

COMMUNITY HEALTH FY 2010-11 Appropriations

Summary: As Passed by the House

SB 1152 (H-1)

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IDG/IDT	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Executive	FY 2010-11 Senate	FY 2010-11 House	FY 2010-11 Enacted	Difference: House From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$48,946,000	\$54,224,300	\$54,224,300	54,224,300		\$5,278,300	10.8
Federal							
ARRA	1,080,092,400	851,400,600	920,178,700	927,383,700		(152,708,700)	(14.1)
Non-ARRA	7,857,901,800	8,982,050,000	8,473,442,300	8,511,571,100		653,669,300	8.3
Local	225,972,600	232,374,700	232,374,700	233,837,800		7,865,200	3.5
Private	72,308,500	80,272,500	80,272,500	88,109,300		15,800,800	21.9
Restricted	1,487,808,800	2,180,147,100	1,885,052,500	1,873,881,400		386,072,600	26.0
GF/GP	2,304,602,500	2,016,461,800	1,920,421,400	2,023,521,200		(281,081,300)	(12.2)
Gross	\$13,077,632,600	\$14,396,931,000	\$13,565,966,400	\$13,712,528,800		\$634,896,200	4.9
FTEs	4,380.6	4,362.8	4,360.3	4,390.1		9.5	0.2

Notes: (1) FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 11, 2010. (2) "ARRA" represents temporary funds received under the federal American Recovery and Reinvestment Act.

Overview

The Department of Community Health (DCH) budget provides funding for a wide range of mental health, 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 regulatory functions.

Major Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD
1. Economic Adjustments		Gross	N/A
The House concurs with the Executive recommendation to fund economic adjustments for a 3.0% salary and wage increase for non-bargaining and unionized employees, defined benefit and contribution retirement, insurance, worker's compensation, building occupancy, food, and gas, fuel, and utility costs for FY 2010-11. The House does not concur with the Senate's proposal to remove a 3.0% salary and wage increase for all departmental employees and its related impact on FICA and retirement costs which results in savings of \$5.8 million GF/GP.	IDG	N/A	\$31,396,700
	Federal	N/A	2,543,300
	Restricted	N/A	6,293,400
	Local	N/A	2,071,600
	Private	N/A	6,989,000
	GF/GP	N/A	4,900
2. Mental and Public Health Consultation Services		Gross	\$1,000,000
The House does not concur with the Senate to eliminate funding for a program that is designed to improve the quality and availability of childhood services, and support mental and public health consultation services to child care providers. The federal Child-Care Development Expulsion grant of \$1.0 million that financed this program is eliminated and replaced with GF/GP.	Federal	1,000,000	\$0
	GF/GP	\$0	(1,000,000)
3. Family Support Subsidy Program Caseload Increase		Gross	\$18,599,200
The House concurs with the Senate recommendation projecting a 2.6% caseload increase in the Family Support Subsidy Program and increasing TANF funds for this program by \$871,300. This program provides \$222.11 monthly payment to income-eligible families with a child under 18 living at home who is severely mentally impaired, severely multiply impaired, or autistic.	Federal	18,599,200	\$871,300
	GF/GP	\$0	\$0

