medical society, the Michigan osteopathic association, the Michigan pharmacist association, and the Michigan retailers association.</i></p> <p><b>Sec. 1622a.</b> (1) It is the intent of the legislature that the pharmacy and therapeutics committee shall consist of the following 11 members:</p> <p>(a) Five members of the committee shall be Michigan licensed retail pharmacists who are in active clinical practice residing in the state. All member pharmacists shall have a representative portion of fee-for-service Medicaid clients in their practice.</p> <p>(b) Six members of the committee shall be Michigan licensed physicians who are in active clinical practice residing in the state. All member physicians shall have a representative portion of fee-for-service Medicaid clients in their practice.</p>	Delete current law.	<b>Sec. 1622a.</b> (1) No changes from current law.	<b>Sec. 1622a.</b> (1) No changes from current law.
<p>(2) It is also the intent of the legislature that the membership on the committee shall be developed by appointing:</p> <p>(a) Physicians, recommended by the Michigan medical society and the Michigan osteopathic association, and may include at least 1 physician with expertise in mental health.</p> <p>(b) Retail pharmacists, recommended by the Michigan pharmacists association and the Michigan retailers association, and may include at least 1 pharmacist with expertise with mental health drugs.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	(2) No changes from current law.	(2) No changes from current law.
<p><i>Continues the 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.</i></p> <p><b>Sec. 1623.</b> (1) The department shall continue the Medicaid policy that allows for the dispensing of a 100-day supply for maintenance drugs.</p>	<b>Sec. 1623.</b> (1) No changes from current law.	<b>Sec. 1623.</b> (1) No changes from current law.	<b>Sec. 1623.</b> (1) No changes from current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
(2) The department shall notify all HMOs, physicians, pharmacies, and other medical providers that are enrolled in the Medicaid program that Medicaid policy allows for the dispensing of a 100-day supply for maintenance drugs.	(2) No changes from current law.	(2) No changes from current law.	(2) No changes from current law.
(3) The notice in subsection (2) shall also clarify that a pharmacy shall fill a prescription written for maintenance drugs in the quantity specified by the physician, but not more than the maximum allowed under Medicaid, unless subsequent consultation with the prescribing physician indicates otherwise. <b>Conference: Concurs with the Senate and House.</b>	(3) No changes from current law.	(3) No changes from current law.	(3) No changes from current law.
<b>Authorizes continuation of pharmaceutical rebates and supplemental rebate contracts until a multistate drug purchasing compact is fully established.</b>  <b>Sec. 1624.</b> The department may continue all rebate and supplemental rebate contracts with a pharmaceutical manufacturer until a multistate drug purchasing compact is fully established. <b>Conference: Concurs with the House.</b>	Delete current law.	<b>Sec. 1624.</b> No changes from current law.	Delete current law.
<b>Directs the department to continue the practice of placing all atypical antipsychotic medications on the Medicaid preferred drug list.</b>  <b>Sec. 1625.</b> The department shall continue its practice of placing all atypical antipsychotic medications on the Medicaid preferred drug list. <b>Conference: Concurs with the Senate and House.</b>	<b>Sec. 1625.</b> No changes from current law.	<b>Sec. 1625.</b> No changes from current law.	<b>Sec. 1625.</b> No changes from current law.
<b>Requires DCH to provide a benefit-cost analysis that documents greater savings from the multistate drug purchasing compact than the current PDL supplemental rebate program before implementing the compact.</b>  <b>Sec. 1626.</b> Prior to implementing a multistate drug purchasing compact, the department shall provide the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies with a benefit-cost analysis to document that the savings from the compact exceed the savings from the current preferred drug list (PDL) supplemental rebate drug programs. <b>Conference: Concurs with the Senate and House.</b>	Delete current law.	<b>Sec. 1626.</b> No changes from current law.	<b>Sec. 1626.</b> No changes from current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Authorizes the Department to secure manufacturer drug rebates for participants in the MICHild, MOMS, State Medical, Children's Special Health Care Services, and EPIC programs that are equivalent to Medicaid rebates, and allows for preauthorization of drugs if rebates are not provided.</i></p> <p><b>Sec. 1627.</b> (1) The department shall use procedures and rebates amounts specified under section 1927 of title XIX, 42 U.S.C. 1396r-8, to secure quarterly rebates from pharmaceutical manufacturers for outpatient drugs dispensed to participants in the MICHild program, maternal outpatient medical services program, state medical program, children's special health care services, and EPIC.</p>	<p><b>Sec. 1627.</b> (1) No changes from current law.</p>	<p><b>Sec. 1627.</b> (1) No changes from current law.</p>	<p><b>Sec. 1627.</b> (1) No changes from current law.</p>
<p>(2) For products distributed by pharmaceutical manufacturers not providing quarterly rebates as listed in subsection (1), the department may require preauthorization. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p><i>(THIS FY 2003-04 SECTION WAS VETOED BY THE GOVERNOR) Exempts Children's Special Health Care Services recipients from needing prior authorization for prescribed drugs through the Pharmaceutical Best Practice initiative.</i></p> <p><b>Sec. 1628.</b> Recipients of children's special health care services shall be exempt from the prior authorization requirements for prescription drugs related to their qualifying condition in the department of community health's pharmaceutical best practices initiative. <b>Conference: Concurs with the House.</b></p>	<p>Not included.</p>	<p><b>Sec. 1628.</b> Restores vetoed language.</p>	<p>Not included.</p>
<p><i>Requires the Department to base its MAC prices for generic drugs on the pricing available from at least 2 wholesalers who deliver in Michigan.</i></p> <p><b>Sec. 1629.</b> The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in the state of Michigan. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1629.</b> No changes from current law.</p>	<p><b>Sec. 1629.</b> No changes from current law.</p>	<p><b>Sec. 1629.</b> No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Medical Services Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>(THIS FY 2003-04 SECTION WAS VETOED BY THE GOVERNOR)</i> Continues hearing aid, podiatric, and chiropractic services at not less than the level provided on October 1, 1996. Prohibits restrictions on chiropractic services unless the recipient exceeds 18 visits within a year.</p> <p><b>Sec. 1630.</b> Medicaid hearing aid services, podiatric services, and chiropractic services shall continue at not less than the level in effect on October 1, 2002, except that reasonable utilization limitations may be adopted in order to prevent excess utilization. The department shall not impose utilization restrictions on chiropractic services unless a recipient has exceeded 18 office visits within 1 year. <b>Conference:</b> Restores vetoed language related to podiatric and chiropractic services with a technical change, but does not include adult dental services. Also restores coverage for hearing aid services, but authorizes the Department to implement bulk order purchasing of hearing aids, impose limits on binaural hearing aid benefits, and limit replacement of hearing aids to once every 3 years.</p>	Not included.	<p><b>Sec. 1630.</b> Restores vetoed language and inserts "adult dental services" after "hearing aid services".</p>	<p><b>Sec. 1630.</b> (1) Restores vetoed language and inserts "adult dental services" after "hearing aid services".</p> <p>(2) Notwithstanding subsection (1), the department shall provide a report on options to contain the Medicaid costs associated with providing hearing aid coverage including the bulk purchase of hearing aids, limitations on binaural hearing aid benefits, and other alternatives, by January 1, 2005.</p>
<p><i>Requires copayments on dental, podiatric, chiropractic, vision and hearing aid services unless prohibited by law or regulation.</i></p> <p><b>Sec. 1631.</b> The department shall require copayments on dental, podiatric, chiropractic, vision, and hearing aid services provided to Medicaid recipients, except as prohibited by federal or state law or regulation. <b>Conference:</b> Concurs with the Senate and House.</p>	Delete current law.	<p><b>Sec. 1631.</b> No changes from current law.</p>	<p><b>Sec. 1631.</b> No changes from current law</p>
<p><i>Requires the Department to expand the Healthy Kids Dental program statewide if the funds become available specifically for this purpose.</i></p> <p><b>Sec. 1633.</b> From the funds appropriated in part 1 for auxiliary medical services, the department shall expand the healthy kids dental program statewide if funds become available specifically for expansion of the program. <b>Conference:</b> Concurs with the Senate and House.</p>	Delete current law.	<p><b>Sec. 1633.</b> No changes from current law.</p>	<p><b>Sec. 1633.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><b>Requires continuation of the FY 2000-01 5% increase in ambulance service payment rates.</b></p> <p><b>Sec. 1634.</b> From the funds appropriated in part 1 for ambulance services, the department shall continue the 5% increase in payment rates for ambulance services implemented in fiscal year 2000-2001. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<b>Sec. 1634.</b> No changes from current law.	<b>Sec. 1634.</b> No changes from current law.
