



SENATE BILL No. 847

EXECUTIVE BUDGET BILL

February 15, 1996, Introduced by Senators GEAKE, SCHWARZ
and MC MANUS and referred to the Committee on
Appropriations.

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 1997; to provide for the expenditure of such appropriations; to create funds; to provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. There is appropriated for the department of community health
2 for the fiscal year ending September 30, 1997, from the following funds:

1	APPROPRIATIONS SUMMARY:	
2	Full-time equated unclassified positions	6.0
3	Full-time equated classified positions	7,819.7
4	GROSS APPROPRIATION	\$ 8,059,532,200
5	Total interdepartmental grants and	
6	intradepartmental transfers	85,294,100
7	ADJUSTED GROSS APPROPRIATION	\$7,974,238,100
8	Federal revenues:	
9	Total federal revenues	4,113,414,500
10	Special revenue funds:	
11	Total local revenues	48,063,800
12	Total private revenues	36,876,400
13	Total other state restricted revenues	1,436,510,900
14	State general fund/general purpose	\$2,339,372,500
15	EXECUTIVE PROGRAM	
16	Full-time equated unclassified positions	6.0
17	Full-time equated classified positions	305.0
18	Citizens' mental health advisory councils	\$ 28,900
19	Director and other unclassified-6.0 FTE	
20	positions	500,000
21	Departmental administration and management-	
22	312.0 FTE positions	26,024,400
23	Department realignment savings-(7.0) FTE	
24	positions	(500,000)
25	Revenue recapture	<u>750,000</u>
26	GROSS APPROPRIATION	\$ 26,803,300
27	Appropriated from:	
28	Total federal revenues	1,379,500

1	Total other state restricted revenues	510,000
2	State general fund/general purpose	\$ 24,913,800
3	FEDERAL AND PRIVATE FUNDED PROJECTS	
4	Full-time equated classified positions	12.0
5	Developmental disabilities council and	
6	projects-10.0 FTE positions	\$ 1,984,100
7	Central fund for acquiring additional	
8	federal and private funds	2,500,000
9	Gifts and bequests for patient living	
10	and treatment environment	2,000,000
11	Homelessness formula grant program-2.0 FTE	
12	positions	708,800
13	IDEA-federal special education	<u>85,000</u>
14	GROSS APPROPRIATION	\$ 7,277,900
15	Appropriated from:	
16	Total federal revenues	4,369,100
17	Total private	2,200,000
18	State general fund/general purpose	\$ 708,800
19	FAMILY AND CONSUMER SUPPORT SERVICES	
20	Full-time equated classified positions	2.0
21	Family support subsidy	\$ 12,393,700
22	Dental program for persons with	
23	developmental disabilities	151,000
24	Pilot projects in prevention for	
25	adults and children-2.0 FTE positions	1,132,300
26	Consumer involvement program	166,600
27	Mental health initiatives for older persons	554,500
28	Protection and advocacy services support	818,300

1	Communities first pilot project	95,000
2	Foster grandparent and senior companion	
3	program	<u>1,872,400</u>
4	GROSS APPROPRIATION	\$ 17,183,800
5	Appropriated from:	
6	IDG-family independence agency	95,000
7	State general fund/general purpose	\$ 17,088,800
8	COMMUNITY MENTAL HEALTH SERVICES PROGRAMS	
9	Full-time equated classified positions	15.0
10	Community mental health programs	\$ 925,559,300
11	Community demand	9,161,600
12	Critical needs services	5,384,700
13	Respite services	2,500,000
14	CMH-purchase of state services contracts	275,023,700
15	Federal mental health block grant-2.0 FTE positions	10,662,100
16	Omnibus reconciliation act implementation-13.0	
17	FTE positions	<u>11,226,600</u>
18	GROSS APPROPRIATION	\$ 1,239,518,000
19	Appropriated from:	
20	Total federal revenues	336,758,700
21	Total other state restricted revenues	2,500,000
22	State general fund/general purpose	\$ 900,259,300
23	COMMUNITY RESIDENTIAL SERVICES	
24	Full-time equated classified positions	407.0
25	Community residential and support services	
26	for adults with mental illness-51.0 FTE	
27	positions	\$ 16,228,300
28	Community residential and support services for	

1	persons with developmental disabilities-356.0		
2	FTE positions		187,501,600
3	CMHSP-purchase of state services contracts		<u>(99,597,300)</u>
4	GROSS APPROPRIATION	\$	104,132,600
5	Appropriated from:		
6	Total federal revenues		90,426,700
7	Total local revenues		9,521,700
8	Total other state restricted revenues		4,184,200
9	State general fund/general purpose	\$	0
10	INSTITUTIONAL SERVICES		
11	Full-time equated classified positions	22.0	
12	Workers' compensation program-1.0 FTE position . .	\$	13,326,500
13	Purchase of psychiatric residency training		3,635,100
14	Purchase of medical services for		
15	residents of hospitals and centers		2,474,000
16	Maintenance of property being leased or		
17	rented		95,000
18	Therapeutic work training program		310,600
19	Equipment		1,479,000
20	Special maintenance		359,000
21	Severance pay		5,459,400
22	Closed site and related costs-21.0 FTE positions .		<u>3,593,100</u>
23	GROSS APPROPRIATION	\$	30,731,700
24	Appropriated from:		
25	Total other state restricted revenues		330,700
26	State general fund/general purpose	\$	30,401,000
27	STATE PSYCHIATRIC HOSPITALS		
28	Total full-time equated classified		

1	positions	2,621.0	
2	Caro regional mental health center-psychiatric		
3	services unit	\$	14,226,300
4	Clinton Valley center		40,587,000
5	Detroit psychiatric institute		18,258,700
6	Kalamazoo psychiatric hospital		27,362,700
7	Northville psychiatric hospital		54,057,800
8	Walter P. Reuther psychiatric hospital		24,528,400
9	CMH-purchase of state services contracts		<u>(146,881,000)</u>
10	GROSS APPROPRIATION	\$	32,139,900
11	Appropriated from:		
12	Total federal revenues		6,121,400
13	Total local revenues		9,351,700
14	Total other state restricted revenues		16,666,800
15	State general fund/general purpose	\$	0
16	STATE PSYCHIATRIC HOSPITALS FOR CHILDREN AND ADOLESCENTS		
17	Total full-time equated classified positions	291.0	
18	Detroit psychiatric institute-children's		
19	program	\$	1,188,200
20	Hawthorn center		15,287,100
21	Pheasant Ridge children's program at Kalamazoo		
22	psychiatric hospital		3,004,300
23	CMH-purchase of state services contracts		<u>(11,598,000)</u>
24	GROSS APPROPRIATION	\$	7,881,600
25	Appropriated from:		
26	Total federal revenues		4,536,000
27	Total local revenues		2,150,000
28	Total other state restricted revenues		1,195,600

1	State general fund/general purpose	\$	0
2	STATE CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES		
3	Total full-time equated classified		
4	positions	801.0	
5	Caro mental health center-developmental		
6	and alternative services	\$	10,375,700
7	Mount Pleasant center		22,381,000
8	Southgate center		17,765,000
9	CMH-purchase of state services contracts		<u>(16,947,400)</u>
10	GROSS APPROPRIATION	\$	33,574,300
11	Appropriated from:		
12	Total federal revenues		30,151,500
13	Total local revenues		1,755,600
14	Total other state restricted revenues		1,667,200
15	State general fund/general purpose	\$	0
16	FORENSIC AND PRISON MENTAL HEALTH SERVICES		
17	Full-time equated classified positions	1,505.0	
18	Center for forensic psychiatry	\$	31,586,300
19	Center for forensic psychiatry-outpatient		
20	evaluation		3,045,700
21	Forensic mental health services provided		
22	to the department of corrections		<u>69,045,600</u>
23	GROSS APPROPRIATION	\$	103,677,600
24	Appropriated from:		
25	IDG-department of corrections		69,045,600
26	Total federal revenues		15,800
27	Total local revenues		1,570,300
28	Total other state restricted revenues		226,900

