

**Summary: Executive Budget Recommendation
for Fiscal Years 2013-14 and 2014-15
DEPARTMENT OF COMMUNITY HEALTH**



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	FY 2012-13 Year-to-Date as of 2/7/13	FY 2013-14 Executive	Difference: FY 2013-14 Vs. FY 2012-13		FY 2014-15 Executive	Difference: FY 2014-15 Vs. FY 2013-14	
			Amount	%		Amount	%
IDG/IDT	\$10,023,800	\$10,056,100	\$32,300	0.3	\$10,056,100	\$0	0.0
Federal	9,693,023,500	11,392,469,900	1,699,446,400	17.5	12,225,389,200	832,919,300	7.3
Local	257,148,600	227,545,600	(29,603,000)	(11.5)	227,545,600	0	0.0
Private	93,364,000	106,333,300	12,969,300	13.9	106,333,300	0	0.0
Restricted	2,158,060,000	2,172,313,600	14,253,600	0.7	2,173,463,200	1,149,600	0.1
GF/GP	2,817,437,800	2,725,532,500	(91,905,300)	(3.3)	2,735,460,600	9,928,100	0.4
Gross	\$15,029,057,700	\$16,634,251,000	\$1,605,193,300	10.7	\$17,478,248,000	\$843,997,000	5.1
FTEs	3,552.6	3,589.6	37.0	1.0	3,589.6	0.0	0.0

Notes: (1) FY 2012-13 year-to-date figures include mid-year budget adjustments through February 7, 2013. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time." (3) FY 2014-15 figures are projected budget amounts only and would not be legally binding appropriations. (4) Federal revenue is overstated by \$3,836,700, local revenue is understated by \$23,900, and state restricted revenue is understated by \$3,812,800 in the Executive Budget Bill.

Overview

The Department of Community Health budget provides funding for a wide range of behavioral health (mental health and substance abuse), public health, and medical services programs, including Medicaid. Established in 1996, the Department also includes the Office of Services to the Aging, the Crime Victim Services Commission, and health policy.

Major Budget Changes From FY 2012-13 YTD Appropriations	Executive Changes		
	FY 2012-13 YTD (as of 2/7/13)	FY 2012-13 to FY 2013-14	FY 2013-14 to FY 2014-15
1. Medicaid Expansion	Gross \$12,158,621,600	\$1,359,044,100	\$933,798,500
Reflects projected Medicaid expansion savings within the Department of Community Health budget of \$181.7 million GF/GP and additional federal Medicaid revenue of \$1.5 billion, both covering three quarters of the fiscal year. Across the Department of Community Health and the Department of Corrections, the GF/GP savings are estimated to be \$205.9 million mainly from shifting current state costs to federal revenue, with one half of these savings to be deposited in a Budget Stabilization Fund sub-fund entitled the Michigan Health Savings Fund to pay future state costs when the state share of expansion costs increases from 0% to 5% in 2017 and then 10% in 2020. The expansion of the income criteria for Medicaid eligibility up to 133% of the federal poverty level (FPL) is estimated to qualify an additional 320,000 Michigan residents in FY 2013-14. The assumed expansion start date is January 1, 2014.	Federal 8,242,226,900	1,530,051,900	994,134,400
	Restricted 1,954,513,900	10,712,700	0
	Local 45,815,600	0	0
	Private 2,100,000	0	0
	GF/GP \$1,913,965,200	(\$181,720,500)	(\$60,335,900)