<p><b>Requires institutional providers to submit their cost reports within five months of the end of the fiscal year.</b></p> <p><b>Sec. 1641.</b> An institutional provider that is required to submit a cost report under the medical services program shall submit cost reports completed in full within 5 months after the end of its fiscal year. <b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 1641.</b> No changes from current law.	<b>Sec. 1641.</b> No changes from current law.	<b>Sec. 1641.</b> No changes from current law.
<p><b>Allocates \$7,270,200 from Graduate Medical Education funds for a psychiatric residency training program if the universities involved provide the necessary Medicaid matching funds.</b></p> <p><b>Sec. 1643.</b> Of the funds appropriated in part 1 for graduate medical education in the hospital services and therapy line item appropriation, \$7,270,200.00 shall be allocated for the psychiatric residency training program that establishes and maintains collaborative relations with the schools of medicine at Michigan State University and Wayne State University if the necessary Medicaid matching funds are provided by the universities as allowable state match. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1643.</b> No changes from current law, except:</p> <p>“... \$7,270,200.00 \$10,359,600.00 ... “</p>	<p><b>Sec. 1643.</b> No changes from current law, except:</p> <p>“... \$7,270,200.00 \$10,359,600.00 ... “</p>	<p><b>Sec. 1643.</b> No changes from current law, except:</p> <p>“... \$7,270,200.00 \$10,359,600.00 ... “</p>
<p><b>Requires graduate medical education payments to hospitals at no less than the level of rates and payments in effect on April 1, 2003.</b></p> <p><b>Sec. 1647.</b> From the funds appropriated in part 1 for hospital services, the department shall allocate for graduate medical education not less than the level of rates and payments in effect on April 1, 2003. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<b>Sec. 1647.</b> No changes from current law.	<b>Sec. 1647.</b> No changes from current law except for replacing “hospital” with “medical” and date change to “2004”.
<p><b>Requires the Department to maintain an automated toll-free phone line for medical providers to verify Medicaid eligibility.</b></p> <p><b>Sec. 1648.</b> The department shall maintain an automated toll-free phone line to enable medical providers to verify the eligibility status of Medicaid recipients. There shall be no charge to providers for the use of the toll-free phone line. <b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 1648.</b> No changes from current law.	<b>Sec. 1648.</b> No changes from current law.	<b>Sec. 1648.</b> No changes from current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>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 new federal legislation.</i></p> <p><b>Sec. 1649.</b> From the funds appropriated in part 1 for medical services, the department shall continue breast and cervical cancer treatment coverage for women up to 250% of the federal poverty level, who are under age 65, and who are not otherwise covered by insurance. This coverage shall be provided to women who have been screened through the centers for disease control breast and cervical cancer early detection program, and are found to have breast or cervical cancer, pursuant to the breast and cervical cancer prevention and treatment act of 2000, Public Law 106-354, 114 Stat. 1381. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1649.</b> No changes from current law.</p>	<p><b>Sec. 1649.</b> No changes from current law.</p>	<p><b>Sec. 1649.</b> No changes from current law.</p>
<p><i>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 the criteria for medical exceptions to mandatory managed care enrollment.</i></p> <p><b>Sec. 1650.</b> (1) The department may require medical services recipients residing in counties offering managed care options to choose the particular managed care plan in which they wish to be enrolled. Persons not expressing a preference may be assigned to a managed care provider.</p>	<p><b>Sec. 1650.</b> (1) No changes from current law.</p>	<p><b>Sec. 1650.</b> (1) No changes from current law.</p>	<p><b>Sec. 1650.</b> (1) No changes from current law.</p>
<p>(2) Persons to be assigned a managed care provider shall be informed in writing of the criteria for exceptions to capitated managed care enrollment, their right to change HMOs for any reason within the initial 90 days of enrollment, the toll-free telephone number for problems and complaints, and information regarding grievance and appeals rights.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p>(3) The criteria for medical exceptions to HMO enrollment shall be based on submitted documentation that indicates a recipient has a serious medical condition, and is undergoing active treatment for that condition with a physician who does not participate in 1 of the HMOs. If the person meets the criteria established by this subsection, the department shall grant an exception to mandatory enrollment at least through the current prescribed course of treatment, subject to periodic review of continued eligibility. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Allows access to hospice services for Medicaid patients enrolled in health maintenance organizations.</i></p> <p><b>Sec. 1651. (1)</b> Medical services patients who are enrolled in HMOs have the choice to elect hospice services or other services for the terminally ill that are offered by the HMOs. If the patient elects hospice services, those services shall be provided in accordance with part 214 of the public health code, 1978 PA 368, MCL 333.21401 to 333.21420.</p>	<p><b>Sec. 1651. (1)</b> No changes from current law.</p>	<p><b>Sec. 1651. (1)</b> No changes from current law.</p>	<p><b>Sec. 1651. (1)</b> No changes from current law.</p>
<p>(2) The department shall not amend the medical services hospice manual in a manner that would allow hospice services to be provided without making available all comprehensive hospice services described in 42 C.F.R. part 418.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Establishes conditions for implementation of Medicaid managed care plans related to continuity of care, submission of 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 the Children's Special Health Care Plan, and requires a budget neutral case rate adjustment for persons with AIDS and other high cost conditions.</i></p> <p><b>Sec. 1653.</b> Implementation and contracting for managed care by the department through HMOs shall be subject to the following conditions:</p> <p>(a) Continuity of care is assured by allowing enrollees to continue receiving required medically necessary services from their current providers for a period not to exceed 1 year if enrollees meet the managed care medical exception criteria.</p> <p>(b) The department shall require contracted HMOs to submit data determined necessary for evaluation on a timely basis.</p> <p>(c) A health plans advisory council is functioning that meets all applicable federal and state requirements for a medical care advisory committee. The council shall review at least quarterly the implementation of the department's managed care plans.</p> <p>(d) Mandatory enrollment of Medicaid beneficiaries living in counties defined as rural by the federal government, which is any nonurban standard metropolitan statistical area, is allowed if there is only 1 HMO serving the Medicaid population, as long as each Medicaid beneficiary is assured of having a choice of at least 2 physicians by the HMO.</p> <p>(e) Enrollment of recipients of children's special health care services in HMOs shall be voluntary during fiscal year 2003-2004.</p> <p>(f) The department shall develop a case adjustment to its rate methodology that considers the costs of persons with HIV/AIDS, end stage renal disease, organ transplants, epilepsy, and other high-cost diseases or conditions and shall implement the case adjustment when it is proven to be actuarially and fiscally sound. Implementation of the case adjustment must be budget neutral.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1653.</b> No changes from current law (a) through (f), except in (e):</p> <p>"...<del>2003-2004</del> 2004-2005."</p>	<p><b>Sec. 1653.</b> No changes from current law (a) through (f), except in (e):</p> <p>"...<del>2003-2004</del> 2004-2005"</p>	<p><b>Sec. 1653.</b> No changes from current law (a) through (f), except in (e):</p> <p>"...<del>2003-2004</del> 2004-2005"</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires Medicaid HMOs to pay for services by non-HMO providers if medically necessary, approved by the HMO, immediately required, and can't be obtained through HMO providers on a timely basis. Services are considered approved if the authorization request is not responded to within 24 hours.</i></p> <p><b>Sec. 1654.</b> Medicaid HMOs shall provide for reimbursement of HMO covered services delivered other than through the HMO's providers if medically necessary and approved by the HMO, immediately required, and that could not be reasonably obtained through the HMO's providers on a timely basis. Such services shall be considered approved if the HMO does not respond to a request for authorization within 24 hours of the request. Reimbursement shall not exceed the Medicaid fee-for-service payment for those services. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1654.</b> No changes from current law.</p>	<p><b>Sec. 1654.</b> No changes from current law.</p>	<p><b>Sec. 1654.</b> No changes from current law.</p>