1	State general fund/general purpose	\$	32,819,000
2	EXECUTIVE SERVICES		
3	Total full-time equated positions		311.0
4	Executive administration-84.5 FTE positions . . .	\$	5,362,000
5	Contractual services, supplies, and materials . .		280,000
6	Building occupancy charges		363,000
7	Department realignment savings--(10.0) FTE		
8	positions		(600,000)
9	Equipment		1,016,200
10	Rent		600,200
11	Utilities		1,441,100
12	Workers' compensation		303,500
13	Health planning-14.8 FTE positions		2,949,700
14	Joint DEQ/DCH laboratory operations-8.0 FTE		
15	positions		960,200
16	Management information systems-67.9 FTE		
17	positions		6,965,800
18	Maternal and infant health data and evaluation-6.5		
19	FTE positions		533,400
20	Minority health grants and contracts		650,000
21	Office of general services-61.5 FTE positions . .		4,000,400
22	Office of minority health-3.0 FTE positions . . .		269,900
23	Vital records and health statistics-74.8 FTE		
24	positions		<u>5,462,100</u>
25	GROSS APPROPRIATION	\$	30,557,500
26	Appropriated from:		
27	Intradepartmental transfer revenues:		
28	IDT-automated data processing charges		3,904,700

1	Federal revenues:		
2	Total federal revenues:		4,123,300
3	Special revenue funds:		
4	Total other state restricted revenues		4,254,100
5	State general fund/general purpose	\$	18,275,400
6	INFECTIOUS DISEASE CONTROL ADMINISTRATION		
7	Total full-time equated positions	4.0	
8	Infectious disease control administration		
9	--4.0 FTE positions	\$	331,300
10	Contractual services, supplies, and materials . .		<u>22,100</u>
11	GROSS APPROPRIATION	\$	353,400
12	Appropriated from:		
13	State general fund/general purpose	\$	353,400
14	INFECTIOUS DISEASE CONTROL		
15	Total full-time equated positions	86.8	
16	AIDS counseling and testing	\$	4,133,000
17	AIDS education and outreach		2,193,500
18	AIDS program administration--13.0 FTE positions . .		1,012,100
19	AIDS referral and care network grants		4,931,200
20	AIDS/HIV risk reduction		1,000,000
21	AIDS surveillance and prevention program--16.0		
22	FTE positions		2,836,600
23	Disease surveillance--4.0 FTE positions		362,700
24	Division administration--6.0 FTE positions		485,600
25	Immunization local agreements		16,329,700
26	Immunization program management and field		
27	support--11.0 FTE positions		1,787,200
28	Lyme disease grant--0.3 FTE positions		75,000

1	National vaccine compensation fund	9,424,200
2	Sexually transmitted disease control local	
3	agreements	2,205,700
4	Sexually transmitted disease control management	
5	and field support-32.0 FTE positions	2,673,700
6	Recalcitrant AIDS and tuberculosis aid	162,000
7	Tuberculosis control program-4.5 FTE positions	<u>860,900</u>
8	GROSS APPROPRIATION	\$ 50,473,100
9	Appropriated from:	
10	Federal revenues:	
11	Total federal revenues	28,315,400
12	Special revenue funds:	
13	Local funds	242,700
14	Private funds	75,000
15	Total other state restricted revenues	17,238,900
16	State general fund/general purpose	\$ 4,601,100
17	LABORATORY SERVICES	
18	Total full-time equated positions	138.6
19	Laboratory services administration-107.8 FTE	
20	positions	\$ 5,863,800
21	Contractual services, supplies, and materials	1,779,800
22	EPSDT blood lead screening-6.0 FTE positions	661,300
23	Newborn genetic screening-24.8 FTE positions	<u>1,765,700</u>
24	GROSS APPROPRIATION	\$ 10,070,600
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG-department of corrections	137,400
28	Federal revenues:	

1	Total federal revenues	547,900
2	Special revenue funds:	
3	Total other state restricted revenues	2,831,100
4	State general fund/general purpose \$	6,554,200
5	ENVIRONMENTAL HEALTH ADMINISTRATION AND SUPPORT SERVICES	
6	Total full-time equated positions	39.2
7	Environmental health administration-5.0 FTE	
8	positions \$	373,200
9	Contractual services, supplies, and materials . .	21,300
10	Health risk assessment-34.2 FTE positions	<u>4,285,200</u>
11	GROSS APPROPRIATION \$	4,679,700
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG-department of environmental quality	458,800
15	Federal revenues:	
16	Total federal revenues	2,275,000
17	Special revenue funds:	
18	Total other state restricted revenues	55,100
19	State general fund/general purpose \$	1,890,800
20	COMMUNITY ENVIRONMENTAL HEALTH	
21	Total full-time equated positions	113.2
22	Community environmental health	
23	administration-97.2 FTE positions \$	6,890,800
24	Contractual services, supplies, and materials . .	335,500
25	Implementation of environmental response act . . .	10,500,000
26	Medical waste program-2.0 FTE positions	360,300
27	Migratory labor housing fund	300,000
28	Water laboratory certification program	165,000

1	Water supply program	169,600
2	Water system monitoring program-14.0	
3	FTE positions	<u>5,699,000</u>
4	GROSS APPROPRIATION	\$ 24,420,200
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG-department of environmental quality	10,500,000
8	Federal revenues:	
9	Total federal revenues	3,504,500
10	Special revenue funds:	
11	Total other state restricted revenues	4,534,000
12	State general fund/general purpose	\$ 5,881,700
13	OCCUPATIONAL HEALTH	
14	Total full-time equated positions	88.4
15	Occupational health standards commission	
16	(\$50 per diem and related expenses)	\$ 9,300
17	Occupational health administration-68.4	
18	FTE positions	4,619,300
19	Contractual services, supplies, and materials	241,300
20	Asbestos and lead abatement program-10.0	
21	FTE positions	3,276,400
22	Dry cleaning program-5.0 FTE positions	305,700
23	Employer/employee education and training-5.0	
24	FTE positions	599,400
25	Occupational risk reporting system	<u>165,800</u>
26	GROSS APPROPRIATION	\$ 9,217,200
27	Appropriated from:	
28	Interdepartmental grant revenues:	

1	IDG-department of labor	319,600
2	Federal revenues:	
3	Total federal revenue	5,695,600
4	Special revenue funds:	
5	Total other state restricted revenues	972,100
6	State general fund/general purpose \$	2,229,900
7	RADIOLOGICAL HEALTH	
8	Total full-time equated positions	43.6
9	Radiological health administration--33.5 FTE	
10	positions \$	1,977,600
11	Contractual services, supplies, and materials . .	127,100
12	Radiological health projects--10.1 FTE positions .	<u>1,240,800</u>
13	GROSS APPROPRIATION \$	3,345,500
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG-department of commerce, public service	
17	commission	550,700
18	Federal revenues:	
19	Total federal revenues	789,800
20	Special revenue funds:	
21	Total other state restricted revenues	1,229,800
22	State general fund/general purpose \$	775,200
23	HEALTH SYSTEMS ADMINISTRATION	
24	Total full-time equated positions	236.9
25	Health systems administration--210.7 FTE positions \$	14,993,700
26	Contractual services, supplies, and materials . .	568,100
27	Administrative hearings--2.5 FTE positions	164,900
28	Clinical laboratory improvement--6.0 FTE positions	1,000,000

1	Emergency medical services program state	
2	staff-11.0 FTE positions	1,065,400
3	Fire safety inspection	175,000
4	Health facilities management information	
5	system	613,400
6	Local health services-4.9 FTE positions	140,000
7	Primary care services grant-1.8 FTE positions	167,600
8	Training and evaluation	<u>76,500</u>
9	GROSS APPROPRIATION	\$ 18,964,600
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG-department of treasury, Michigan state	
13	hospital finance authority	92,300
14	Federal revenues:	
15	Total federal revenues	10,846,200
16	Special revenue funds:	
17	Total other state restricted revenues	2,635,900
18	State general fund/general purpose	\$ 5,390,200
19	HEALTH SYSTEMS LOCAL GRANTS	
20	Communities first	\$ 191,000
21	Emergency medical services grants and	
22	contracts	962,100
23	Implementation of Act 133, P.A. of 1993	100,000
24	Indian health care	309,500
25	Michigan essential health care provider program	729,100
26	Primary care services	1,922,200
27	Refugee health program	142,300
28	Rural health grant	<u>168,800</u>