<u>Major Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	
4. Actuarially Sound Capitation Payment Rates Adjustment		Gross	\$5,495,522,200	\$133,170,300
The House concurs with the Senate to increase capitation payment rates for Health Plan Services and Medicaid Mental Health and Substance Abuse Services by 3.0% (\$133.2 million gross, \$45.6 million GF/GP) to ensure rates are actuarially sound in FY 2010-11.		Federal	4,033,672,800	87,612,800
		Local	32,531,200	0
		Restricted	751,990,500	0
		GF/GP	\$677,327,700	\$45,557,500
5. State Disability Assistance Program Funding		Gross	\$2,243,100	\$0
Not concurring with the Senate, the House rejects a reduction of \$2.2 million for the State Disability Assistance Program Substance Abuse Services line item which supports per diem room and board payments for needy persons 18 years of age or older or emancipated minors who reside in substance abuse residential facilities and persons who do not qualify for SSI. (Sec. 406)		GF/GP	\$2,243,100	\$0
6. Multicultural Services Funding		Gross	\$6,823,800	\$0
The House does not concur with the Senate to allocate an additional \$50,000 GF/GP for the Chaldean Chamber Foundation. The House also does not concur with the Executive recommendation to reduce funding for this line item by \$1,364,800 GF/GP which represents a 20% reduction from the year-to-date appropriation.		GF/GP	\$6,823,800	\$0
7. CMH Non-Medicaid Services Reduction		Gross	\$287,468,000	(\$3,797,900)
The House concurs with the Executive to reduce administrative funds included in the CMH Non-Medicaid Services appropriation by \$3,797,900 GF/GP. The House does not concur with the Senate to reduce funding for this appropriation by an additional \$53,695,700 GF/GP.		GF/GP	\$287,468,000	(\$3,797,900)
8. Hospital Rate Adjustor Increase for PIHPs		Gross	\$1,970,775,800	\$15,957,400
The House concurs with the Senate to add \$16.0 million gross (\$257,300 GF/GP) to Medicaid Mental Health Services due to an increase in the hospital rate adjustor for Prepaid Inpatient Health Plans (PIHPs) which was established in FY 2009-10. As is the case for Medicaid Health Plans, estimated payments from private inpatient hospitals for mental health services are passed through PIHPs.		Federal	1,443,987,500	11,669,600
		Restricted	8,019,000	4,030,500
		Local	25,228,900	0
		GF/GP	\$493,540,400	\$257,300
9. Freeze on Enrollment in Community-Based Services Waiver		Gross	\$1,970,775,800	(\$8,634,600)
Concurring with the Senate, the House proposal includes a reduction of \$8.6 million gross (\$2.3 million GF/GP) for Medicaid Mental Health Services as enrollment in the federal Home-and Community-Based Services Habilitation/Supports Program would be frozen and/or reduced by 300 persons. Under this Medicaid waiver, PIHPs provide services to persons with developmental disabilities who would otherwise need the level of care provided in an Intermediate Care Facility for Mental Health Retardation.		Federal	1,443,987,500	(6,314,500)
		Restricted	8,019,000	0
		Local	25,228,900	0
		GF/GP	\$493,540,400	(\$2,320,100)
10. Community Substance Abuse Prevention, Education, and Treatment Programs Funding Reduction and Fund Shift		Gross	\$82,292,200	\$300,000
The House does not concur with the Senate's reduction of \$1.6 million GF/GP for the Community Substance Abuse Prevention, Education, and Treatment programs line item. However, the House concurs with the Senate proposal to replace one-time carryforward substance abuse licensing/fine revenue of \$950,000 for this line item with GF/GP. Also, the House restores \$300,000 GF/GP funding that was vetoed by the Governor to establish a methadone/buprenorphine clinic in a county with a population less than 35,000.		Federal	65,777,500	0
		Restricted	2,734,200	(950,000)
		GF/GP	\$13,780,500	\$1,250,000
11. Annualize Forensic Mental Health Services to DOC Costs		Gross	\$45,489,700	\$2,735,000
The House concurs with the Senate to add \$2.7 million to the interdepartmental grant from the Department of Corrections (DOC) to annualize the FY 2009-10 phase-in costs for six outpatient and one residential treatment programs.		IDG	45,489,700	2,735,000
		GF/GP	\$0	\$0