Executive Changes

Major Budget Changes From FY 2012-13 YTD Appropriations	FY 2012-13 YTD (as of 2/7/13)	FY 2012-13 to FY 2013-14	FY 2013-14 to FY 2014-15
2. Medicaid Cost Increases	Gross \$12,158,621,600	\$33,472,500	\$197,283,100
Includes an increase for FY 2013-14 of \$219.6 million Gross (\$79.9 million GF/GP) to cover Medicaid caseload, utilization and inflation changes within Medical Services, Mental Health/Substance Abuse, Children's Special Health Care Services and the Federal Medicare Pharmaceutical programs. Also recognized is a FY 2012-13 Medicaid caseload, utilization and inflation adjustment reducing various Medicaid appropriation lines by \$186.1 million Gross (\$63.9 million GF/GP). The increase for FY 2014-15 Medicaid caseload, utilization and inflation is projected to be an increase of \$197.3 million Gross (\$67.7 million GF/GP).	Federal 8,242,226,900	17,430,300	129,636,800
	Restricted 1,954,513,900	0	0
	Local 45,815,600	0	0
	Private 2,100,000	0	0
	GF/GP \$1,913,965,200	\$16,042,200	\$67,646,300
3. Health Insurance Claims Assessment Statutory Change	Gross \$398,051,600	\$10,712,700	\$0
Proposes changes to PA 141 of 2011, the Health Insurance Claims Assessment Act, by replacing on January 1, 2014, the 1% current assessment with a levied rate that would generate revenue not greater than \$400.0 million in the immediate preceding year. The FY 2013-14 base health insurance claims assessment (HICA) authorization is increased by \$10.7 million due to increased assessment revenue from the Medicaid expansion. The most recent estimate is that HICA revenues are short \$129.2 million in FY 2012-13.	Restricted 398,051,600	10,712,700	0
	GF/GP \$0	\$0	\$0
4. Healthy Kids Dental Expansion	Gross \$99,000,000	\$11,643,000	\$0
Includes the continued phase-in of the statewide coverage for the Healthy Kids Dental program by increasing the budget \$11.6 million Gross (\$3.9 million GF/GP). The expansion would include the counties of Ingham, Ottawa and Washtenaw, enrolling an additional 70,500 children.	Federal 65,726,100	7,721,600	0
	GF/GP \$33,273,900	\$3,921,400	\$0
5. Economic Adjustments	Gross N/A	\$16,308,500	\$8,597,000
Includes a net increase of \$16.3 million Gross (\$7.3 million GF/GP) to finance negotiated salary and wage increase of 1.0%, insurance rate increases, actuarially-required retirement rate increase, and economic adjustments for worker's compensation, building occupancy, rent, and food costs for FY 2013-14. Includes active and retiree insurance and pension adjustment of \$8.6 million Gross (\$5.3 million GF/GP) for FY 2014-15.	IDG N/A	52,000	0
	Federal N/A	4,026,000	2,579,100
	Restricted N/A	755,300	765,600
	Local N/A	4,206,100	0
	Private N/A	3,300	0
	GF/GP N/A	\$7,265,800	\$5,252,300
6. Community Health Automated Medicaid Processing System (CHAMPS) One-Time Only Appropriation	Gross \$60,201,100	(\$11,700,000)	(\$18,300,000)
Includes partial continuation of the FY 2012-13 one-time only appropriation of \$30.0 million Gross (\$3.0 million GF/GP) for CHAMPS in order to finalize implementation of the medical codes for diagnosis and inpatient procedures (ICD-10) as required by federal law in FY 2013-14. The one-time only appropriation is not continued in FY 2014-15.	Federal 49,621,000	(11,000,000)	(16,000,000)
	GF/GP \$10,580,100	(\$700,000)	(\$2,300,000)
7. Jail Diversion Initiative	FTE N/A	1.0	0.0
Redirects base funding from Caro Regional Mental Health Center - Psychiatric Hospital and Walter P. Reuther Psychiatric Hospital that is partially financed by \$1.6 million GF/GP from the CMHSP, Purchase of State Services Contracts line item to finance a jail diversion initiative that would do the following: create an Advisory Council to advise the Department of Community Health on the state's jail diversion plan; and enhance current jail diversion efforts for individuals with mental illness, emotional disturbance, or developmental disability within five communities.	Gross N/A	\$1,630,000	\$0
	GF/GP N/A	\$1,630,000	\$0