1	GROSS APPROPRIATION	\$	4,525,000
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG-family independence agency		190,000
5	Federal revenues:		
6	Total federal funds		3,186,900
7	Special revenue funds:		
8	Private funds		40,000
9	State general fund/general purpose	\$	1,108,100
10	CENTER FOR HEALTH PROMOTION		
11	Total full-time equated positions		63.7
12	AIDS and risk reduction clearinghouse and		
13	media campaign	\$	1,700,000
14	Alzheimer's information network		150,000
15	Cancer prevention and control program-19.0		
16	FTE positions		11,956,700
17	Center administration-4.0 FTE positions		316,300
18	Chronic disease prevention-2.5 FTE positions		1,609,800
19	Diabetes local agreements		3,209,900
20	Employee wellness program grants (include		
21	\$50.00 per diem and expenses for the risk		
22	reduction and AIDS policy commission)		4,450,000
23	Health education, promotion, and research		
24	programs-23.0 FTE positions		1,988,000
25	Injury control intervention project-1.0 FTE		
26	positions		324,800
27	Physical fitness, nutrition, and health		1,250,000
28	Public health traffic safety coordination-1.0		

1	FTE positions	152,600
2	School health curriculum	2,000,000
3	School health education project	80,000
4	Smoking prevention program-6.2 FTE positions . . .	7,487,500
5	Spinal cord and traumatic brain injury	
6	registry	50,000
7	Survey and analysis-5.0 FTE positions	462,300
8	Violence prevention-2.0 FTE positions	<u>2,243,600</u>
9	GROSS APPROPRIATION	\$ 39,431,500
10	Appropriated from:	
11	Federal revenues:	
12	Total federal funds	11,410,500
13	Special revenue funds:	
14	Total other state restricted revenues	24,179,900
15	State general fund/general purpose	\$ 3,841,100
16	BUREAU OF CHILD AND FAMILY SERVICES	
17	Total full-time equated positions	100.8
18	Child and family services administration-92.8	
19	FTE positions	\$ 5,988,600
20	Contractual services, supplies, and materials . .	1,322,500
21	Automated data processing	3,490,000
22	Special projects-8.0 FTE positions	<u>2,129,200</u>
23	GROSS APPROPRIATION	\$ 12,930,300
24	Appropriated from:	
25	Federal revenues:	
26	Total federal revenue	10,472,900
27	Special revenue funds:	
28	Private funds	213,000

1	State general fund/general purpose	\$	2,244,400
2	CHILD AND FAMILY SERVICES GRANTS		
3	Adolescent health care services	\$	2,042,300
4	Child and family services		6,500,000
5	Dental programs		110,400
6	Early and periodic screening, diagnosis, and		
7	treatment outreach		6,200,000
8	Family planning local agreements		7,392,600
9	Children's ombudsman office-reimbursement to the		
10	department of management and budget		1,000,000
11	Lead paint program		491,800
12	Local MCH services		1,271,200
13	Maternity, infant, and children's health		
14	care local agreements		6,493,000
15	Medical services cost reimbursement to local		
16	health departments		1,800,000
17	Migrant health care		166,100
18	Pregnancy prevention program		6,946,100
19	Prenatal care community demonstration projects . .		58,200
20	Prenatal care outreach and service		
21	delivery support		7,679,700
22	Sudden infant death syndrome program		121,300
23	Women, infants, and children program local		
24	agreements and food costs		<u>137,491,700</u>
25	GROSS APPROPRIATION	\$	185,764,400
26	Appropriated from:		
27	Federal revenues:		
28	Total federal revenue		130,039,900

1	Special revenue funds:	
2	Private	33,332,500
3	Total other state restricted revenues	11,500,000
4	State general fund/general purpose	\$ 10,892,000
5	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
6	Total full-time equated positions	86.5
7	Program administration-84.5 FTE positions	\$ 5,008,200
8	Contractual services, supplies, and materials	883,100
9	Amputee program	184,600
10	Bequests for care and services-2.0 FTE	
11	positions	810,500
12	Case management services	3,923,500
13	Conveyor contract	489,100
14	Medical care and treatment	107,770,700
15	Pediatric AIDS prevention and control	582,200
16	Sickle cell and other genetic services	<u>1,729,400</u>
17	GROSS APPROPRIATION	\$ 121,381,300
18	Appropriated from:	
19	Federal revenues:	
20	Total federal revenue	63,511,400
21	Special revenue funds:	
22	Private	455,900
23	Total other state restricted revenues	5,019,100
24	State general fund/general purpose	\$ 52,394,900
25	SUBSTANCE ABUSE PROGRAM ADMINISTRATION	
26	Total full-time equated positions	51.0
27	Substance abuse program administration-38.5	
28	FTE positions	\$ 2,265,100

1	Contractual services, supplies, and materials	136,300
2	Federal projects-12.5 FTE positions	<u>1,384,300</u>
3	GROSS APPROPRIATION	\$ 3,785,700
4	Appropriated from:	
5	Federal revenues:	
6	Total federal revenue	1,261,400
7	Special revenue funds:	
8	Total other state restricted revenues	198,200
9	State general fund/general purpose	\$ 2,326,100
10	SUBSTANCE ABUSE GRANTS AND CONTRACTS	
11	Chemically-dependent pregnant women and	
12	children program	\$ 2,100,000
13	Community substance abuse prevention,	
14	education, and treatment grants	63,840,400
15	Federal and other special projects	7,011,700
16	Highway safety projects	337,200
17	Medical services reimbursement for substance	
18	abuse services	22,736,300
19	Program enhancement, evaluation, and data	
20	services	1,137,600
21	State disability assistance program	
22	substance abuse services	<u>6,600,000</u>
23	GROSS APPROPRIATION	\$ 103,763,200
24	Appropriated from:	
25	Federal revenues:	
26	Total federal revenue	68,946,100
27	Special revenue funds:	
28	Total other state restricted revenues	1,360,000

1	State general fund/general purpose	\$	33,457,100
2	MEDICAL SERVICES ADMINISTRATION		
3	Full-time equated classified positions		475.0
4	Salaries and wages-475.0 FTE positions	\$	27,322,500
5	Rent		2,006,800
6	Travel and equipment		288,500
7	Contractual services, supplies, and materials		20,069,400
8	Data processing contractual services		100
9	Facility inspection contract-state police		<u>132,800</u>
10	GROSS APPROPRIATION	\$	49,820,100
11	Appropriated from:		
12	Federal revenues:		
13	Total federal revenues		29,992,100
14	Special revenue funds:		
15	Private		60,000
16	State general fund/general purpose	\$	19,768,000
17	MEDICAL SERVICES		
18	Hospital services and therapy	\$	1,363,951,500
19	Hospital disproportionate share payments		47,250,000
20	Physician services		367,667,100
21	Medicare premium payments		91,010,300
22	Pharmaceutical services		324,942,600
23	Home health services		39,389,900
24	Transportation		9,597,800
25	Auxiliary medical services		66,886,600
26	Nursing home services		745,562,400
27	Chronic care units and county medical		
28	care facilities		172,761,400

1	Health maintenance organizations	639,020,800
2	Early periodic screening, diagnosis, and	
3	treatment outreach	1,048,700
4	Caring program for children	1,575,000
5	Personal care services-adult foster care	25,462,000
6	Personal care services-in home services	4,200,000
7	Maternal and child health	10,447,000
8	Indigent medical care program	<u>41,001,900</u>
9	Subtotal basic medical services program	3,951,775,000
10	Outpatient hospital adjustor	44,012,800
11	Special adjustor payments	1,387,340,400
12	Medigrant contingency fund	<u>400,000,000</u>
13	Subtotal special medical services payments	<u>1,831,353,200</u>
14	GROSS APPROPRIATION	\$5,783,128,200
15	Appropriated from:	
16	Federal revenues:	
17	Total federal revenues	3,264,736,900
18	Special revenue funds:	
19	Total local	23,471,800
20	Total private	500,000
21	Total other state restricted	1,333,221,300
22	State general fund/general purpose	\$1,161,198,200

23 GENERAL SECTIONS

24 Sec. 201. (1) Pursuant to section 30 of article IX of the state
25 constitution of 1963, total state spending from state sources for
26 fiscal year 1996-97 is estimated at \$3,775,883,400.00. The itemized
27 statement below identifies appropriations from which spending to units
28 of local government will occur:

