

Legislative Analysis



REPEAL SINGLE POINT OF ENTRY

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House Bill 5307

Sponsor: Rep. George Cushingberry, Jr.

Committee: Appropriations

Complete to 9-23-09

A SUMMARY OF HOUSE BILL 5307 AS INTRODUCED 9-2-09

The bill would repeal sections 109i and 109j of the Social Welfare Act which were originally enacted in 2006 to create a single point of entry program to assist current and potential long-term care consumers obtaining information and referrals to appropriate long-term care supports and services. Section 109i authorized the designation of not more than 4 single point of entry agencies in at least 4 separate areas of the state to serve as pilots. The section also requires a written report on the cost, efficiencies, and effectiveness of the single point of entry, and allows for the expansion of the program 12 months after the completion of this written report, provided sufficient appropriations are enacted to support the expansion.

FISCAL IMPACT:

By repealing the sections authorizing the Single Point of Entry program, the bill would reduce the direct state costs related to administering the program. Executive Order 2009-22 already reduced appropriations for Single Point of Entry by \$4.2 million, effectively eliminating remaining funding for the pilot programs as of June 1, 2009. For FY 2007-08, gross expenditures for the program were just over \$10.7 million.

Indirectly, proponents of Single Point of Entry have asserted the statewide implementation of the program would reduce state long-term care costs. Prior to enactment of the original legislation, the Michigan Medicaid Long-Term Care Task Force had estimated that statewide implementation of single point of entry would create a 1.7% gain in cost efficiency for Medicaid long-term care services. If the pilot programs are achieving cost efficiencies, it is possible that state long-term care costs could increase to offset some or all of the direct cost savings from eliminating the program.

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