Major Budget Changes From FY 2012-13 YTD Appropriations		FY 2012-13 YTD (as of 2/7/13)	Executive Changes	
			FY 2012-13 to FY 2013-14	FY 2013-14 to FY 2014-15
8. Mental Health and Substance Abuse Services for Veterans	Gross	N/A	\$60,000	\$0
Adds \$60,000 GF/GP to the Behavioral Health Program Administration line item to support the development of a strategic action plan for the needs of veterans and their families. The funding will also be used for training and credentialing of clinicians in mental health and substance abuse programs.	GF/GP	N/A	\$60,000	\$0
9. Behavioral Health Homes	Gross	N/A	\$900,000	\$0
Provides funding of \$900,000 Gross (\$90,000 GF/GP) for the implementation of three behavioral health homes demonstration projects ensuring better coordination of physical and behavioral health care for Medicaid beneficiaries with chronic conditions such as asthma, heart disease, obesity, mental condition, or substance abuse disorder. The demonstration projects will be located in the Washtenaw region (Washtenaw, Livingston, Lenawee, and Monroe counties), Northern Michigan (21 counties which include Manistee, Emmett, and Iosco), and either Saginaw County or the Genesee region (which includes St. Clair, Lapeer, and Sanilac counties).	Federal	N/A	810,000	0
	GF/GP	N/A	\$90,000	\$0
10. Family Support Subsidy Program	Gross	\$19,161,000	\$203,900	\$438,600
Increases TANF funding for the Family Support Subsidy Program which provides \$222.11 monthly payment to an average of 7,189 income-eligible families with a child under age 18 living at home who is severely mentally impaired, severely multiply impaired, or autistic by \$203,900 anticipating a 1.1% caseload increase in FY 2013-14. Projects a caseload increase of 2.3% in the subsidy program in FY 2014-15.	TANF	19,161,000	203,900	438,600
	GF/GP	\$0	\$0	\$0
11. Actuarially Sound Capitation Payment Rates Adjustment	Gross	\$6,572,096,900	\$112,546,900	\$0
Includes a capitation rate increase of 2.5% for Health Plans and 1.25% for Prepaid Inpatient Health Plans (PIHPs) to ensure that capitation payment rates for these managed care entities are actuarially sound in FY 2013-14. This adjustment results in an additional \$112.5 million Gross (\$37.9 million GF/GP) for the Medicaid Mental Health Services, Medicaid Substance Abuse Services, and Health Plan Services line items.	IDG	2,925,900	0	0
	Federal	4,472,162,300	74,641,100	0
	Restricted	1,269,917,600	0	0
	Local	38,931,800	0	0
	GF/GP	\$788,159,300	\$37,905,800	\$0
12. Mental Health Services for Special Populations	Gross	\$8,842,800	(\$3,000,000)	\$0
Does not continue the FY 2012-13 one-time appropriation of \$3.0 million GF/GP for mental health services for special populations. The one-time funding is allocated as follows: \$250,000 for Hispanic/Latino Commission within the Department of Civil Rights; \$700,000 for ACCESS; \$700,000 for Arab/Chaldean; \$650,000 for Chaldean Chamber Foundation; and \$700,000 for Michigan Jewish Federation.	GF/GP	\$8,842,800	(\$3,000,000)	\$0
13. Community Mental Health (CMH) Non-Medicaid Services	Gross	\$274,136,200	\$8,995,500	\$0
Redirects \$9.0 million GF/GP from the CMHSP, Purchase of State Services Contracts line item to the CMH Non-Medicaid Services line item, enabling community mental health services programs (CMHSPs) to provide services to individuals with mental illness who are not covered by Medicaid or who require services that are not benefits under the state Medicaid plan in the community. This budgetary adjustment recognizes changes in the utilization of days of care at state-operated facilities by CMHSPs from FY 2005-06 through FY 2010-11.	GF/GP	\$274,136,200	\$8,995,500	\$0