1	DEPARTMENT OF COMMUNITY HEALTH	
2	EXECUTIVE SERVICES	
3	Health planning	1,629,800
4	INFECTIOUS DISEASE CONTROL	
5	AIDS counseling and testing	687,800
6	AIDS referral and care network grants	223,000
7	Sexually transmitted disease control local	
8	agreements	452,900
9	HEALTH SYSTEMS LOCAL GRANTS	
10	Refugee health grant	30,000
11	CENTER FOR HEALTH PROMOTION	
12	Cancer prevention and control program	1,248,700
13	Diabetes local agreements	510,000
14	Employee wellness program grants	2,586,100
15	School health curriculum	2,000,000
16	Smoking prevention program	1,050,000
17	CHILD AND FAMILY SERVICES GRANTS	
18	Adolescent health care services	1,300,000
19	Family planning local agreements	1,230,300
20	Maternity, infant, and children's	
21	health care local agreements	246,100
22	Pregnancy prevention program	3,800,000
23	Prenatal care outreach and service	
24	delivery support	2,636,900
25	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
26	Case management services	1,433,200
27	SUBSTANCE ABUSE GRANTS AND CONTRACTS	
28	Community substance abuse prevention,	
29	education, and treatment grants.	16,870,700

1	FEDERAL AND PRIVATE FUNDED PROJECTS	
2	Homelessness formula grant program-state	
3	match	708,800
4	FAMILY AND CONSUMER SUPPORT SERVICES	
5	Family support subsidy	12,393,700
6	Pilot projects in prevention for adults and	
7	children	1,132,300
8	Consumer involvement program	166,600
9	Foster grandparent and senior	
10	companion program	1,872,400
11	COMMUNITY MENTAL HEALTH PROGRAMS	
12	Community mental health programs	611,587,800
13	Community demand	6,586,300
14	Critical needs services	3,392,800
15	Respite services	2,500,000
16	OBRA implementation	3,321,500
17	MEDICAL SERVICES	
18	Indigent medical program	1,220,100
19	Hospital disproportionate share payments	18,000,000
20	Hospital services and therapy	41,625,200
21	Physician services	11,295,500
22	Pharmaceutical services	9,993,500
23	Home health services	1,200,300
24	Transportation	292,500
25	Auxiliary medical services	2,099,200
26	Health maintenance organizations	19,777,900
27	Total	\$ 787,101,900
28	(2) If it appears to the principal executive officer of a	
29	department or branch that state spending to local units of government	

1 will be less than the amount that was projected to be expended under
2 subsection (1), the principal executive officer shall immediately give
3 notice of the approximate shortfall to the department of management and
4 budget.

5 Sec. 202. The expenditures and funding sources authorized under
6 this bill are subject to the management and budget act, Act No. 431 of
7 the Public Acts of 1984, being sections 18.1101 to 18.1594 of the
8 Michigan Compiled Laws.

9 Sec. 203. (a) In addition to the funds appropriated in section
10 101, there is appropriated an amount not to exceed \$100,000,000.00 for
11 federal contingency funds. These funds are not available for
12 expenditure until they have been transferred to another line item in
13 this act pursuant to section 393 (2) of the management and budget act
14 of 1984, being section 18.1393 of the Michigan Compiled Laws.

15 (b) In addition to the funds appropriated in section 101, there is
16 appropriated an amount not to exceed \$5,000,000.00 for state restricted
17 contingency funds. These funds are not available for expenditure until
18 they have been transferred to another line item in this act pursuant to
19 section 393 (2) of the management and budget act, Act No. 431 of the
20 Public Acts of 1984, being section 18.1393 of the Michigan Compiled
21 Laws.

22 (c) In addition to the funds appropriated in section 101, there is
23 appropriated an amount not to exceed \$5,000,000.00 for local and
24 private contingency funds. These funds are not available for
25 expenditure until they have been transferred to another line item in
26 this act pursuant to section 393 (2) of the management and budget act,
27 Act No. 431 of the Public Acts of 1984, being section 18.1393 of the
28 Michigan Compiled Laws.

29 Sec. 204. (1) Beginning October 1, 1996, there is a hiring freeze

1 imposed on the state classified civil service. State departments and
2 agencies are prohibited from hiring any new full-time state classified
3 civil service employees or prohibited from filling any vacant state
4 classified civil service positions. This hiring freeze does not apply
5 to internal transfers of classified employees from 1 position to
6 another within a department or to positions that are funded with 80% or
7 more federal or restricted funds.

8 (2) The director of the department of management and budget shall
9 grant exceptions to this hiring freeze when the director believes that
10 the hiring freeze will result in the state department or agency being
11 unable to deliver basic services. The director of the department of
12 management and budget shall report by the fifteenth of each month to
13 the chairpersons of the senate and house appropriations committees the
14 number of exclusions to the hiring freeze approved during the previous
15 month and the justification for the exclusion.

16 Sec. 205. The department of civil service shall bill departments
17 and/or agencies at the end of the first fiscal quarter for the 1%
18 charges authorized by section 5 of article XI of the state constitution
19 of 1963. Payments shall be made for the total amount of the billing by
20 the end of the second fiscal quarter.

21 Sec. 206. (1) Departments and state agencies that receive funds
22 under this bill may receive and expend federal funds for purposes
23 allowed by the federal government and these funds are appropriated, if
24 the funds are provided as block grants or other similar replacements
25 for or consolidations of prior federal funding sources.

26 (2) Departments and state agencies may use the funds described in
27 subsection (1) to continue existing programs and shall not establish
28 new programs utilizing these funds unless the legislature has enacted
29 modifications to the existing program or enacted a new program.

1 Sec. 207. As used in this act:

2 (a) "AIDS/HIV" means acquired immunodeficiency syndrome/human
3 immunodeficiency virus.

4 (b) "CMH" means community mental health.

5 (c) "CMHSP" means a community mental health service program.

6 (d) "Department" or "MDCH" means the Michigan department of
7 community health.

8 (e) "DEQ/DCH" means department of environmental quality/department
9 of community health.

10 (f) "EPSDT" means early and periodic screening, diagnosis, and
11 treatment.

12 (g) "FTE" means full time equated.

13 (h) "IDEA" means individual disability education act.

14 (i) "IDG" means interdepartmental grant.

15 (j) "IDT" means intradepartmental transfer.

16 (k) "HIV" means human immunodeficiency virus.

17 (l) "MDEQ" means the Michigan department of environmental quality.

18 (m) "MCH" means maternal and child health.

19 (n) "MDOC" means the Michigan department of corrections.

20 (o) "OBRA" means omnibus reconciliation act.

21 (p) "Title IV" means title IV of the social security act, chapter
22 531, 49 Stat. 620, 42 U.S.C. 671.

23 (q) "Title XVIII" means title XVIII of the social security act,
24 chapter 531, 49 Stat. 620, 42 U.S.C. 1395 to 1395b, 1395b-2, 1395c to
25 1395i, 1395i-2 to 1395i-4, 1395j to 1395t, 1395u to 1395w-2, 1395w-4 to
26 1395zz, and 1395bbb to 1395ccc.

27 (r) "Title XX" means title XX of the social security act, chapter
28 531, 49 Stat. 620, 42 U.S.C. 1397 to 1397e.

29 Sec. 208. Basic health services for the fiscal year beginning

1 October 1,1996, for the purpose of part 23 of the public health code,
 2 Act No. 368 of the Public Acts of 1978, being sections 333.2301 to
 3 333.2321 of the Michigan Compiled Laws, are those described by the
 4 department in its proposed program statement dated October 16, 1981,
 5 and in the "prenatal postpartum care, proposed basic health service
 6 program statement" included in the department document entitled "A
 7 Study of Prenatal Care as a Basic Service," dated March 1, 1986, and
 8 for which the legislature has made funds available in amounts necessary
 9 to ensure their availability and accessibility. The services described
 10 in the statement are: immunizations, communicable disease control,
 11 venereal disease control, tuberculosis control, prevention of
 12 gonorrhea, eye infection in newborns, screening newborns for
 13 phenylketonuria, screening newborns for hypothyroidism, health/medical
 14 annex of emergency preparedness plan, licensing and surveillance of
 15 agricultural labor camps, and prenatal care.