Major Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD
12. Primary Care Services Funding		Gross	\$4,268,800
The House does not concur with the Senate to eliminate \$100,000 GF/GP allocation for Beaver, Drummond, and Mackinac Island clinics. Also, the House does not concur with the Senate to restore funding of \$75,000 GF/GP for the Helen M. Nickless Volunteer which was vetoed by the Governor in the current fiscal year budget.		Federal	3,031,400
		GF/GP	\$1,237,400
13. Medical Marihuana Program		Gross	\$259,000
The House agrees with the Executive's technical adjustment request to include state restricted revenue funding for an additional 5.0 FTE positions for the Health Professions line item to reduce the Medical Marihuana Program's licensing backlog.		Restricted	259,000
		GF/GP	\$0
14. Criminal Background Check Program		Gross	\$2,681,000
The House concurs with the Senate to reject the Executive proposal to recognize savings of \$2,133,800 gross (\$1,707,000 GF/GP) by shifting the costs of criminal background checks for employees to adult foster care facilities and homes for the aged.		Federal	538,000
		GF/GP	\$2,143,000
15. Health Systems Administration		Gross	\$20,644,300
The House agrees with the Executive's technical adjustment request to include federal revenue financing for an additional 6.0 FTE positions for the Health Systems Administration line item. The staff is needed for Tier 3 surveyor work of nursing homes and non long-term care facilities. (Sec. 730)		Federal	13,103,200
		Restricted	3,111,500
		Private	200,000
		GF/GP	\$4,229,600
16. Public Health Program State Funding Reductions		Gross	N/A
The House concurs with the Senate on \$636,400 of public health administration and program reductions and fund shifts for GF/GP savings, as proposed by the Executive. The House does not concur with Senate reductions of \$453,000 from epidemiology and tuberculosis programs.		Restricted	N/A
		GF/GP	N/A
17. Local Public Health Operations		Gross	\$40,082,800
The House makes no reduction to local public health operations funding for immunizations, infectious disease control, sexually transmitted disease control and prevention, food protection, public water supply, private groundwater supply, and on-site sewage management. The Senate had proposed a \$1.0 million GF/GP reduction, and the Executive had proposed a \$2.7 million GF/GP reduction.		Local	5,150,000
		GF/GP	\$34,932,800
18. Public Health Laboratory Services and Facilities		FTEs	122.0
The House does not concur with Senate reductions to public health laboratory services including \$711,800 GF/GP and 7.0 FTEs with elimination of certain testing services for parasitology and mycology (fungal infections), and \$600,000 GF/GP and 6.0 FTEs with closure of the Houghton laboratory, one of 5 regional public health laboratories.		Gross	\$18,439,100
		IDG	447,100
		Federal	1,683,600
		Restricted	9,048,100
		GF/GP	\$7,260,300
19. Stillbirth Awareness		Gross	\$0
The House includes \$50,000 GF/GP for public and provider awareness and education about stillbirth, and includes new related boilerplate Sec. 1117 to encourage state efforts to reduce the incidence of stillbirth.		GF/GP	\$0
20. Early Childhood and Nurse Family Partnership Programs		Gross	\$0
The House includes \$100 placeholders for the early childhood collaborative secondary prevention program for at-risk families with children 0-3 years old, and the nurse family partnership program serving first-time low-income pregnant women in communities with high infant mortality rates and related boilerplate sections 1112 and 1139. Funding for both programs was vetoed by the Governor for FY 2009-10.		GF/GP	\$0