<p><i>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.</i></p> <p><b>Sec. 1655.</b> (1) The department may require a 12-month lock-in to the HMO selected by the recipient during the initial and subsequent open enrollment periods, but allow for good cause exceptions during the lock-in period.</p>	<p><b>Sec. 1655.</b> (1) No changes from current law.</p>	<p><b>Sec. 1655.</b> (1) No changes from current law.</p>	<p><b>Sec. 1655.</b> (1) No changes from current law.</p>
<p>(2) Medicaid recipients shall be allowed to change HMOs for any reason within the initial 90 days of enrollment. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p><i>Requires an expedited grievance procedure for Medicaid recipients enrolled in qualified health plans, and a toll free phone number to assist with resolving problems and complaints. Annual reports on the complaints received and their resolution are required.</i></p> <p><b>Sec. 1656.</b> (1) The department shall provide an expedited complaint review procedure for Medicaid eligible persons enrolled in HMOs for situations in which failure to receive any health care service would result in significant harm to the enrollee.</p>	<p><b>Sec. 1656.</b> (1) No changes from current law.</p>	<p><b>Sec. 1656.</b> (1) No changes from current law.</p>	<p><b>Sec. 1656.</b> (1) No changes from current law.</p>
<p>(2) The department shall provide for a toll-free telephone number for Medicaid recipients enrolled in managed care to assist with resolving problems and complaints. If warranted, the department shall immediately disenroll persons from managed care and approve fee-for-service coverage.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>

## DEPARTMENT OF COMMUNITY HEALTH – Boilerplate for Medical Services Component

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(3) Annual reports summarizing the problems and complaints reported and their resolution shall be provided to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, the state budget office, and the department's health plans advisory council. <b>Conference: Concurs with the Senate and House.</b></p>	(3) No changes from current law.	(3) No changes from current law.	(3) No changes from current law.
<p><i>Requires reimbursement for emergency room services to screen and stabilize the patient without prior authorization by an HMO, and notice to the HMO regarding the 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.</i></p> <p><b>Sec. 1657.</b> (1) Reimbursement for medical services to screen and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room shall not be made contingent on obtaining prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.</p>	<b>Sec. 1657.</b> (1) No changes from current law.	<b>Sec. 1657.</b> (1) No changes from current law.	<b>Sec. 1657.</b> (1) No changes from current law.
(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital must receive authorization from the recipient's HMO prior to admitting the recipient.	(2) No changes from current law.	(2) No changes from current law.	(2) No changes from current law.
(3) Subsections (1) and (2) shall not be construed as a requirement to alter an existing agreement between an HMO and their contracting hospitals nor as a requirement that an HMO must reimburse for services that are not considered to be medically necessary.	(3) No changes from current law.	(3) No changes from current law.	(3) No changes from current law.
(4) Prior to contracting with an HMO for managed care services that did not have a contract with the department before October 1, 2002, the department shall receive assurances from the office of financial and insurance services that the HMO meets the net worth and financial solvency requirements contained in chapter 35 of the insurance code of 1956, 1956 PA 218, MCL 500.3501 to 500.3580. <b>Conference: Concurs with the Senate and House.</b>	(4) No changes from current law.	(4) No changes from current law.	(4) No changes from current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Expresses legislative intent that HMOs shall have contracts with local hospitals, and requires reimbursement to non-contracted hospitals at Medicaid fee-for-service rates. Also requires hospitals that do not contract with HMOs in their service area to enter into a hospital access agreement as specified in a MSA policy bulletin.</i></p> <p><b>Sec. 1658.</b> (1) It is the intent of the legislature that HMOs shall have contracts with hospitals within a reasonable distance from their enrollees. If a hospital does not contract with the HMO, in its service area, that hospital shall enter into a hospital access agreement as specified in the MSA bulletin Hospital 01-19.</p>	Delete current law.	<b>Sec. 1658.</b> (1) No changes from current law.	<b>Sec. 1658.</b> (1) No changes from current law.
<p>(2) A hospital access agreement specified in subsection (1) shall be considered an affiliated provider contract pursuant to the requirements contained in chapter 35 of the insurance code of 1956, 1956 PA 218, MCL 500.3501 to 500.3580.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	(2) No changes from current law.	(2) No changes from current law.
<p><i>Specifies the Medical Services boilerplate sections that apply to Medicaid managed care programs.</i></p> <p><b>Sec. 1659.</b> The following sections are the only ones that shall apply to the following Medicaid managed care programs, including the comprehensive plan, children's special health care services plan, MIChoice long-term care plan, and the mental health, substance abuse, and developmentally disabled services program: 402, 404, 414, 418, 424, 428, 442, 1650, 1651, 1653, 1654, 1655, 1656, 1657, 1658, 1660, 1661, 1662, and 1699.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 1659.</b> No changes from current law, except inserts 401, 411, and 1700, and deletes 442.	<b>Sec. 1659.</b> No changes from current law.	<b>Sec. 1659.</b> No changes from current law.
<p><i>Requires timely access to EPSDT services for children enrolled in Medicaid managed care programs. Specifies primary care provider's responsibility for assuring child's vision and hearing screening. Requires local health departments to provide preschool vision and hearing screenings and accept referrals. Also requires that HMOs provide EPSDT utilization data, well child visits, and maternal and infant support services, and that DCH provide for budget neutral incentives to improve performance related to the care of children and pregnant women.</i></p> <p><b>Sec. 1660.</b> (1) The department shall assure that all Medicaid children have timely access to EPSDT services as required by federal law. Medicaid HMOs shall provide EPSDT services to their child members in accordance with Medicaid EPSDT policy.</p>	<b>Sec. 1660.</b> (1) No changes from current law.	<b>Sec. 1660.</b> (1) No changes from current law.	<b>Sec. 1660.</b> (1) No changes from current law.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
(2) The primary responsibility of assuring a child's hearing and vision screening is with the child's primary care provider. The primary care provider shall provide age appropriate screening or arrange for these tests through referrals to local health departments. Local health departments shall provide preschool hearing and vision screening services and accept referrals for these tests from physicians or from Head Start programs in order to assure all preschool children have appropriate access to hearing and vision screening. Local health departments shall be reimbursed for the cost of providing these tests for Medicaid eligible children by the Medicaid program.	(2) No changes from current law.	(2) No changes from current law.	(2) No changes from current law.
(3) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and health employer data and information set well child health measures in accordance with the National Committee on Quality Assurance prescribed methodology.	(3) No changes from current law.	(3) No changes from current law.	(3) No changes from current law.
(4) The department shall require HMOs to be responsible for well child visits and maternal and infant support services as described in Medicaid policy. These responsibilities shall be specified in the information distributed by the HMOs to their members.	(4) No changes from current law.	(4) No changes from current law.	(4) No changes from current law.