16 Sec. 209. If the revenue collected by the department from fees and
 17 collections exceeds the amount appropriated in section 101, the revenue
 18 may be carried forward into the subsequent fiscal year. The revenue
 19 carried forward under this section shall be used as the first source of
 20 funds in the subsequent fiscal year.

21 Sec. 210. (1) From the amounts appropriated in section 101, no
 22 greater than the following amounts are supported with federal maternal
 23 and child health, preventive health and health services, and substance
 24 abuse block grant funds:

25	(a) Maternal and child health block grant . . .	\$21,633,200
26	(b) Preventive health and health services	
27	block grant	6,984,800
28	(c) Substance abuse block grant	51,057,700

29 (2) On or before February 1, 1996, the department shall report to

1 the house and senate appropriations subcommittees, the senate and house
2 fiscal agencies, and the department of management and budget on the
3 amounts and federal sources of revenue that support the appropriations
4 in each of the appropriations units in section 101 of Act No. 201 of
5 the Public Acts of 1994.

6 (3) The department shall report on or before February 1, 1996, to
7 the same parties specified in subsection (2) on the amounts and sources
8 of federal revenue proposed to support the total federal funds
9 appropriated in each of the appropriations units in section 101 of the
10 fiscal year 1996-97 executive budget proposal.

11 Sec. 211. The department may contract with the Michigan public
12 health institute for the design and implementation of projects and for
13 other public health related activities prescribed in section 2611 of
14 the public health code, Act No. 368 of the Public Acts of 1978, being
15 section 333.2611 of the Michigan Compiled Laws. The department may
16 develop a master agreement with the institute for up to a 3-year period
17 to carry out these purposes. For the purposes of this section, the
18 Michigan public health institute shall be considered a public health
19 agency.

20 Sec. 212. The state departments, agencies, and commissions
21 receiving tobacco tax funds from section 101 shall report quarterly
22 beginning October 1, 1996, to the senate and house appropriations
23 committees, the senate and house fiscal agencies, and the department of
24 management and budget on the following:

25 (a) Detailed spending plan by appropriation line item including
26 description of programs.

27 (b) Allocations from funds appropriated under these sections.

28 (c) Description of allocations or bid processes including need or
29 demand indicators used to determine allocations.

1 (d) Eligibility criteria for program participation and maximum
2 benefit levels where applicable.

3 (e) Outcome measures to be used to evaluate programs.

4 (f) Any other information deemed necessary by the house or senate
5 appropriations committees or the department of management and budget.

6 Sec. 213. The use of state restricted tobacco tax revenue received
7 for the purpose of tobacco prevention, education, and reduction efforts
8 and deposited in the healthy Michigan fund shall not be used for
9 lobbying as defined in Act No. 472 of the Public Acts of 1978, being
10 sections 4.411 to 4.431 of the Michigan Compiled Laws.

11 Sec. 214. On April 1, 1996 and October 1, 1996, the department
12 shall make a list available of reports prepared pursuant to the
13 provisions of this act. The house and senate appropriations
14 subcommittees, house and senate fiscal agencies, the department of
15 management and budget, and the house and senate standing committees on
16 health policy may request copies of those reports.

17 Sec. 215. No funds appropriated in section 101 shall be expended
18 for media activities regarding the alleged dangers of naturally
19 occurring radon gas.

20 Sec. 216. The source of funding for section 101 appropriation for
21 spinal cord and traumatic brain injury registries, Arab-American and
22 Chaldean council, and ACCESS primary care services, is the federal
23 preventive health and health services block grant.

24 Sec. 217. Funds for which the state is acting as the custodian or
25 agent are not subject to annual appropriation.

26 Sec. 218. In addition to funds appropriated in section 101 for all
27 programs and services, there is appropriated for write-offs of accounts
28 receivable, deferrals, and for prior year obligations in excess of
29 applicable prior year appropriations, an amount equal to total write-

1 offs and prior year obligations, but not to exceed amounts available in
2 prior year revenues.

3 Sec. 219. The department shall not pay for a billing received from
4 a contractor or service provider that is submitted more than 12 months
5 after the bill for goods or services is provided.

6 **EXECUTIVE PROGRAM**

7 Sec. 301. Funds appropriated in section 101 from the central fund
8 for acquiring additional federal and private funds shall not be
9 expended until the grant money is actually approved by the grantor.
10 Funds accepted under this section shall not be authorized if the
11 receipt of the funds mandates a commitment for state funding at a
12 future date.

13 Sec. 302. (1) In funding of staff in the financial support
14 division, reimbursement, and billing and collection sections, priority
15 shall be given to obtaining third party payments for services.
16 Collection from individual recipients of services and their families
17 shall be handled in a sensitive and nonharassing manner.

18 (2) The department shall continue a revenue recapture project to
19 generate additional revenues from third parties related to cases which
20 have been closed or are inactive. Revenues collected through project
21 efforts are appropriated to the department for departmental costs and
22 contractual fees associated with these retroactive collections and to
23 improve ongoing departmental reimbursement management functions so that
24 the need for retroactive collections will be reduced or eliminated.

25 Sec. 303. The department's ability to satisfy appropriation
26 deductions in section 101 shall not be limited to collections, and
27 accruals pertaining to services provided in fiscal year 1996-1997, but
28 shall also include reimbursements, refunds, adjustments, and
29 settlements from prior years.

1 Sec. 304. Funds appropriated in section 101 for the mental health
2 advisory council may be used for member per diems of \$50.00 and other
3 council expenditures. Funds may also be used for the expenses of the
4 state mental health advisory council on deafness and other expenses for
5 councils established by the mental health code, Act No. 258 of the
6 Public Acts of 1974, being sections 330.1100 to 330.2106 of the
7 Michigan Compiled Laws.

8 Sec. 305. Unexpended and unencumbered amounts and accompanying
9 expenditure authorizations up to \$2,000,000.00 remaining on September
10 30, 1997 from pay telephone revenues and the amounts appropriated in
11 section 101 for gifts and bequests for patient living and treatment
12 environments shall be carried forward for 1 fiscal year. The purpose
13 of gifts and bequests for patient living and treatment environments is
14 to use additional private funds to provide specific enhancements for
15 individuals residing at state operated facilities. Use of the gifts
16 and bequests shall be consistent with the stipulation of the donor.
17 The expected completion date for the use of gifts and bequests
18 donations is within 3 years unless otherwise stipulated by the donor.

19 Sec. 306. The department shall provide quarterly reports
20 concerning the department's revenue and expenditure status to the
21 senate and house appropriations committees, the house and senate fiscal
22 agencies, and the department of management and budget.

23 Sec. 307. The specific amounts indicated in section 101 of this
24 act as restricted revenue for financing appropriation from federal,
25 state restricted, local, private and CMH - purchase of state services
26 contracts are estimates of the proportion of the total amounts expected
27 to be collected, and the department may satisfy any individual
28 restricted revenue deduct amount from the total revenues of all of
29 those revenue sources. A report shall be provided by April 15 to the

1 fiscal agencies and department of management and budget on actual
2 collections by revenue source for each appropriation unit during the
3 previous fiscal year.

4 Sec. 308. The funds appropriated in section 101 for forensic
5 mental health services provided to the department of corrections are in
6 accordance with the interdepartmental plan developed in cooperation
7 with the department of corrections. The department is authorized to
8 receive and expend funds from the department of corrections in addition
9 to the appropriations in section 101 to fulfill the obligations
10 outlined in the interdepartmental agreements.

11 Sec. 309. The department shall ensure that fair hearings required
12 under federal law are provided for every recipient receiving services
13 under the managed mental health care program. For purposes of a fair
14 hearing under this section, a denial of service includes a denial of a
15 service appropriate to the condition of the recipient. The department
16 shall include in each contract with a county community mental health
17 board a requirement that the county board provide notice and procedures
18 for the required fair hearings.

19 Sec. 310. Each April 15, the department shall provide a report to
20 the department of management and budget, the chairpersons of the senate
21 and house appropriations committees, the senate and house fiscal
22 agencies, and the auditor general. The report shall contain all of the
23 following:

24 (a) A description of the clients, services, funding, and
25 expenditures of each CMHSP board including information about per capita
26 expenditure by client.