Major Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD	
21. Donated Dental, Vision Clinic, and Traumatic Brain Pilots		Gross	\$175,000	(\$50,000)
The House concurs with the Senate to retain current year GF/GP funding of \$125,000 for the public health Donated Dental Program. The House concurs with the Executive and eliminates funding of \$50,000 for the Special Needs Vision Clinic. The House does not include funding of \$200,000 Gross (\$100,000 GF/GP) for traumatic brain injury pilot programs and related Sec. 1031 boilerplate, as proposed by the Senate.	Federal	0	0	
	GF/GP	\$175,000	(\$50,000)	
22. Healthy Michigan Fund		Gross	\$37,428,200	(\$39,900)
The House does not concur with Senate reductions to Healthy Michigan Fund (HMF) project appropriations, establishment of a single discretionary HMF line item, or related Senate Sec. 652. The House concurs with the Executive HMF recommendation to maintain current year project funding with a \$39,900 reduction for pregnancy prevention programs, and a fund shift to GF/GP of \$251,100 in Medicaid to recognize reduced HMF revenue.	Restricted	37,428,200	(291,000)	
	GF/GP	\$0	\$251,100	
23. Crime Victim's Rights Fund		Gross	\$2,353,300	\$2,353,300
The House concurs with the Senate to eliminate state restricted Crime Victim's Rights Fund interdepartmental grant appropriations of \$1,053,300 to Michigan State Police and \$1,300,000 to Department of Human Services to support certain programs, due to declining balance in the Fund and prioritization of expenditures of the Fund per statute. The Fund has supported these IDGs since FY 2006-07. As of 5/18/10, in current versions of the FY 2010-11 budgets, the lost funds are replaced with GF/GP for MSP and partially replaced with federal funds for DHS.	Restricted	2,353,300	2,353,300	
	GF/GP	\$0	\$0	
24. Aging Program GF/GP Reductions		FTEs	44.5	(1.0)
The House concurs with aging administration and Commission funding reductions of \$92,500 GF/GP and one FTE as passed by the Senate. The House does not include GF/GP reductions to senior services programs, as recommended by the Senate: \$1,073,200 to senior community services programs, \$763,200 to senior nutrition services and meals, \$387,900 to three senior volunteer programs, and \$120,000 for Tribal Elders programs.	Gross	\$91,889,400	(\$92,500)	
	Federal	55,203,900	0	
	Private	537,000	0	
	Merit Awd	4,468,700	0	
	Restricted	1,800,000	0	
	GF/GP	\$29,879,800	(\$92,500)	
25. Human Growth Hormone Therapy Funding-Title V Eligibles		Gross	\$2,006,400	\$0
The House does not concur with the Senate and Executive recommendations to eliminate human growth hormone therapy funding for non-Medicaid Children's Special Health Care Services (CSHCS) eligibles saving \$2,006,400 GF/GP.		GF/GP	\$2,006,400	\$0
26. Nonemergency Transportation & Incontinent Supplies-Title V Eligibles		Gross	\$0	\$2,281,800
The House restores \$1,183,600 GF/GP for nonemergency transportation and \$1,098,200 for incontinent supplies that had been eliminated in FY 2009-10 for Title V CSHCS eligibles.		GF/GP	\$0	\$2,281,800
27. Transitional Medical Assistance Plus Program		Gross	\$3,735,200	\$0
The House does not concur with the Senate and Executive recommendations to reduce funding of \$3.7 million GF/GP by eliminating the Transitional Medical Assistance (TMA) Plus program. TMA Plus provides adults in families with income up to 185% of the federal poverty level (FPL) who are transitioning off from Medicaid, and are no longer eligible for regular TMA, to extend health care coverage for 12 months. Monthly premiums from \$50 to \$110 are paid by the individuals. Approximately 950 eligibles would be affected. (Sec. 1603)		GF/GP	\$3,735,200	\$0