(5) The department shall provide, on an annual basis, budget neutral incentives to Medicaid HMOs and local health departments to improve performance on measures related to the care of children and pregnant women. <b>Conference: Concurs with the Senate and House.</b>	(5) No changes from current law.	(5) No changes from current law.	(5) No changes from current law.
<b><i>Requires timely access to Maternal/Infant Support services (MSS/ISS) and coordination with other state or local programs. Also prohibits prior authorization for EPSDT and MSS/ISS screening referrals and up to three MSS/ISS service visits.</i></b>  <b>Sec. 1661.</b> (1) The department shall assure that all Medicaid eligible children and pregnant women have timely access to MSS/ISS services. Medicaid HMOs shall assure that maternal support service screening is available to their pregnant members and that those women found to meet the maternal support service high-risk criteria are offered maternal support services. Local health departments shall assure that maternal support service screening is available for Medicaid pregnant women not enrolled in an HMO and that those women found to meet the maternal support service high-risk criteria are offered maternal support services or are referred to a certified maternal support service provider.	<b>Sec. 1661.</b> (1) No changes from current law.	<b>Sec. 1661.</b> (1) No changes from current law.	<b>Sec. 1661.</b> (1) No changes from current law.
(2) The department shall prohibit HMOs from requiring prior authorization of their contracted providers for any EPSDT screening and diagnosis service, for any MSS/ISS screening referral, or for up to 3 MSS/ISS service visits.	(2) No changes from current law.	(2) No changes from current law.	(2) No changes from current law.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(3) The department shall assure the coordination of MSS/ISS services with the WIC program, state-supported substance abuse, smoking prevention, and violence prevention programs, the family independence agency, and any other state or local program with a focus on preventing adverse birth outcomes and child abuse and neglect. <b>Conference: Concurs with the Senate and House.</b></p>	(3) No changes from current law.	(3) No changes from current law.	(3) No changes from current law.
<p><i>Requires the external quality review contractor to conduct a review of all EPSDT components and directs the Department to submit copies of the analysis of HMO HEDIS reports and the annual external quality review report within 30 days. Also requires the Department to work with the Michigan Association of Health Plans and the Michigan Association for Local Public Health to improve EPSDT and MSS/ISS services, and provide training on EPSDT and MSS/ISS.</i></p> <p><b>Sec. 1662. (1)</b> The department shall require the external quality review contractor to conduct a review of all EPSDT components provided to children from a statistically valid sample of health plan medical records.</p>	<b>Sec. 1662. (1)</b> No changes from current law.	<b>Sec. 1662. (1)</b> No changes from current law.	<b>Sec. 1662. (1)</b> No changes from current law.
<p>(2) The department shall provide a copy of the analysis of the Medicaid HMO annual audited health employer data and information set reports and the annual external quality review report to the senate and house of representatives appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director, within 30 days of the department's receipt of the final reports from the contractors.</p>	(2) No changes from current law.	(2) No changes from current law.	(2) No changes from current law.
<p>(3) The department shall work with the Michigan association of health plans and the Michigan association for local public health to improve service delivery and coordination in the MSS/ISS and EPSDT programs.</p>	(3) No changes from current law.	(3) No changes from current law.	(3) No changes from current law.
<p>(4) The department shall provide training and technical assistance workshops on EPSDT and MSS/ISS for Medicaid health plans, local health departments, and MSS/ISS contractors. <b>Conference: Concurs with the Senate and House.</b></p>	(4) No changes from current law.	(4) No changes from current law.	(4) No changes from current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to provide incentive to providers to increase early entry of Medicaid recipients into prenatal care and provide a progress report by June 1, 2004.</i></p> <p><b>Sec. 1664.</b> The department shall develop and implement incentives for providers to increase early entry of Medicaid recipients into prenatal care. The department shall provide documentation to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on their progress in carrying out this section by June 1, 2004. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	Delete current law.	Delete current law.
<p><i>Requires the Department to develop a plan for improving access to EPSDT health screening services and provide a progress report by June 1, 2004.</i></p> <p><b>Sec. 1665.</b> The department shall develop and implement a plan to improve access to health screening services under the EPSDT program for all Medicaid-eligible persons under the age of 21. The department shall provide documentation to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on their progress in carrying out this section by June 1, 2004. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	Delete current law.	Delete current law.

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Specifies that the funds appropriated for the MICHild Program are to be used to provide health care to children under age 19 in families with income below 200 % of the 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. Requires the Department to contract with any qualified HMO, dental care corporation, health care corporation or other entity which offers to provide the MICHild health care benefit at the capitated rate.</i></p> <p><b>Sec. 1670. (1)</b> The appropriation in part 1 for the MICHild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 200% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MICHild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the medical services administration public concurrence process, consistent with the provisions of this act. Health care coverage for children in families below 150% of the federal poverty level shall be provided through expanded eligibility under the state's Medicaid program. Health coverage for children in families between 150% and 200% of the federal poverty level shall be provided through a state-based private health care program.</p>	<p><b>Sec. 1670. (1)</b> No changes from current law, except:  “... consistent with the provisions of this act <b>BILL.</b> ...”</p>	<p><b>Sec. 1670. (1)</b> No changes from current law.</p>	<p><b>Sec. 1670. (1)</b> No changes from current law.</p>
<p>(2) The department shall enter into a contract to obtain MICHild services from any HMO, dental care corporation, or any other entity that offers to provide the managed health care benefits for MICHild services at the MICHild capitated rate. As used in this subsection:</p> <p>(a) "Dental care corporation", "health care corporation", "insurer", and "prudent purchaser agreement" mean those terms as defined in section 2 of the prudent purchaser act, 1984 PA 233, MCL 550.52.</p> <p>(b) "Entity" means a health care corporation or insurer operating in accordance with a prudent purchaser agreement.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p>(3) The department may enter into contracts to obtain certain MICHild services from community mental health service programs.</p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(4) The department may make payments on behalf of children enrolled in the MICHild program from the line-item appropriation associated with the program as described in the MICHild state plan approved by the United States department of health and human services, or from other medical services line-item appropriations providing for specific health care services. <b>Conference: Concurs with the Senate and House.</b></p>	(4) No changes from current law.	(4) No changes from current law.	(4) No changes from current law.
<p><i>Requires the Department to continue a comprehensive approach to the marketing and outreach of the MICHild program, and to coordinate such efforts with the Department's existing outreach and marketing activities.</i></p> <p><b>Sec. 1671.</b> From the funds appropriated in part 1, the department shall continue a comprehensive approach to the marketing and outreach of the MICHild program. The marketing and outreach required under this section shall be coordinated with current outreach, information dissemination, and marketing efforts and activities conducted by the department. <b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 1671.</b> No changes from current law.	<b>Sec. 1671.</b> No changes from current law.	<b>Sec. 1671.</b> No changes from current law.
<p><i>Allows the Department to provide up to one year of continuous eligibility for the MICHild Program unless the family members no longer meet the eligibility criteria or fails to pay the monthly premium.</i></p> <p><b>Sec. 1672.</b> The department may provide up to 1 year of continuous eligibility to children eligible for the MICHild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the federally approved MICHild state plan. <b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 1672.</b> No changes from current law.	<b>Sec. 1672.</b> No changes from current law.	<b>Sec. 1672.</b> No changes from current law.
<p><i>Allows the Department to establish premiums for eligible persons above 150% of the poverty level not to exceed \$5 per month for a family.</i></p> <p><b>Sec. 1673.</b> The department may establish premiums for MICHild eligible persons in families with income above 150% of the federal poverty level. The monthly premiums shall not exceed \$5.00 for a family. <b>Conference: Concurs with the Senate and House.</b></p>	<b>Sec. 1673.</b> No changes from current law, except: “...\$5.00 \$15.00 ...”	<b>Sec. 1673.</b> No changes from current law, except: “...\$5.00 \$15.00 ...”	<b>Sec. 1673.</b> No changes from current law, except: “...\$5.00 \$15.00 ...”