27 (b) Information about the reimbursement eligibility of clients of
28 the department and CMHSP boards.

29 (2) the department shall provide a report on contractual services

1 to the department of management and budget and to the chairpersons of
2 the senate and house appropriations committees each month. The report
3 shall be based on the monthly civil service statewide contracted
4 services report required by section 281 of the management and budget
5 act, Act No. 431 of the Public Acts of 1984, being section 18.1281 of
6 the Michigan Compiled Laws. The report shall provide the name of the
7 contractor, the dollar value of the contract, description and location
8 of the service to be provided, and justification for the contract.

9 Sec. 311. Agencies contracting with CMHSP boards shall provide 3
10 days notice to the CMHSP board of all committee and full board meetings
11 and shall conduct all portions of meetings pertaining to CMHSP boards
12 funded programs in the same manner as required for meetings of public
13 bodies under the open meetings act, Act No. 267 of the Public Acts of
14 1976, being section 15.261 to 15.275 of the Michigan Compiled Laws.

15 **COMMUNITY MENTAL HEALTH SERVICES PROGRAM**

16 Sec. 401. (1) Funds appropriated in section 101 are intended to
17 support a system of comprehensive community mental health services
18 under the full authority and responsibility of local CMHSP boards. The
19 department shall ensure that each board provides all of the following:

20 (a) A system of single entry and single exit.

21 (b) A comprehensive range of services that includes prevention and
22 that may include state provided acute and long-term inpatient and
23 residential care.

24 (c) The coordination of inpatient and outpatient hospital services
25 through agreements with state psychiatric hospitals and centers.

26 (d) Individualized plans of service that are sufficient to meet the
27 needs of individuals, including those discharged from psychiatric
28 hospitals or centers, and that ensure the full range of recipient needs
29 is addressed through the board's program or through assistance with

1 locating and obtaining services to meet these needs.

2 (e) A system of case management to monitor and ensure the provision
3 of services consistent with the individualized plan of services or
4 supports.

5 (f) A system of continuous quality improvement.

6 (g) A system to monitor and evaluate the mental health services
7 provided.

8 (2) In partnership with CMHSP boards, the department shall
9 establish a process to ensure the long-term viability of a single entry
10 and exit and locally controlled community mental health system.

11 Sec. 402. (1) From funds appropriated in section 101, final
12 authorizations to CMHSP boards shall be made upon the execution of
13 contracts between the department and CMHSP boards. The contracts shall
14 contain an approved plan and budget as well as policies and procedures
15 governing the obligations and responsibilities of both parties to the
16 contracts.

17 (2) The funds appropriated in section 101 for the purchase of state
18 service contracts are for the purchase of state hospital and center
19 services, state administered community residential services, or for
20 approved community-based programs that reduce utilization of state
21 provided services. These funds shall be authorized to CMHSP boards
22 based on estimates approved by the department as part of the negotiated
23 contract.

24 (3) Funds that are authorized to CMHSP boards, when used to
25 purchase state services, shall be provided to state hospitals, centers,
26 and placement agencies based on the per diem and billing arrangements
27 approved by the department in the negotiated contract.

28 (4) Current billing and collection procedures for the net cost of
29 state provided services shall continue as specified in chapter 3 of the

1 mental health code, Act No. 258 of the Public Acts of 1974, being
2 sections 330.1300 to 330.1320 of the Michigan Compiled Laws.

3 (5) The department may access funds from the appropriation directly
4 for patients who have no county affiliation or for whom county charges
5 are exempted.

6 (6) The funds appropriated in section 101 from purchase of state
7 service contracts shall not result in increased costs to counties in
8 excess of the local match required under section 302 and section 308 of
9 the mental health code, Act No. 258 of the Public Acts of 1974, being
10 section 330.1302 and 330.1308 of the Michigan Compiled Laws.

11 Sec. 403. The funds appropriated in this act for county community
12 mental health programs shall not be used to replace funds no longer
13 available because the local government or CMHSP board reduced its base
14 of support for state and local mental health services, as defined in
15 chapter 2 of the mental health code, Act No. 258 of the Public Acts of
16 1974, being sections 330.1200 to 330.1246 of the Michigan Compiled
17 Laws, below that of the previous year.

18 Sec. 404. The amount appropriated in section 101 for CMHSP
19 services is intended for funding of CMHSP boards in accordance with
20 contracts between the department and the boards for the current fiscal
21 year. The department shall establish such total accounts payable and
22 receivable amounts as may be appropriate to represent the expected
23 final state obligation for all such contracts. After final review of
24 the expenditure reports required by the contracts, any amounts advanced
25 to the board which are returned to the department and any amounts paid
26 to the boards in accordance with the provisions of the contracts shall
27 be considered to be adjustments to the program expenditures for the
28 prior fiscal year. These prior year transactions shall be recorded in a
29 separate account established for that purpose. Community mental health

1 service programs' prior year revenue recognized in the current fiscal
2 year may be restricted to finance related prior year expenditures not
3 previously recorded.

4 Sec. 405. Unexpended and unencumbered amounts and accompanying
5 expenditure authorization remaining on September 30, 1997 from the
6 \$9,161,600.00 appropriated in section 101 for community demand may be
7 carried forward for 2 fiscal years as a work project. The purpose and
8 method of this work project is to respond to community demand by
9 providing community residential and alternative services to individuals
10 with developmental disabilities through community mental health boards.
11 The expected completion date is September 30, 1998.

12 Sec. 406. From the funds appropriated for CMHSP, \$3,010,000.00
13 will be directed toward providing multicultural special needs projects.

14 **COMMUNITY RESIDENTIAL SERVICES**

15 Sec. 501. The funds appropriated in section 101 for community
16 residential services programs may be used for basic care in cases where
17 individuals are not eligible to receive social security benefits and
18 are not otherwise capable of supporting themselves out of their own
19 resources. Funds may be used for aftercare services or to prevent
20 admissions to state hospitals and centers through residential and
21 support services. Expenditures and allocations may be authorized for
22 CMHSP boards and state hospitals, centers, and placement agencies.

23 Sec. 502. The department shall not enter into new contracts with
24 private attorneys for legal services for the purposes of gaining and
25 maintaining occupancy to a specialized residential facility. The
26 department may enter into a contract with the protection and advocacy
27 service, authorized under section 931 of the mental health code, Act
28 No. 258 of the Public Acts of 1974, being section 330.1931 of the
29 Michigan Compiled Laws, or a similar organization to provide legal

1 services for purposes of gaining and maintaining occupancy in a
2 specialized residential facility which is under lease or contract with
3 the department or a community mental health services program board to
4 provide services to persons with mental illness or developmental
5 disability. State funds shall not be used for legal services to
6 represent private investors purchasing homes for these purposes.

7 Sec. 503. The department shall take steps to ensure that the
8 administrative costs of purchase of service residential contracts do
9 not exceed previous levels. The department shall report annually to
10 the house and senate appropriations subcommittees information about
11 administrative and other provider costs.

12 Sec. 504. Over the next 5 years the department shall establish as
13 a funding priority increases for residential service providers in order
14 to assure the provision of quality services through a more stable
15 workforce.

16 **INSTITUTIONAL SERVICES, HOSPITALS, AND CENTERS**

17 Sec. 601. In addition to the amounts appropriated in section 101,
18 revenues from work activity centers and the sale of sheltered workshop
19 services and products are appropriated to be expended for supplies,
20 equipment, and other costs associated with the maintenance of the
21 sheltered workshop program, excluding costs of compensating state
22 classified employees. The unspent balance on the last day of the
23 fiscal year ending September 30, 1997 shall be carried forward into the
24 subsequent fiscal year. The funds carried forward shall be used for
25 supplies, equipment, and other costs associated with maintaining
26 sheltered workshop programs excluding the costs of compensating state
27 classified employees. The total estimated cost of the program is
28 \$1,250,000.00 and specific project expenditures are to be completed by
29 September 30, 1998.

1 Sec. 602. From funds appropriated for workers' compensation, the
2 department may make payments in lieu of workers' compensation payments
3 for wage/salary and related fringe benefits for employees who return to
4 work under limited duty assignments. Employees returning to work under
5 limited duty assignments who are funded under this section will be in
6 addition to the facility's existing staffing authorization.