Major Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD
28. General Motors Pension FMAP Fix		Gross	N/A
The House, Senate and Executive concur to reduce GF/GP by \$160.0 million which will be offset by a Medicaid Benefits Trust Fund revenue increase due to an anticipated deposit to the fund related to the correction of a historical FMAP calculation. The creation by General Motors of a Voluntary Employee Benefits Association (VEBA) in 2006 resulted in artificially low FMAP rates in subsequent years. This payment is authorized by the Children's Health Insurance Program Reauthorization Act (CHIPRA) of 2009, but the final amount is still yet to be determined.	Restricted	N/A	160,000,000
	GF/GP	N/A	(\$160,000,000)
29. Medicaid Caseload, Utilization and Inflation Increase		Gross	\$10,662,313,300
The House, Senate and Executive all include an increase of \$141.9 million gross (\$58.5 million GF/GP) to cover caseload, utilization and inflation changes within Medicaid, Mental Health/Substance Abuse, Children's Special Health Care Services and Federal Medicare Prescription Programs.	Federal	7,872,832,400	83,415,800
	Local	46,068,800	0
	Private	2,100,000	0
	Merit Awd	18,431,200	0
	Restricted	1,279,543,500	0
	GF/GP	\$1,443,337,400	\$58,490,500
30. Medicaid FMAP Federal Stimulus Bill Adjustment		Gross	\$10,662,313,300
The House, Senate and Executive provide an increase of \$245.1 million GF/GP to offset the change from 4 quarters of federal Medicaid funds resulting from the American Recovery and Reinvestment Act (ARRA) in FY 2009-10 to one quarter of ARRA and an anticipated two additional quarters of the enhanced FMAP rate in FY 2010-11.	Federal	7,872,832,400	(360,219,300)
	Local	46,068,800	2,798,500
	Private	2,100,000	377,100
	Merit Awd	18,431,200	0
	Restricted	1,279,543,500	113,187,800
	GF/GP	\$1,443,337,400	\$245,083,200
31. Medicare Part D ARRA FMAP Adjustment		Gross	N/A
The House and Senate include savings of \$123,800,000 GF/GP offset by additional federal ARRA FMAP funds. The funds are available due to a recent determination from the federal Department of Health and Human Services under which the enhanced ARRA FMAP rate will be applied to the State contribution (clawback provision), that contribution being required by the Medicare Part D drug program.	Federal	N/A	123,800,000
	GF/GP	N/A	(\$123,800,000)
32. Other Medicaid Fund Source Adjustments		Gross	\$10,662,313,300
The House, Senate and Executive concur in that federal Medicaid and SCHIP funds would offset \$224.5 million of GF/GP due to regular changes in federal match rates. An increase of Merit Award Trust Fund revenue offsets \$126.3 million of GF/GP.	Federal	7,872,832,400	225,289,600
	Local	46,068,800	(732,200)
	Private	2,100,000	0
	Merit Awd	18,431,200	126,320,600
	Restricted	1,279,543,500	(780,000)
	GF/GP	\$1,443,337,400	(\$350,830,200)
33. Reinstatement of 2nd DSH Pool		Gross	\$45,000,000
The House provides \$5.0 million gross and the Senate provided \$10.0 million gross to fund a second disproportionate share hospital (DSH) payment pool. This pool had been funded in FY 2008-09 at \$5.0 million gross and had been maintained at this level by the Legislature for FY 2009-10. The 2nd DSH pool for FY 2009-10 was removed by the Governor's veto. (Sec. 1699)	Federal	28,435,500	3,289,500
	Restricted	6,114,900	0
	GF/GP	\$10,449,600	\$1,710,500
34. Implement Physician Quality Assurance Assessment Program		Gross	N/A
The House and Senate do not concur with the Executive in a planned reduction of \$98.6 million GF/GP resulting from the implementation of a proposed physician QAAP. Assessment revenue of \$300.0 million would be generated by a 3% tax on physician services gross revenues, with a net amount of \$548.2 million of new federal Medicaid funding available to the State in the Executive proposal. Funds will be used to increase Medicaid physician payments up to Medicare payment rates.	Federal	N/A	0
	Restricted	N/A	0
	GF/GP	N/A	\$0
35. Reduction of Certain Medicaid Physician Payments		Gross	N/A
The House does not concur with a Senate reduction of \$12.7 million gross (\$3.4 million GF/GP) representing a 4% reduction to physician rates excluding those payments for pediatrics, well child visits, obstetrics, primary care and emergency services.	Federal	N/A	0
	GF/GP	N/A	\$0