Executive Changes

Major Budget Changes From FY 2012-13 YTD Appropriations	FY 2012-13 YTD (as of 2/7/13)	FY 2012-13 to FY 2013-14	FY 2013-14 to FY 2014-15	
14. Mental Health Innovation Grants One-Time Only Appropriation	Gross	N/A	\$5,000,000	(\$5,000,000)
Provides one-time only FY 2013-14 appropriation of \$5.0 million GF/GP for mental health innovation grants that will be allocated as follows: \$2.5 million to finance and support home-based mental health services for children; \$1.0 million for care management and treatment of high-risk youth; and \$1.5 million for mental health training and awareness programs in identifying youth with mental health needs. See related new boilerplate Sec. 1901.	GF/GP	N/A	\$5,000,000	(\$5,000,000)
15. Health and Wellness Initiatives	Gross	\$11,396,600	(\$2,750,000)	\$0
Includes a net \$2.8 million GF/GP reduction for health and wellness initiatives with elimination of \$4.2 million of one-time funding, offset by \$1.5 million increase in ongoing funding; some currently funded projects may no longer be supported or will be supported at reduced funding levels. (Not including infant mortality funds, see item below)	Restricted	5,146,600	0	0
	GF/GP	\$6,250,000	(\$2,750,000)	\$0
16. Fee Increases for Vital Records, EMS Licensure, and Certificate of Need	Gross	\$16,167,600	\$3,206,100	\$0
Includes \$3.2 million of additional state restricted revenue from proposed new fees and fee increases to maintain the following programs: emergency medical services licensure and regulation (\$1.0 million), certificate of need (\$700,000), and vital records (\$1.5 million). Statutory changes are required for each.	IDG	1,293,600	0	0
	Federal	3,764,100	0	0
	Restricted	10,724,600	3,206,100	0
	GF/GP	\$385,300	\$0	\$0
17. HIV/AIDS Drug Assistance	Gross	\$58,558,700	\$10,570,700	\$0
Recognizes increased private pharmaceutical manufacturer rebate revenue of \$10.6 million to the HIV/AIDS drug assistance program.	Federal	26,115,600	0	0
	Restricted	4,735,400	0	0
	Private	27,707,700	10,570,700	0
	GF/GP	\$0	\$0	\$0
18. Health Care Service Delivery Innovation Grants	Gross	N/A	\$3,000,000	\$0
Provides funding of \$3.0 million GF/GP for new competitive Health Innovations Grants program to address emerging issues and encourage cutting edge innovative advances in health care and service delivery including partners in public and private sectors. See related new boilerplate Sec. 717.	GF/GP	N/A	\$3,000,000	\$0
19. Public Health Federal and Private Grants	Gross	N/A	\$609,400	\$0
Recognizes net adjustments of \$609,400 from federal and private grants for public health programs and for family, maternal, and child health programs, including 8 new grants totaling \$2.6 million, 9 completed grants of \$2.1 million and net adjustments to 6 ongoing grants totaling \$178,800.	Federal	N/A	472,800	0
	Private	N/A	136,600	0
	GF/GP	N/A	\$0	\$0
20. Infant Mortality	Gross	\$8,851,400	\$1,750,000	\$0
Provides net increase of \$1.75 million GF/GP to address infant mortality, especially to promote regional perinatal care system, improve health of women of childbearing age, and encourage infant safe sleep practices. Net change reflects ongoing funding increase of \$2.5 million and elimination of \$750,000 of one-time funding.	Federal	6,601,400	0	0
	GF/GP	\$2,250,000	\$1,750,000	\$0
21. Childhood Lead Program	Gross	\$653,900	\$582,600	\$0
Partially restores funding to the childhood lead program with a \$582,600 appropriation of available federal Maternal and Child Health Block Grant funding. Program had been significantly reduced in FY 2012-13 due to elimination of federal grants.	Federal	540,000	582,600	0
	GF/GP	\$113,900	\$0	\$0