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Prohibits copayments under the MICHild Program.</i></p> <p><b>Sec. 1674.</b> The department shall not require copayments under the MICHild program. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1674.</b> No changes from current law.</p>	<p><b>Sec. 1674.</b> No changes from current law.</p>	<p><b>Sec. 1674.</b> No changes from current law.</p>
<p><i>Assures continuity of care for persons whose category of MICHild eligibility changes due to family income.</i></p> <p><b>Sec. 1675.</b> Children whose category of eligibility changes between the Medicaid and MICHild programs shall be assured of keeping their current health care providers through the current prescribed course of treatment for up to 1 year, subject to periodic reviews by the department if the beneficiary has a serious medical condition and is undergoing active treatment for that condition. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1675.</b> No changes from current law.</p>	<p><b>Sec. 1675.</b> No changes from current law.</p>	<p><b>Sec. 1675.</b> No changes from current law.</p>
<p><i>Specifies the income level and verification requirements to be used in determining eligibility for the MICHild program.</i></p> <p><b>Sec. 1676.</b> To be eligible for the MICHild program, a child must be residing in a family with an adjusted gross income of less than or equal to 200% of the federal poverty level. The department's verification policy shall be used to determine eligibility. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1676.</b> No changes from current law.</p>	<p><b>Sec. 1676.</b> No changes from current law.</p>	<p><b>Sec. 1676.</b> No changes from current law.</p>
<p><i>Specifies the benefits to be covered by the MICHild program based on the state employee insurance plan.</i></p> <p><b>Sec. 1677.</b> The MICHild program shall provide all benefits available under the state employee insurance plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:</p> <p>(a) Inpatient mental health services, other than substance abuse treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.</p> <p>(b) Outpatient mental health services, other than substance abuse services, including services furnished in a state-operated mental hospital and community-based services.</p> <p>(c) Durable medical equipment and prosthetic and orthotic devices.</p>	<p>Delete current law.</p>	<p><b>Sec. 1677.</b> No changes from current law.</p>	<p><b>Sec. 1677.</b> No changes from current law.</p>

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(d) Dental services as outlined in the approved MIChild state plan.</p> <p>(e) Substance abuse treatment services that may include inpatient, outpatient, and residential substance abuse treatment services.</p> <p>(f) Care management services for mental health diagnoses.</p> <p>(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.</p> <p>(h) Emergency ambulance services. <b>Conference: Concurs with the Senate and House.</b></p>	<p>Delete current law (d) through (h).</p>	<p>No changes from current law (d) through (h)</p>	<p>No changes from current law (d) through (h)</p>
<p><b><i>Expresses legislative intent that previous nursing home wage pass through payments be continued, and requires a report on nursing home wage and benefit increases provided in FY 2002-03.</i></b></p> <p><b>Sec. 1680. (1)</b> It is the intent of the legislature that payment increases for enhanced wages and new or enhanced employee benefits provided through the Medicaid nursing home wage pass-through program in previous years be continued in fiscal year 2003-2004. <b>Conference: Concurs with the Senate and House.</b></p>	<p><del>Sec. 1680. (1) It is the intent of the legislature that p</del>Payment increases for enhanced wages and new or enhanced employee benefits provided through the Medicaid nursing home wage pass-through program in previous years <b>SHALL</b> be continued in fiscal year 2003-2004 <b>2004-2005.</b></p>	<p><b>Sec. 1680. (1)</b> No changes from current law except for updating the fiscal year to "2004-2005".</p>	<p><b>Sec. 1680. (1)</b> No changes from current law except for updating the fiscal year to "2004-2005".</p>

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>(2) The department shall provide a report to the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies regarding the amount of nursing home employee wage and benefit increases provided through the nursing home wage pass-through program in fiscal year 2002-2003. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	(2) The department shall provide a report to the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies regarding the amount of nursing home employee wage and benefit increases provided through the nursing home wage pass-through program in fiscal year 2002-2003 2003-2004 through the Medicaid nursing home wage pass-through program implemented in previous fiscal years.	(2) The department shall provide a report to the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies regarding the amount of nursing home employee wage and benefit increases provided through the nursing home wage pass-through program in fiscal year 2002-2003 2003-2004 through the Medicaid nursing home wage pass-through program implemented in previous fiscal years.
<p><b>Conference: Concurs with the Senate and House.</b></p>		(3) The department shall not implement any increase or decrease in the Medicaid nursing home wage pass-through program in fiscal year 2004-2005.	(3) The department shall not implement any increase or decrease in the Medicaid nursing home wage pass-through program in fiscal year 2004-2005.
<p><i>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.</i></p> <p><b>Sec. 1681.</b> From the funds appropriated in part 1 for home and community-based services, the department and local waiver agents shall encourage the use of family members, friends, and neighbors of home and community-based services participants, where appropriate, to provide homemaker services, meal preparation, transportation, chore services, and other nonmedical covered services to participants in the Medicaid home and community-based services program. This section shall not be construed as allowing for the payment of family members, friends, or neighbors for these services unless explicitly provided for in federal or state law. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1681.</b> No changes from current law.</p>	<p><b>Sec. 1681.</b> No changes from current law.</p>	<p><b>Sec. 1681.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Authorizes the Department to implement federal nursing home enforcement provisions and to receive/ expend penalty money for noncompliance.</i></p> <p><b>Sec. 1682.</b> (1) The department shall implement enforcement actions as specified in the nursing facility enforcement provisions of section 1919 of title XIX, 42 U.S.C. 1396r.</p>	<p><b>Sec. 1682.</b> (1) No changes from current law.</p>	<p><b>Sec. 1682.</b> (1) No changes from current law.</p>	<p><b>Sec. 1682.</b> (1) No changes from current law.</p>
<p>(2) The department is authorized to receive and spend penalty money received as the result of noncompliance with medical services certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p>(3) Any unexpended penalty money, at the end of the year, shall carry forward to the following year. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>	<p>(3) No changes from current law.</p>
<p><i>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.</i></p> <p><b>Sec. 1683.</b> The department shall promote activities that preserve the dignity and rights of terminally ill and chronically ill individuals. Priority shall be given to programs, such as hospice, that focus on individual dignity and quality of care provided persons with terminal illness and programs serving persons with chronic illnesses that reduce the rate of suicide through the advancement of the knowledge and use of improved, appropriate pain management for these persons; and initiatives that train health care practitioners and faculty in managing pain, providing palliative care, and suicide prevention. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1683.</b> No changes from current law.</p>	<p><b>Sec. 1683.</b> No changes from current law.</p>	<p><b>Sec. 1683.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>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.</i></p> <p><b>Sec. 1685.</b> All nursing home rates, class I and class III, must have their respective fiscal year rate set 30 days prior to the beginning of their rate year. Rates may take into account the most recent cost report prepared and certified by the preparer, provider corporate owner or representative as being true and accurate, and filed timely, within 5 months of the fiscal year end in accordance with Medicaid policy. If the audited version of the last report is available, it shall be used. Any rate factors based on the filed cost report may be retroactively adjusted upon completion of the audit of that cost report. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1685.</b> No changes from current law.</p>	<p><b>Sec. 1685.</b> No changes from current law.</p>	<p><b>Sec. 1685.</b> No changes from current law.</p>
<p><i>Requires an assessment and inventory of all facilities providing residential care to patients afflicted with Alzheimer's disease or dementia and authorizes pilot projects with facilities that have developed specialized residential care for such patients.</i></p> <p><b>Sec. 1687.</b> (1) The department shall undertake an assessment and inventory of all facilities capable of providing the appropriate level of residential care to persons afflicted with Alzheimer's disease or dementia.</p>	<p>Delete current law.</p>	<p><b>Sec. 1687.</b> (1) From the funds appropriated in part 1 for long-term care services, the department shall contract with a stand alone psychiatric facility that provides at least 20% of its total care to Medicaid recipients to provide access to Medicaid recipients who require specialized Alzheimer's disease or dementia care.</p>	<p><b>Sec. 1687.</b> (1) From the funds appropriated in part 1 for long-term care services, the department shall contract with a stand alone psychiatric facility that provides at least 20% of its total care to Medicaid recipients to provide access to Medicaid recipients who require specialized Alzheimer's disease or dementia care.</p>