7 Sec. 603. In addition to expending funds appropriated in section
8 101 for state psychiatric hospitals, centers, and residential services,
9 the department is authorized, contingent upon the approval of the
10 department of management and budget, to expend restricted funds earned
11 above the appropriated revenue.

12 Sec. 604. (1) Subject to the funds appropriated in section 101 for
13 hospitals and centers, the department shall authorize FTE's and funds
14 to each hospital and center on the basis of the actual utilization of
15 each of the hospitals and centers.

16 (2) Funds which become available as a result of reductions in the
17 utilization of state operated hospitals and centers are intended to be
18 retained by CMHSP to support community based services.

19 **EXECUTIVE SERVICES**

20 Sec. 701. Of the amount appropriated in section 101 from revenues
21 from fees and collections, not more than \$250,000.00 received from the
22 sale of vital records death data shall be used for improvements in the
23 vital records and health statistics program. The amount described in
24 this section shall not revert to the general fund at the end of the
25 fiscal year ending September 30, 1997. Not later than December 1,
26 1997, the amount of any unexpended balances and the proposed uses for
27 those balances shall be reported to the senate and house fiscal
28 agencies.

29 **INFECTIOUS DISEASE CONTROL**

1 Sec. 801. State funds appropriated in any other account in section
2 101 may be used to supplant not more than \$350,000.00 in federal funds
3 projected for immunization, if the federal funds are unavailable. The
4 department shall inform the senate and house appropriations
5 subcommittees, senate and house fiscal agencies, and the department of
6 management and budget of the specific line items reduced pursuant to
7 this section.

8 Sec. 802. In the expenditure of funds appropriated in section 101
9 for AIDS programs, the department and its subcontractors shall ensure
10 that adolescents receive priority for prevention, education, and
11 outreach services.

12 Sec. 803. In developing and implementing AIDS provider education
13 activities, the department may provide funding to the Michigan state
14 medical society to continue to serve as lead agency to convene a
15 consortium of health care providers, to design needed educational
16 efforts, to fund other statewide provider groups, and to assure
17 implementation of these efforts, in accordance with a plan approved by
18 the department.

19 Sec. 804. If an employee of the department of corrections comes in
20 contact with a prisoner and that contact involves the risk of exposure
21 to the prisoner's blood or bodily fluids, upon the employee's request
22 the department shall inform the employee of the results of the
23 prisoner's HIV test if known by the department.

24 **COMMUNITY ENVIRONMENTAL HEALTH**

25 Sec. 901. The department shall review and certify laboratories
26 used or intended for use in the testing of water from public water
27 supplies in accordance with section 11 of the safe drinking water act,
28 Act No. 399 of the Public Acts of 1976, being section 325.1011 of the
29 Michigan Compiled Laws. The department may contract with the national

1 sanitation foundation, international to assist in administering this
2 section.

3 **HEALTH SYSTEMS LOCAL GRANTS**

4 Sec. 1001. The funds appropriated in section 101 for the Michigan
5 essential health care provider program may also provide loan repayment
6 for dentists that fit the criteria established by part 27 of the public
7 health code, Act No. 368 of the Public Acts of 1978, being sections
8 333.2701 to 333.2727 of the Michigan Compiled Laws.

9 Sec. 1002. The department is directed to continue support of
10 multicultural activities from the funds appropriated in section 101.

11 Sec. 1003. The amount appropriated in section 101 for
12 implementation of Act No. 133 of the Public Acts of 1993 shall
13 reimburse local health departments for costs incurred related to
14 implementation of section 17015(15) of the public health code, Act No.
15 368 of the Public Acts of 1978, being section 333.17015 of the Michigan
16 Compiled Laws.

17 **CENTER FOR HEALTH PROMOTION**

18 Sec. 1101. From the state funds appropriated in section 101 for
19 the center for health promotion, the department shall allocate funds to
20 promote awareness, education, and early detection of breast, cervical,
21 and prostate cancer, and provide for other health promotion media
22 activities.

23 Sec. 1102. Of the amount appropriated in section 101 for the
24 spinal cord and traumatic brain injury registry, no less than
25 \$35,000.00 shall be provided to the southeastern Michigan spinal cord
26 injury system (SMSCIS) for the design and implementation of a spinal
27 cord and traumatic brain injury registry if SMSCIS submits a proposal
28 that is acceptable to the department.

29 Sec. 1103. (1) The amount appropriated in section 101 for the

1 school health curricula shall be allocated in 1996-97 to provide grants
2 to or contract with certain districts and intermediate districts for
3 the provision of a school health education curriculum. Provision of
4 the curriculum, such as the Michigan model or another comprehensive
5 school health education curriculum, shall be in accordance with the
6 health education goals established by the Michigan model for the
7 comprehensive school health education state steering committee. The
8 state steering committee shall be comprised of a representative from
9 each of the following offices and departments:

10 (a) The department of education.

11 (b) The department of community health.

12 (c) The public health agency in the department of community health.

13 (d) The office of substance abuse services in the department of
14 community health.

15 (e) The family independence agency.

16 (f) The department of state police.

17 (2) Upon written or oral request, a pupil not less than 18 years of
18 age or a parent or legal guardian of a pupil less than 18 years of age,
19 within a reasonable period of time after the request is made, shall be
20 informed of the content of a course in the health education curriculum
21 and may examine textbooks and other classroom materials that are
22 provided to the pupil or materials that are presented to the pupil in
23 the classroom. This subsection does not require a school board to
24 permit pupil or parental examination of test questions and answers,
25 scoring keys, or other examination instruments or data used to
26 administer an academic examination.

27 Sec. 1104. Of the funds appropriated in section 101 for
28 Alzheimer's information network, the department shall allocate funds to
29 regional information and referral centers, to be used only for

1 information and referral services.

2 **CHILD AND FAMILY SERVICES GRANTS**

3 Sec. 1201. The department shall review the basis for the
4 distribution of funds to local health departments and other public and
5 private agencies for the women, infants, and children food supplement
6 program; family planning; early and periodic screening, diagnosis, and
7 treatment program; and prenatal care outreach and service delivery
8 support program and indicate the basis upon which any projected under
9 expenditures by local public and private agencies shall be reallocated
10 to other local agencies that demonstrate need.

11 Sec. 1202. Of the funds appropriated in section 101 for adolescent
12 health care services, \$1,840,830.00 shall be allocated to teen centers
13 as follows: \$90,000.00 base funding, and of the remaining funding 25%
14 distributed on the number of users, 50% distributed on the number of
15 visits, and 25% distributed on the number of services. This formula
16 does not apply to the alternative models.

17 Sec. 1203. Before April 1, 1996, the department shall submit a
18 report to the house and senate fiscal agencies on planned allocations
19 from the amounts appropriated in section 101 for maternity, infant, and
20 children's health care local agreements, prenatal care outreach and
21 service delivery support, family planning local agreements, and
22 pregnancy prevention programs. Using applicable federal definitions,
23 the report shall include information on all of the following:

24 (a) Funding allocations.

25 (b) Basis for grantee selection.

26 (c) Expected cost per client served by grantee.

27 (d) Number of women, children, and/or adolescents expected to be
28 served.

29 (e) Expected first and third party collections by source of

1 payment.

2 (f) The extent to which grantees meet federal indicators, when
3 applicable.

4 (g) Actual numbers served and amounts expended in the categories
5 described in subdivisions (a) to (e) for the fiscal year 1995-96.

6 Sec. 1204. For all programs for which an appropriation is made in
7 section 101 for child and family services grants, the department shall
8 contract with those local public and private nonprofit agencies best
9 able to serve clients. Factors to be used by the department in
10 evaluating agencies under this section shall include ability to serve
11 high-risk population groups; ability to serve low-income clients, where
12 applicable; availability of, and access to, service sites; management
13 efficiency; and ability to meet federal standards, where applicable.

14 Sec. 1205. Each family planning program receiving federal title X
15 family planning funds shall be in compliance with all performance and
16 quality assurance indicators that the United States bureau of community
17 health services specifies as its common reporting requirements. An
18 agency not in compliance with the indicators shall not receive
19 supplemental or reallocated funds.