Major Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD
36. Pharmacy Dispensing Fee Decrease	Gross	\$1,258,400	\$0
The House and Senate do not concur with the Executive in the elimination of the FY 2009-10 pharmacy dispensing fee increase of 25¢ per script which would have resulted in a \$1.3 million gross (\$463,200 GF/GP) reduction in the Pharmaceutical Services line. (Sec. 1620)	Federal	922,000	0
	GF/GP	\$336,400	\$0
37. Reinstatement of Medicaid Adult Dental and Podiatric Services	Gross	\$0	\$20,787,000
The House concurs with the Senate by including \$19.6 million gross (\$5.3 million GF/GP) to reinstate adult Medicaid dental services and \$1.2 million gross (\$330,300 GF/GP) to reinstate adult podiatric services. These services were not included in the FY 2009-10 budget and had been removed in the last quarter of FY 2008-09, pursuant to Executive Order 2009-22.	Federal	0	15,200,500
	GF/GP	\$0	\$5,586,500
38. Nursing Home Transition Savings	Gross	\$2,071,356,400	(\$19,710,000)
The House concurs with the Executive's nursing home transition savings. The Senate increased the Executive's net savings from \$19.7 million gross (\$5.3 million GF/GP) to \$29.6 million gross (\$7.9 million GF/GP), the result of transitioning more (300 in the Executive proposal, 450 in the Senate) nursing home occupants to the MIChoice program.	Federal	1,559,697,400	(14,413,900)
	Local	6,883,800	0
	Private	2,100,000	0
	Merit Awd	18,431,200	0
	Restricted	200,781,800	0
	GF/GP	\$283,462,200	(\$5,296,100)
39. Eliminate Medicaid Coverage for Group 2 Caretaker Relatives and 19 & 20 Year Olds - 1 Quarter	Gross	\$129,532,800	\$0
The House does not concur with the Senate's savings of \$25.4 million gross (\$7.7 million GF/GP) generated by the elimination of Medicaid benefits for Group 2 caretaker relatives and \$6.9 million gross (\$2.1 million GF/GP) by the elimination of Medicaid benefits for Group 2 19 and 20 year olds. Both actions were to be effective July 1, 2011.	Federal	94,908,700	0
	GF/GP	\$34,624,100	\$0
40. MICHild Program to Medicaid HMOs	Gross	\$50,000,000	\$0
The House does not concur with the Senate proposal to transfer responsibility for the MICHild program to the Medicaid HMOs. The Senate estimated a gross increase of \$3.0 million and GF/GP savings of \$2.2 million generated by the use tax.	Federal	37,115,000	0
	GF/GP	\$12,885,000	\$0

Major Boilerplate Changes From FY 2009-10

GENERAL

Sec. 287. General Fund/General Purpose Lapses -REVISED

The House does not concur with the Senate's revision of current law to require DCH to report on the estimated general fund/general purpose appropriation lapses at the close of the fiscal year by no later than December 1, 2011.

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

Sec. 462. CMH Non-Medicaid Funding Formula - REVISED

The House does not concur with the Senate to revise current law to require DCH to continue to utilize the FY 2009-10 funding formula for all CMHSPs that receive funds appropriated under the CMH non-Medicaid Services line. Also, the House does not concur with the Senate to add a subsection that provides that it is the legislature's intent that DCH modify the process for determining PIHP allocations for Medicaid Mental Health Services by removing geographic factors during the next bidding process. The House proposal requires DCH to consider the funding formula, measures of the intensity of need across the state, other available entitlement funding, and its state responsibilities in the allocation of funds in the CMH non-Medicaid services line.

Sec. 490. Workgroup on Uniform Standards for Providers Contracting with PIHPs, CMHSPs, and Coordinating Agencies - NEW

The House concurs with the Senate to add new language that requires the establishment of a Workgroup to develop a plan to maximize uniformity and consistency in the standards required of providers contracting directly with PIHPs, CMHSPs, and substance abuse coordinating agencies that apply to community living supports, personal care services, and skill building services.

Major Boilerplate Changes From FY 2009-10

Sec. 491. Habilitation Supports Waiver for Persons with Developmental Disabilities - NEW

The House concurs with the Senate's new language that requires the Department to explore changes in the Habilitation Supports Waiver for persons with developmental disabilities that would permit a slot to become available to a county that has demonstrated a greater need for the services.

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

The House recommends language that does not allow the DCH to prohibit the use of GF/GP dollars to fund those CMHSPs that provide mental health services to inmates of a county jail.

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

Sec. 603. Forensic Mental Health Provided to the Department of Corrections - REVISED

The House does not concur with the Senate to add a new subsection that requires the interdepartmental agreement between DCH and DOC to be updated every 3 years and meet the standard of care for the provision of mental health services.