<p>(2) As part of this assessment, the department may establish pilot projects with freestanding psychiatric or other qualifying facilities that have developed specific units to provide specialized residential care for patients with Alzheimer's disease or dementia, or both. The purpose of these pilots shall be to ascertain whether such treatment modalities are cost effective at negotiated rates and can increase access to this level of care needed by affected patients and their families. <b>Conference: Concurs with the Senate and House.</b> <b>Enacted: Entire section vetoed by the Governor.</b></p>	<p>Delete current law.</p>	<p>(2) The department shall report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the effectiveness of the contract required under subsection (1) to improve the quality of services to Medicaid recipients.</p>	<p>(2) The department shall report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the effectiveness of the contract required under subsection (1) to improve the quality of services to Medicaid recipients.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Prohibits a limit on personal care services reimbursement under the Medicaid Home and Community-Based Services program, but allows the Department to maintain the aggregate per day client reimbursement cap for all services provided under the waiver program.</i></p> <p><b>Sec. 1688.</b> The department shall not impose a limit on per unit reimbursements to service providers that provide personal care or other services under the Medicaid home and community-based waiver program for the elderly and disabled. The department's per day per client reimbursement cap calculated in the aggregate for all services provided under the Medicaid home and community-based waiver is not a violation of this section. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1688.</b> No changes from current law.</p>	<p><b>Sec. 1688.</b> No changes from current law</p>	<p><b>Sec. 1688.</b> No changes from current law</p>
<p><i>Gives priority in HCBS enrollment to nursing homes 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. Provides for a quarterly report on HCBS allocations and expenditures by regions and net cost savings. Requires competitive bid for administration of the new screening and assessment process for long-term care services.</i></p> <p><b>Sec. 1689.</b> (1) Priority in enrolling additional persons in the Medicaid home and community-based services program shall be given to those who are currently residing in nursing homes or who are eligible to be admitted to a nursing home if they are not provided home and community-based services. The department shall implement screening and assessment procedures to assure that no additional Medicaid eligible persons are admitted to nursing homes who would be more appropriately served by the Medicaid home and community-based services program. If there is a net decrease in the number of Medicaid nursing home days of care during the most recent quarter in comparison with the previous quarter and a net cost savings attributable to moving individuals from a nursing home to the home and community-based services waiver program, the department shall transfer the net cost savings to the home and community-based services waiver program. If a transfer is required, it shall be done on a quarterly basis.</p>	<p>Delete current law.</p>	<p>Delete current law.</p>	<p><b>Sec. 1689.</b> (1) No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
Boilerplate for Medical Services Component**

FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
(2) Within 30 days of the end of each fiscal quarter, the department shall provide a report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies that details existing and future allocations for the home and community-based waiver program by regions as well as the associated expenditures. The report shall include information regarding the net cost savings from moving individuals from a nursing home to the home and community-based services waiver program and the amount of funds transferred.	Delete current law.	Delete current law.	(2) No changes from current law.
(3) The department shall utilize a competitive bid process to award funds for the implementation of the new screening process to be applied to home and community-based services and nursing facility services provided by Medicaid. <b>Conference: Concurs with the House.</b>	Delete current law.	Delete current law.	(3) No changes from current law.
<i>Contingent on the availability of funds, and federal approval, requires the Department to encourage and assist in establishing a capitated, managed care benefit for the frail elderly known as PACE in at least parts of 3 west Michigan counties. The program shall include a comprehensive medical and social service delivery system, a multidisciplinary team approach in an adult day health center supplemented by in-home and referral services.</i>  <b>Sec. 1690.</b> (1) Contingent on the availability of funds and the approval of the centers for Medicaid and Medicare services, the department shall encourage and assist in the establishment of a program of all inclusive care for the elderly (PACE), in at least parts of 3 west Michigan counties, being Kent, Barry, and Ionia.	Delete current law.	Delete current law.	<b>Sec. 1690.</b> (1) No changes from current law.
(2) This program shall provide a capitated, managed care benefit for the frail elderly, provided by a not-for-profit agency, that will feature a comprehensive medical and social service delivery system. In addition, the program shall use a multidisciplinary team approach in an adult day health center supplemented by in-home and referral service in accordance with participants' needs. The PACE program may be funded by a combination of Medicaid, Medicare, or other fund sources. <b>Conference: Concurs with the House.</b>	Delete current law.	Delete current law.	(2) No changes from current law.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Provides authorization for Medicaid reimbursement of school-based services.</i></p> <p><b>Sec. 1692.</b> (1) The department of community health is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.</p>	<p><b>Sec. 1692.</b> (1) No changes from current law.</p>	<p><b>Sec. 1692.</b> (1) No changes from current law</p>	<p><b>Sec. 1692.</b> (1) No changes from current law</p>
<p>(2) From the funds appropriated in part 1 for medical services school services payments, the department is authorized to do all of the following:</p> <p>(a) Finance activities within the medical services administration related to this project.</p> <p>(b) Reimburse participating school districts pursuant to the fund sharing ratios negotiated in the state-local agreements authorized in subsection (1).</p> <p>(c) Offset general fund costs associated with the medical services program.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p><i>Allows for an increase in Medicaid special adjustor payments if a Medicaid state plan amendment for such payments above the appropriated level is submitted.</i></p> <p><b>Sec. 1693.</b> The special adjustor payments appropriation in part 1 may be increased if the department submits a medical services state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1693.</b> No changes from current law.</p>	<p><b>Sec. 1693.</b> No changes from current law.</p>	<p><b>Sec. 1693.</b> No changes from current law.</p>

**DEPARTMENT OF COMMUNITY HEALTH –  
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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Authorizes distribution of funds to children's hospitals with a high indigent care volume for poison control services.</i></p> <p><b>Sec. 1694.</b> The department of community health shall distribute \$695,000.00 to children's hospitals that have a high indigent care volume. The amount to be distributed to any given hospital shall be based on a formula determined by the department of community health. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1694.</b> No changes from current law.</p>	<p><b>Sec. 1694.</b> No changes from current law.</p>	<p><b>Sec. 1694.</b> No changes from current law.</p>
<p><i>Allows the Department to utilize school district funds received from a health system as the state match for federal Medicaid or children's health insurance program funds to be used for new school-based or school-linked services.</i></p> <p><b>Sec. 1697.</b> (1) As may be allowed by federal law or regulation, the department may use funds provided by a local or intermediate school district, which have been obtained from a qualifying health system, as the state match required for receiving federal Medicaid or children health insurance program funds. Any such funds received shall be used only to support new school-based or school-linked health services.</p>	<p><b>Sec. 1697.</b> (1) No changes from current law.</p>	<p><b>Sec. 1697.</b> (1) No changes from current law.</p>	<p><b>Sec. 1697.</b> (1) No changes from current law.</p>
<p>(2) A qualifying health system is defined as any health care entity licensed to provide health care services in the state of Michigan, that has entered into a contractual relationship with a local or intermediate school district to provide or manage school-based or school-linked health services. <b>Conference: Concurs with the Senate and House.</b></p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>	<p>(2) No changes from current law.</p>
<p><i>Authorizes separate payments for hospitals serving a disproportionate share of indigent patients and those hospitals providing graduate medical education.</i></p> <p><b>Sec. 1699.</b> The department may make separate payments directly to qualifying hospitals serving a disproportionate share of indigent patients, and to hospitals providing graduate medical education training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid clients, hospitals will not include GME costs or DSH payments in their contracts with HMOs. <b>Conference: Concurs with the Senate and House.</b></p>	<p><b>Sec. 1699.</b> No changes from current law.</p>	<p><b>Sec. 1699.</b> (1) No changes from current law.</p>	<p><b>Sec. 1699.</b> (1) No changes from current law.</p>

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Concurs with the Senate.		(2) The department shall make GME payments directly to qualifying hospitals. The department shall not make GME payments to qualifying hospitals through HMOs.	(2) The department shall assure that all of the graduate medical education funds appropriated in the health plan services line item are allocated to qualifying hospitals. Any unexpended graduate medical education funds shall be returned to the department and redistributed to hospitals through the graduate medical education funding methodology utilized in fiscal year 2003-2004.  (3) The department shall require HMOs to provide a quarterly report on the amount of graduate medical education funds distributed to each hospital and the amount of funds that were not expended.