Executive Changes

Major Budget Changes From FY 2012-13 YTD Appropriations		FY 2012-13 YTD (as of 2/7/13)	FY 2012-13 to FY 2013-14	FY 2013-14 to FY 2014-15
22. Newborn Screening Fee Adjustments	Gross	\$11,323,600	\$650,400	\$0
Recognizes \$650,400 increase for adjustment to the fee for newborn screening for genetic diseases, including statutorily authorized annual CPI adjustment and increases recommended by the Newborn Screening Quality Assurance Advisory Committee related to testing changes and program costs. Increases are \$352,300 for program services and \$298,100 for related laboratory services.	Restricted	11,323,600	650,400	0
	GF/GP	\$0	\$0	\$0
23. Eliminate Autism Center Grant - Transfer to Medicaid	Gross	\$500,000	\$984,600	\$0
Eliminates \$500,000 GF/GP grant to Eastern Michigan University Autism Center from maternal and child health Special Projects line item, and transfers the funds to the Medicaid program for autism services; also reflects federal Medicaid match funds gained.	Federal	0	984,600	0
	GF/GP	\$500,000	\$0	\$0
24. WIC Infrastructure and Children's Summer EBT Pilot	Gross	\$16,294,500	\$1,392,200	\$0
Includes net federal funds increase of \$1.4 million for special projects of the Women, Infants, and Children Special Supplemental Nutrition Program, recognizing completion of infrastructure and electronic benefits transfer (EBT) projects and related funding of \$1.3 million, and also recognizing a \$2.7 million federal WIC Summer EBT for Children pilot project grant first awarded in FY 2010-11, and anticipated to continue. YTD amount show is for WIC Administration and Special Projects.	Federal	15,990,200	1,392,200	0
	Private	304,300	0	0
	GF/GP	\$0	\$0	\$0
25. Aging Respite Care Fund Shift for GF/GP Savings	Gross	\$5,868,700	\$0	\$0
Replaces \$400,000 of Merit Award Trust Fund state restricted revenue with a like amount of anticipated increased revenue from the state restricted Senior Respite Care Fund, for a net \$0 senior respite program change. The Merit Award Trust Funds are transferred to the Medicaid program to replace GF/GP for savings. YTD shown is Respite Care Program only.	Restricted	1,400,000	400,000	0
	Merit Awd	4,468,700	0	0
	GF/GP	\$0	(\$400,000)	\$0
26. Graduate Medical Education Reduction	Gross	\$162,888,300	(\$4,314,200)	\$0
Reduces by \$4.3 million Gross (\$1.3 million GF/GP) funding for the Graduate Medical Education (GME) program by deleting the Hospital Services and Therapy - Graduate Medical Education line within the One-Time Basis Only Appropriations unit.	Federal	108,141,500	(2,975,200)	0
	GF/GP	\$54,746,800	(\$1,339,000)	\$0
27. Low-Income Rural Resident Hospitals	Gross	\$35,484,000	\$0	\$0
Maintains the hospital, low-income resident payments pool of \$35.5 million Gross. Related boilerplate Sec. 1866 is deleted.	Federal	23,484,000	0	0
	GF/GP	\$12,000,000	\$0	\$0
28. Detroit Medical Center Reduction	Gross	\$19,989,600	(\$19,989,600)	\$0
Removes the Detroit Medical Center (DMC) hospital rate adjustment (HRA) payment of \$20.0 million Gross (\$6.7 million GF/GP) which was established in FY 2008-09 due to a conversion from a disproportionate share hospital (DSH) payment not financed with GF/GP. The conversion was due to an effort to establish more room under the DSH ceiling. DMC is the only hospital that receives a GF/GP financed HRA payment.	Federal	13,257,100	(13,257,100)	0
	GF/GP	\$6,732,500	(\$6,732,500)	\$0
29. Primary Care Physician Rate Increase	Gross	\$281,800,000	\$103,200,000	\$0
Recognizes an increase of \$103.2 million, annualizing the 3/4 amount of federal funds included in FY 2012-13 that will be available to provide an increase in the reimbursement rates for primary care doctors, family doctors and pediatricians up to 100% of Medicare rates. Not included in the rate increase are nurse practioners, physician assistants and OB/GYNs. This reimbursement level change is a requirement of the Affordable Care Act of 2010 and is entirely federally funded. The federal funding is available through December 31, 2014.	Federal	281,800,000	103,200,000	0
	GF/GP	\$0	\$0	\$0