HEALTH POLICY, REGULATION, AND PROFESSIONS

Sec. 727. Outsourcing the Medical Marihuana Program - REVISED

The House does not concur with the Senate's revision of this section to require DCH to establish and implement a bid process to identify a private or public contractor to provide management of the Medical Marihuana Program by October 1, 2010.

Sec. 728. Megavoltage Radiation Therapy Services - NEW

The House includes new language that requires DCH to review the current distribution of megavoltage radiation therapy (MRT) services as allowed under the current certificate of need review standards for initiation of MRT service in a rural or micropolitan statistical area or county.

Sec. 729. Obstetrics and Gynecology Shortage - NEW

The House recommends language that requires the Department to identify counties in which there are an insufficient number of health professionals providing obstetrical and gynecological services and identify policy or fiscal, or both, measures considered necessary to address the shortage.

INFECTIOUS DISEASE CONTROL

Sec. 805. Michigan Care Improvement Immunization Registry Access - NEW

The House does not concur with new Senate language to require the Department to allow individual online access to the Michigan care improvement immunization registry.

LOCAL HEALTH ADMINISTRATION AND GRANTS

Sec. 902. (2) Enhanced Grants to Local Health Departments for Consolidation - NEW

The House does not concur with new Senate language that requires the Department to explore ways to permit enhanced local public health operations grants to local public health departments that successfully consolidate.

Sec. 905. Local Public Health Operations Payment Model - NEW

The House does not concur with new Senate language that requires the Department to study changing the local public health operations payments to a block grant model.

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Sec. 1006. Allocation for Smoking Quit Kits - REVISED

Language prioritizing use of smoking prevention program funds is modified to reduce the allocation for the quit kit program from \$365,000 to \$100,000. The House concurs with the Senate revision.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1204. CSHCS and Medicaid HMOs - REVISED

The House concurs with new Senate language requiring the Department to work with the Michigan Association of Health Plans to identify and report on a Medicaid HMO reimbursement methodology. The House does not concur with Senate language requiring the Department to adjust policy to ensure that CSHCS enrollees that do not have an established relationship with a physician become enrolled in a Medicaid HMO.

Sec. 1205. Conditional CSHCS Eligibility - NEW

Language proposed by the House requires the Department to request that families complete a Healthy Kids application if the Department determines that a CSHCS enrollee is likely to qualify for Medicaid or MICHild coverage. If the application is not completed within 3 months of the Department's request the enrollee will be ineligible for participation in the CSHCS program.

Major Boilerplate Changes From FY 2009-10

OFFICE OF SERVICES TO THE AGING

Sec. 1404. Area Agencies and Local Provider Fees - REVISED

Language that permits area agencies on aging and local providers to receive and expend fees is modified to allow fees to be used to maintain services in addition to being used to expand services. The House concurs with the Senate revision.

MEDICAL SERVICES

Sec. 1678. MICHild and National School Lunch Act Eligibility - NEW

House language requires the Department to automatically enroll a child in the MICHild program if the child meets the income criteria for the for free breakfast, lunch or milk under the National School Lunch Act.

Sec. 1679. MICHild Mental Health Rate Redetermination - NEW

House language requires the Department to redetermine MICHild program mental health rates based on the most recent encounter data and to pay the CMHSPs rates sufficient to cover costs of MICHild mental health service provision.

Sec. 1841. Health Care Reform Fiscal Impact – NEW

Senate language requires the Department to research and report on the fiscal impact of federal health care reform legislation by October 1, 2010. The House modifies the language to limit the report to the fiscal impact on the Department and changes the report due date to April 1, 2011.

Sec. 1842. Hospital Outpatient Medicaid Rate Adjustment – NEW

New House language requires the Department to adjust the hospital outpatient Medicaid reimbursement rate paid to qualifying hospitals to the hospital's actual cost of delivering outpatient services to Medicaid recipients. The term qualifying hospital is defined.

Sec. 1845. Medicaid Managed Care Pilot Projects – NEW

House language requires the Department to begin 2 pilot projects using managed care to deliver Medicaid long-term care services. Limits the pilot selection to specific populated areas and to those Medicaid HMOs that maintain a Medicare Advantage Special Needs Plan certification.