Conference: Concurs with the House.	Sec. 1700. The department shall request a waiver of 42 C.F.R. part 438.6(c)(1)(i) to obtain approval to implement actuarially sound capitation rates for managed care organizations over two years. If the waiver is denied by the center for Medicare and Medicaid services, Medicaid providers shall receive a reduction in rates to finance the increase necessary to pay actuarially sound rates to Medicaid HMOs.	Sec. 1700. (1) the department shall limit all new contracts with managed care organizations to provide Medicaid physical health services to 1 year.  (2) any requests for waivers of federal regulations sought by the department to implement new contracts with Medicaid physical health managed care organizations shall be limited to 1 year.	Sec. 1700. (1) The department shall request a waiver of 42 C.F.R. part 438.6(c)(1)(i) to obtain approval to implement actuarially sound capitation rates for managed care organizations over two years. If the waiver is denied by the center for Medicare and Medicaid services, Medicaid providers shall receive a reduction in rates to finance the increase necessary to pay actuarially sound rates to Medicaid HMOs.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Concurs with the Senate and House.		(3) the department shall study alternative approaches to Medicaid physical health services to clients currently served by Medicaid managed care organizations. This study shall examine the estimated cost of each alternative, the potential changes in relationships of providers to the Medicaid program, and the potential effects of each alternative on the Medicaid clientele.	(2) the department shall study alternative approaches to Medicaid physical health services to clients currently served by Medicaid managed care organizations. This study shall examine the estimated cost of each alternative, the potential changes in relationships of providers to the Medicaid program, and the potential effects of each alternative on the Medicaid clientele.
Conference: Concurs with the Senate and House.		Results of this study shall be provided to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by January 1, 2005. This study shall consider at least the following alternative approaches: (a) a continuation of the current managed care program. (b) a return to coverage on a fee-for-service basis. (c) implementation of a primary care case management approach. (d) contracting with a single managed care organization that Would provide statewide coverage for Medicaid clients.	Results of this study shall be provided to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by January 1, 2005. This study shall consider at least the following alternative approaches: (a) a continuation of the current managed care program. (b) a return to coverage on a fee-for-service basis. (c) implementation of a primary care case management approach. (d) contracting with a single managed care organization that would provide statewide coverage for Medicaid clients.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires the Department to report proposed changes in the MIChoice home and community based services waiver program screening process to the House and Senate Appropriations Subcommittees on Community prior to implementation.</i></p> <p><b>Sec. 1710.</b> Any proposed changes by the department to the MIChoice home and community-based services waiver program screening process shall be provided to the members of the house and senate appropriations subcommittees on community health prior to implementation of the proposed changes. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	<b>Sec. 1710.</b> No changes from current law.	<b>Sec. 1710.</b> No changes from current law.
<p><i>Requires the continuation of a 2-tier Medicaid case rate for emergency physician charges. The section was not included in the Executive Recommendation or Senate passed bill.</i></p> <p><b>Sec. 1711.</b> (1) The department shall maintain the 2-tier reimbursement methodology for Medicaid emergency physicians professional services that was in effect on September 30, 2002, subject to the following conditions:</p> <p>(a) Payments by case and in the aggregate shall not exceed 80% of Medicare payment rates.</p> <p>(b) Total expenditures for these services shall not exceed the level of total payments made during fiscal year 2001-2002, after adjusting for Medicare copayments and deductibles and for changes in utilization. <b>Conference: Limits payments to 70% of Medicare payment rates.</b></p>	Delete current law.	<b>Sec. 1711.</b> (1) No changes from current law except to replace "80%" with "60%".	<b>Sec. 1711.</b> (1) No changes from current law .
<p>(2) To ensure that total expenditures stay within the spending constraints of subsection (1)(b), the department shall develop a utilization adjustor for the basic 2-tier payment methodology. The adjustor shall be based on a good faith estimate by the department as to what the expected utilization of emergency room services will be during fiscal year 2003-2004, given changes in the number and category of Medicaid recipients. If expenditure and utilization data indicate that the amount and/or type of emergency physician professional services are exceeding the department's estimate, the utilization adjustor shall be applied to the 2-tier reimbursement methodology in such a manner as to reduce aggregate expenditures to the fiscal year 2001-2002 adjusted expenditure target. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	(2) No changes from current law.	(2) No changes from current law.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
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<p>(3) If federal law, regulation, or judicial ruling finds that this 2-tier reimbursement methodology is not health insurance portability and accountability act (HIPAA) compliant prior to the end of fiscal year 2003-2004, the department shall immediately provide the chairpersons of the senate and house appropriations subcommittees on community health and their respective fiscal agencies with the proposed modifications necessary to bring this methodology into compliance. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	(3) No changes from current law.	(3) No changes from current law.
<p>(4) The proposal specified in subsection (3) should be as consistent as possible with the intent of the methodology specified in this section and must be provided to the subcommittee chairpersons and respective fiscal agencies no less than 30 days before the effective date of the proposal. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	(4) No changes from current law.	(4) No changes from current law.
<p><b>Subject to the 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.</b></p> <p><b>Sec. 1712.</b> (1) Subject to the availability of funds, the department shall implement a rural health initiative. Available funds shall first be allocated as an outpatient adjustor payment to be paid directly to hospitals in rural counties in proportion to each hospital's Medicaid and indigent patient population. Additional funds, if available, shall be allocated for defibrillator grants, EMT training and support, or other similar programs.</p>	Delete current law.	<b>Sec. 1712.</b> (1) No changes from current law.	<b>Sec. 1712.</b> (1) No changes from current law.
<p>(2) Except as otherwise specified in this section, "rural" means a city, village, or township with a population of not more than 15,000, including those entities if located within a metropolitan statistical area. <b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	(2) No changes from current law except to insert "county," before "city" and replace "15,000" with "30,000".	(2) No changes from current law except to insert "county," before "city" and replace "15,000" with "30,000".
<p><b>Requires the Department to do a study on the level of participation by licensed dentists in the Medicaid program by April 1, 2004 that includes recommendations to reduce or eliminate barriers to participation.</b></p> <p><b>Sec. 1713.</b> (1) The department, in conjunction with the Michigan dental association, shall undertake a study to determine the level of participation by Michigan licensed dentists in the state's Medicaid program. The study shall identify the distribution of dentists throughout the state, the volume of Medicaid recipients served by each participating dentist, and areas in the state underserved for dental services.</p>	Delete current law.	<b>Sec. 1713.</b> (1) No changes from current law.	<b>Sec. 1713.</b> (1) No changes from current law.

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	EXECUTIVE	SENATE	HOUSE
(2) The study described in subsection (1) shall also include an assessment of what factors may be related to the apparent low participation by dentists in the Medicaid program, and the study shall make recommendations as to how these barriers to participation may be reduced or eliminated.	Delete current law.	(2) No changes from current law.	(2) No changes from current law.