Executive Changes

Major Budget Changes From FY 2012-13 YTD Appropriations	FY 2012-13 YTD (as of 2/7/13)	FY 2012-13 to FY 2013-14	FY 2013-14 to FY 2014-15
30. Autism Spectrum Disorder	Gross		\$0
Includes \$20.5 million Gross (\$6.9 million GF/GP) additional funding for autism spectrum disorder treatment of Medicaid and MICHild eligible children. The Medicaid state plan amendment is expected to be approved in Spring 2013.	Federal	\$20,886,200	\$20,455,400
	GF/GP	14,203,200	13,566,000
		\$6,683,000	\$6,889,400
			\$0
31. Integration of Care for Dual Eligibles	Gross	\$0	\$29,828,700
Reinstates \$29.8 million Gross (\$10.1 million GF/GP) of funding removed from the FY 2012-13 budget as savings generated by integrating care for dual eligibles. The care integration pilot projects have yet to be started and are not anticipated to produce savings in FY 2013-14.	Federal	0	19,782,400
	GF/GP	\$0	\$10,046,300
			\$0

Major Boilerplate Changes From FY 2012-13

Executive Boilerplate Deletions

In general, the Executive Budget deletes a large majority of boilerplate language included in the FY 2012-13 budget. This includes many legislative reporting requirements, sections providing guidance and placing conditions on appropriations, and earmarks of funding for specific purposes. The list below includes major changes to boilerplate, but is not a comprehensive list of all sections proposed to be deleted. For the Department of Community Health budget, the Executive deletes 81 of 147 boilerplate sections.

NOTE: No boilerplate language is proposed specific to FY 2014-15.

GENERAL SECTIONS

Sec. 213. Report on Tobacco and Healthy Michigan Funds - DELETED

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

BEHAVIORAL HEALTH SERVICES - REVISED

Sec. 401. Comprehensive System of Community Mental Health (CMH) Services - REVISED

Provides that Part 1 appropriated funds are to support a comprehensive system of CMH services under the full authority and responsibility of local community mental health services programs (CMHSPs) or prepaid inpatient health plans (PIHPs) in accordance with the following new criteria: Michigan's Mental Health Code, Medicaid state plan provider manual, federal Medicaid waivers, and all other applicable federal and state laws. Removes language that requires the DCH to ensure each CMHSP or PIHP provide all of the following: a system of single entry and single exit; a complete array of mental health services; the coordination of inpatient and outpatient hospital services; individualized plans of services; a case or care management system; and a system that serves at-risk and delinquent youth pursuant to provisions of the Mental Health Code, 1974 PA 258, MCL 330.1001 to 330.2106.

Sec. 404. Report on CMHSPs - DELETED

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

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

Requires DCH, by April 1 of the current fiscal year, to collect data in order to analyze trends in substance abuse prevention, treatment, and recovery programs and determine the effectiveness relative to positive outcomes of invested dollars rather than DCH report on the previous fiscal year expenditures and services data on substance abuse prevention, education, and treatment programs.

Sec. 492. Mental Health Services to County Jail Inmates - DELETED

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

Sec. 498. Effectiveness of Substance Use Disorders Treatment Programs - DELETED

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

Major Boilerplate Changes From FY 2012-13

HEALTH POLICY

Sec. 709. Michigan Essential Health Care Provider Program - REVISED

Modifies language allowing DCH to reduce local and private share of loan repayment costs to 25% for obstetricians and gynecologists working in underserved areas, to now indicate program will be for primary care physicians, particularly obstetricians and gynecologists working in underserved areas.

