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House Bill 5117 (Substitute H-1 as passed by the House) House Bill 5119 (Substitute H-2 as passed by the House) Sponsor: Representative Stephen Ehardt (H.B. 5117)

Representative Carl M. Williams (H.B. 5119)

House Committee: Health Policy

Senate Committee: Families and Human Services

Date Completed: 3-16-04

CONTENT

<u>House Bill 5117 (H-1)</u> would amend the Public Health Code to require clinical laboratories that perform lead screening tests to report the results to the Department of Community Health (DCH) electronically.

House Bill 5119 (H-2) would amend the Social Welfare Act to require the DCH to ensure that, as a condition of participation and funding, all health professionals, health facilities, and health maintenance organizations (HMOs) that receive Medicaid payments were in substantial compliance with Federal standards for lead screening for Medicaid-enrolled children; and allow the DCH to contract with community agencies to provide lead screening tests if the screening rate were less than 80%.

The bills are described below in further detail.

House Bill 5117 (H-1)

The bill would require a clinical laboratory that analyzed a blood sample for lead to report the results to the DCH in a DCH-prescribed electronic format within five days after the analysis was completed. Within 90 days after the bill's effective date, the DCH would have to mail notice of the bill's reporting requirements to each clinical laboratory doing business in Michigan. The reporting requirements would apply beginning October 1, 2005.

House Bill 5119 (H-2)

The bill would require the DCH, beginning October 1, 2007, to ensure that, as a condition of participation and funding, all health professionals, health facilities, and HMOs that receive Medicaid payments were in substantial compliance with Federal standards for lead screening for children enrolled in Medicaid.

The bill would require the DCH to determine the Statewide average of lead screening tests being performed on Medicaid-enrolled children on October 1, 2007, and determine whether the rate was substantially in compliance with Federal standards. If the rate were below 80%, the DCH Director would have to present to the Senate and House Health Policy Committees a written report detailing why the rate was not in substantial compliance with

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Federally required standards for lead screening, and the DCH recommendations for improving the rate.

If the Statewide lead screening testing rate were not at least 80% for Medicaid-enrolled children by October 1, 2007, the DCH could use funds appropriated for Medicaid managed care or Medicaid fee for services to contract with community agencies to provide the tests needed to reach the 80% rate. A contracting organization that met or surpassed contract performance requirements would be entitled to share in financial bonuses awarded under the performance bonus program and receive at least 10% of the beneficiaries who did not voluntarily select a specific health plan at the time of managed care enrollment, in addition to any other auto assignments to which the organization was entitled.

Proposed MCL 333.20531 (H.B. 5117) Proposed MCL 400.111k (H.B. 5119) Legislative Analyst: Julie Koval

FISCAL IMPACT

House Bill 5117 (H-1)

A system for the electronic reporting of blood lead analysis by clinical labs is already in place, so House Bill 5117 (H-1) would not result in any additional costs for implementation of that system. This bill could potentially result in a small amount of savings for the Department of Community Health because it would no longer have to process paper reports. (The majority of labs already report electronically; however, a small number still report on paper.)

House Bill 5119 (H-2)

The fiscal impact on State and local units of government is indeterminate. Funds currently appropriated for Medicaid managed care or Medicaid fee for service could be allocated to community agencies to provide lead screening tests in the event that the statewide lead screening rate was less than 80%. If this bill increased the number of tests provided and the number of children identified as having elevated blood lead levels, it could lead to an increase in medical and remediation costs.

Fiscal Analyst: Dana Patterson

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.