(3) This study shall be provided to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies no later than April 1, 2004. <b>Conference: Concurs with the Senate and House.</b>	Delete current law.	(3) No changes from current law except to update year to "2005".	(3) No changes from current law except to update year to "2005".
<b>Requires the pharmaceutical savings of \$18.9 million GF/GP in Part 1 to be achieved through implementation of the federal Medicare prescription drug program, or a withdrawal from the Medicaid Benefits Trust Fund.</b>  <b>Sec. 1715.</b> (1) It is the intent of the legislature that at least \$18,900,000.00 of general fund/general purpose savings generated by the implementation of a Medicare pharmacy prescription coverage program shall be used to fund the pharmaceutical services line item.	Delete current law.	Delete current law.	Delete current law.
(2) In the event that such a program is not implemented, or that the program does not produce a general fund/general purpose savings of at least the amount specified in subsection (1), the department shall request that a transfer of funds, in an amount sufficient to offset the loss of general fund/general purpose savings, be made from the Medicaid benefits trust fund to the pharmaceutical services line item. <b>Conference: Concurs with the Senate and House.</b>	Delete current law.	Delete current law.	Delete current law.
<b>(THIS FY 2003-04 SECTION WAS VETOED BY THE GOVERNOR)</b> <b>Requires the hospital case rate under the Medicaid Adult Benefits Waiver to be set at a rate that does not exceed \$108.6 million in gross savings.</b>  <b>Sec. 1716.</b> In implementing the hospital case rate under the Medicaid adult benefits waiver, the department shall set the hospital case rate at a level that ensures that the gross savings from the hospital case rate does not exceed \$108,592,200.00. <b>Conference: Concurs with the Senate and House.</b>	Not included.	<b>Sec. 1716.</b> Restores vetoed language.	<b>Sec. 1716.</b> Restores vetoed language.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p><i>Requires \$7.0 million in local funds to be received by the state prior to distributing the Detroit Medical Center payment.</i></p> <p><b>Sec. 1717.</b> From the funds appropriated in part 1 for hospital services and therapy, the \$50,000,000.00 hospital disproportionate share payment for the Detroit medical center shall only be distributed if local funds in the amount of \$7,000,000.00 are received by the state from the city of Detroit and Wayne County.</p> <p><b>Conference: Concurs with the Senate and House.</b></p>	Delete current law.	Delete current law.	Delete current law.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
<p>Conference: Concurs with the House, but also directs that the \$45.0 million pool be distributed based on methodology used in FY 2003-04..</p>		<p>Sec. 1717. (1) The department shall create 2 pools for distribution of disproportionate share hospital funding. The first pool, totaling \$40,000,000.00, shall be distributed by providing each eligible hospital 8/9 of the disproportionate share hospital payments that they received in fiscal year 2003-2004. The second pool, totaling \$5,000,000.00, shall be distributed to unaffiliated hospitals and hospital systems that received less than \$900,000.00 in disproportionate share hospital payments in fiscal year 2002-2003 based on a formula that is weighted proportional to the product of each eligible system's Medicaid revenue and each eligible system's Medicaid utilization.</p> <p>(2) By November 1, 2004, the department shall report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the new distribution of funding to each eligible hospital from the 2 pools.</p>	<p>Sec. 1717. (1) The department shall create 2 pools for distribution of disproportionate share hospital funding. The first pool, totaling <u>\$45,000,000.00</u>, shall be distributed by providing each eligible hospital <u>100%</u> of the disproportionate share hospital payments that they received in fiscal year 2003-2004. The second pool, totaling \$5,000,000.00, shall be distributed to unaffiliated hospitals and hospital systems that received less than \$900,000.00 in disproportionate share hospital payments in fiscal year <u>2003-2004</u> based on a formula that is weighted proportional to the product of each eligible system's Medicaid revenue and each eligible system's Medicaid utilization.</p> <p>(2) By November 1, 2004, the department shall report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the new distribution of funding to each eligible hospital from the 2 pools.</p>

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Concurs with the House.		Sec. 1718. Each Medicaid adult home help beneficiary or applicant is authorized to request a review by the department of any decision which the beneficiary or applicant believes would jeopardize his or her health or safety or current living situation, or which the beneficiary or applicant believes would prevent him or her from moving to a more integrated environment, or cause him or her to move to a more restrictive setting.	Sec. 1718. The department shall provide each Medicaid adult home help beneficiary or applicant with the right to a fair hearing when the department or its agent reduces, suspends, terminates or denies adult home help services. If the department takes an action to reduce, suspend, terminate or deny adult home help services, it shall provide to the beneficiary or applicant a written notice that states what action the State proposes to take, the reasons for the intended action, the specific regulations that support the action, and an explanation of the beneficiary's or applicant's right to an evidentiary hearing and the circumstances under which those services will be continued if a hearing is requested.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Concurs with the House.		Sec. 1719. The department shall provide a report to the senate and house appropriations subcommittees on community health and to the senate and house fiscal agencies by February 1, 2005 comparing Medicaid fee-for-service, Medicaid HMO, and commercial insurance payment rates to Michigan hospitals for providing labor and delivery services, in addition to providing information on costs incurred by hospitals for providing such services. The report shall include information on payment rates and costs by geographic region.	Not included
Conference: Directs the Department to enhance its Medicare recovery program.		Sec. 1720. The department shall explore implementing a Medicare recovery program.	Sec. 1720. The department shall explore implementing a Medicare recovery program by January 1, 2005.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Concurs with the House.			Sec. 1721. The department shall conduct a review of Medicaid eligibility pertaining to funds prepaid to a nursing home or other health care facility that are subsequently returned to an individual who becomes Medicaid eligible and shall report its findings to the members of the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies not later than May 15, 2005. Included in its report shall be recommendations for policy and procedure changes regarding whether any funds prepaid to a nursing home or other health care facility that are subsequently returned to an individual, after the date of Medicaid eligibility and patient pay amount determination shall be considered as a countable asset and recommendations fro a mechanism for departmental monitoring of those funds.
Conference: Concurs with the House.			Sec. 1722. The department is authorized to make a disproportionate share payment to a hospital above the appropriation in part 1 if the necessary Medicaid matching funds are provided by, or on behalf of, the hospital as allowable state match.

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Concurs with the House.			<p><b>Sec. 1723. Contingent on the availability of state and federal Medicaid funds, \$20,000,000.00 shall be allocated for the following purposes:</b></p> <p><b>(a) \$15,000,000.00 shall be distributed to hospitals in this state that are verified by the American college of surgeons as level I trauma centers, for a Michigan first alert response program. Of this amount, \$10,000,000.00 shall be distributed in proportion to each hospital's share of annual uncompensated care costs, and \$5,000,000.00 shall be distributed in proportion to each hospital's share of annual emergency room visits.</b></p> <p><b>(b) The remaining \$5,000,000.00 of the amount described in this section shall be distributed to hospitals in this state that are located beyond 50 miles from a level I trauma center and have over 14,000 emergency room visits annually. Of this amount, \$3,300,000.00 shall be distributed in proportion to each hospital's share of annual uncompensated care costs, and \$1,700,000.00 shall be distributed in proportion to each hospital's share of annual emergency room visits.</b></p>

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FY 2003-2004 CURRENT LAW	FY 2004-2005		
	EXECUTIVE	SENATE	HOUSE
Conference: Concurs with the House.			Sec. 1724. The department shall allow licensed pharmacies to purchase injectable drugs, for the treatment of respiratory syncytial virus for shipment to physicians' offices to be administered to specific patients. If the affected patients are Medicaid eligible, the department shall reimburse pharmacies for the dispensing of the injectable drugs and reimburse physicians for the administration of the injectable drugs.