Sec. 712. Free Health Clinic Funding - DELETED

Allocates \$250,000 to free health clinics from the funds appropriated for primary care services, to be distributed equally to each free health clinic. Defines free health clinic.

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Sec. 1004. Cancer Rate Investigations - DELETED

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

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

Sec. 1103. Sexual and Maternal Health Expenditure and Demographics Report - DELETED

Requires DCH to annually report an estimate of public funds administered by the department for family planning, sexually transmitted infection prevention and treatment, pregnancies, and births, and to report demographics collected by DCH that are voluntarily self-reported by individuals utilizing those services. Requires DCH to provide actual or estimated expenditure data by marital status and permits the use of state program applications to determine actual or estimated expenditures.

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

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

Sec. 1135. School Health Education Curriculum - DELETED

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

CRIME VICTIM SERVICES COMMISSION

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

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

MEDICAL SERVICES

Sec. 1682. OBRA Nursing Home Enforcement Provisions - REVISED

Adds language allowing unused civil monetary penalty funds to be carried over to the following fiscal year.

Sec. 1692. Medicaid School-Based Services - REVISED

Adds language allowing the Department to increase federal authorization, without Legislative approval, in the School-Based Services line to make payments to schools participating in the program.

Sec. 1866. Rural Hospital Payments - DELETED

Requires the distribution of \$12.0 million GF/GP, along with the federal match, to rural hospitals meeting certain criteria.

Sec. 1866. Medicaid Management Information System (MMIS) Revenue - NEW

Allows the Department to receive and spend revenue from an alliance between Michigan and Illinois regarding Michigan's MMIS and may reduce (un-allot) GF/GP in the amount of these additional revenues.

ONE-TIME APPROPRIATIONS

Sec. 1901. Mental Health Innovations - NEW

Allows DCH to expend funds to achieve mental health innovations which address emerging issues and improve mental health services for children. Also, in addition to the funds appropriated in part 1 for mental health innovations, DCH is allowed to receive and spend revenues and donations from any source for this purpose.

Supplemental Recommendations for FY 2012-13 Appropriations

1. Medicaid Cost Adjustments

Reduces various lines by a net \$183.0 million Gross (\$63.0 million GF/GP) recognizing lower Medicaid caseload, utilization and inflation cost projections within Medical Services, Mental Health/Substance Abuse, Children's Special Health Care Services and the Federal Medicare Pharmaceutical programs.

FY 2012-13 Recommendation

Gross	(\$182,980,200)
Federal	(119,968,900)
GF/GP	(\$63,011,300)

Major Boilerplate Changes From FY 2012-13

2. HICA Shortfall Fix

Replaces \$129.2 million of state restricted health insurance claims assessment (HICA) authorization within the Health Plan Services line item with \$99.4 million of state restricted Medicaid Benefits Trust Fund revenue and \$29.8 million of Merit Award authorization which satisfies the current estimated HICA shortfall in FY 2012-13

Gross	\$0
Merit Awd	29,800,000
Restricted	(29,800,000)
GF/GP	\$0

3. Integration of Care for Dual Eligibles

Reinstates \$29.8 million Gross (\$10.0 million GF/GP) of funding removed from the FY 2012-13 budget as savings generated by integrating care for dual eligibles. The care integration pilot projects have yet to be started and are not anticipated to produce savings in FY 2013-14.

Gross	\$29,828,700
Federal	19,803,300
GF/GP	\$10,025,400

4. Other Medical Services and CSHCS Adjustments

Various other Medicaid and non-Medicaid adjustments.

- Nursing home quality assurance assessment program (QAAP) payment adjustment
- Children's Special Health Care Services (CSHCS) eligibles to managed care
- Civil Monetary Fund shift between appropriation lines
- Dental settlement financing fund shift
- State psychiatric hospital disproportionate share hospital (DSH) adjustment
- Enhanced medication program savings
- Hospital QAAP payment adjustment

Gross	\$25,816,900
Federal	16,024,400
Local	1,115,600
Restricted	(1,183,300)
GF/GP	\$9,860,200