20 Sec. 1206. Of the amount appropriated in section 101 for prenatal
21 care outreach and service delivery support, not more than 10% shall be
22 expended for local administration, data processing, and evaluation.

23 Sec. 1207. The funds appropriated in section 101 for adolescent
24 health care services shall not be used to fund grants for planning or
25 community coordination of additional adolescent health care programs.

26 Sec. 1208. A clinic, institution, or other health facility
27 receiving state funding for family planning purposes shall provide to a
28 client seeking family planning services, at initial contact, a pamphlet
29 containing educational information to assist the patient in making

1 responsible parenting decisions. The pamphlet shall include, but not
2 be limited to, information regarding the physical, financial, and time
3 commitment involved in parenting. The pamphlets required by this
4 section shall be provided by the department. The pamphlets shall be
5 written in English and in clear, nontechnical terms. Copies of the
6 pamphlets shall also be printed in Spanish and distributed upon request
7 to the clinics, institutions, and other health facilities described in
8 this section.

9 Sec. 1209. The department shall maintain comprehensive health care
10 programs to communicate to preteens the importance of delaying sexual
11 activity and to address teen sexual activity, teenage pregnancy, and
12 sexually transmitted diseases.

13 Sec. 1210. The funds appropriated in section 101 for pregnancy
14 prevention programs shall not be used to provide abortion counseling,
15 referrals, or services.

16 Sec. 1211. In the event of a federal block grant consolidation of
17 the women's, infants, and children supplemental food program, the
18 department shall continue to competitively bid infant formula
19 manufacturer rebate contracts.

20 Sec. 1212. The department shall make a grant of \$53,000.00 to
21 pregnancy services of Michigan.

22 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

23 Sec. 1301. Money appropriated in section 101 for medical care and
24 treatment of crippled children shall be paid according to reimbursement
25 policies determined by the Michigan medical services program.

26 Exceptions to these policies may be taken with the prior approval of
27 the department of management and budget.

28 Sec. 1302. The department may do 1 or more of the following:

29 (a) Provide special formula for eligible clients with specified

1 metabolic and allergic disorders.

2 (b) Provide medical care and treatment to eligible patients with
3 cystic fibrosis who are 21 years of age or older.

4 (c) Provide genetic diagnostic and counseling services for eligible
5 families.

6 (d) Provide medical care and treatment to eligible patients with
7 hereditary coagulation defects, commonly known as hemophilia, who are
8 21 years of age or older.

9 **SUBSTANCE ABUSE GRANTS AND CONTRACTS**

10 Sec. 1401. The funding in section 101 for substance abuse services
11 shall be distributed in a manner so as to provide priority to service
12 providers which furnish child care services to clients with children.

13 Sec. 1402. In spending the funds appropriated in section 101 for
14 community substance abuse prevention, education, and treatment grants,
15 the office of substance abuse services and its subcontractors shall
16 ensure that chemically dependent pregnant women and women with
17 dependent children receive priority for services.

18 Sec. 1403. (1) The funds appropriated in section 101 for the state
19 disability assistance substance abuse services program shall be used to
20 support per diem room and board payments in substance abuse residential
21 facilities. Eligibility of clients for the state disability assistance
22 substance abuse services program shall be determined in accordance with
23 section 805 of Act No. 168 of the Public Acts of 1992.

24 (2) The department shall reimburse all licensed substance abuse
25 programs eligible to participate in the program at a rate equivalent to
26 that paid by the family independence agency to adult foster care
27 providers. Programs accredited by department-approved accrediting
28 organizations shall be reimbursed at the personal care rate, while all
29 other eligible programs shall be reimbursed at the domiciliary care

1 rate.

2 Sec. 1404. The department shall implement capitated managed care
3 service delivery systems in the medical services substance abuse
4 program.

5 **MEDICAL SERVICES**

6 Sec. 1501. The department of community health shall provide an
7 administrative procedure for the review of grievances by medical
8 services providers with regard to reimbursement under the medical
9 services program. Settlements of properly submitted cost reports shall
10 be paid not later than 9 months from receipt of the final report.

11 Sec. 1502. (1) Except as provided in subsection (2), for care
12 provided to medical services recipients with other third party sources
13 of payment, medical services reimbursement shall not exceed, in
14 combination with such other resources, including medicare, those
15 amounts established for medical services-only patients. The medical
16 services payment rate shall be accepted as payment in full. Other than
17 an approved medical services copayment, no portion of a provider's
18 charge shall be billed to the recipient or any person acting on behalf
19 of the recipient. Nothing in this section shall be deemed to affect
20 the level of payment from a third party source other than the medical
21 services program. The department shall require a nonenrolled provider
22 to accept medical services payments as payment in full.

23 (2) Notwithstanding subsection (1), medical services reimbursement
24 for hospital services provided to dual medicare/medical services
25 recipients with medicare part B coverage only shall equal, when
26 combined with payments for medicare and other third party resources, if
27 any, those amounts established for medical services only patients,
28 including capital and direct medical education payments.

29 Sec. 1503. (1) Effective April 1, 1997, the pharmaceutical

1 dispensing fee shall be \$3.72 or the usual and customary cash charge,
2 whichever is less. If a recipient is 21 years of age or older, the
3 department shall require a \$1.00 per prescription client copayment,
4 except as prohibited by federal or state law or regulation.

5 (2) The department shall require copayments on dental, podiatric,
6 chiropractic, vision, and hearing aid services provided to recipients
7 of medical assistance except as excluded by law.

8 (3) The copayments in subsections (1) and (2) may be waived for
9 recipients who participate in a program of medical case management such
10 as enrollment in a health maintenance organization or the primary
11 physician sponsor plan program.

12 (4) The department is authorized to implement alternate pharmacy
13 reimbursement systems, including competitively bid dispensing
14 contracts, in place of the dispensing fee as cited in subsection (1).

15 Sec. 1504. Medical services adult dental services shall continue
16 at not less than the level in effect on October 1, 1991.

17 Sec. 1505. Medical services podiatric services shall continue at
18 the level in effect on October 1, 1991, except that reasonable
19 utilization limitations may be adopted in order to prevent excess
20 utilization.

21 Sec. 1506. Medical services chiropractic services shall continue
22 at the level in effect on September 30, 1990, except that reasonable
23 utilization limitations may be adopted in order to prevent excess
24 utilization. The department shall not impose utilization restrictions
25 on chiropractic services unless a recipient has exceeded 18 office
26 visits within one year.

27 Sec. 1507. (1) From the funds appropriated in section 101 for the
28 indigent medical care program, the department shall establish a program
29 which provides for the basic health care needs of indigent persons as

1 delineated in the following subsections.

2 (2) Eligibility for this program is limited to the following:

3 (a) Persons currently receiving cash grants under either the family
4 independence program or state disability assistance programs who are
5 not eligible for any other public or private health care coverage.

6 (b) Any other resident of this state who currently meets the income
7 and asset requirements for the state disability assistance program and
8 is not eligible for any other public or private health care coverage.

9 (3) All potentially eligible persons, except those defined in
10 subsection (2)(a), who shall be automatically enrolled, may apply for
11 enrollment in this program at local family independence agency offices
12 or other designated sites.

13 (4) The program shall provide for the following minimum level of
14 services for enrolled individuals:

15 (a) Physician services provided in private, clinic, or outpatient
16 office settings.

17 (b) Diagnostic laboratory and x-ray services.

18 (c) Pharmaceutical services.

19 Sec. 1508. The department may require medical services recipients
20 to receive psychiatric services through a managed care system.

21 Sec. 1509. The department shall continue to implement managed care
22 and shall require medical services recipients residing in counties
23 offering managed care options to choose the particular managed care
24 plan in which they wish to be enrolled. Persons not expressing a
25 preference shall be assigned to a managed care provider.

26 Sec. 1510. (1) The department shall not preauthorize or in any way
27 restrict single-source pharmaceutical products except those single-
28 source pharmaceuticals that have been subject to prior authorization by
29 the department prior to January 1, 1992 and those single-source

1 pharmaceuticals within the categories specified in section 1927(d)(2)
2 of the social security act, 42 U.S.C. 1396s(d), or for the reasons
3 delineated in section 1927(d)(3) of the social security act.

4 (2) The department may implement drug utilization review and
5 monitoring programs that may cover renewals of prescriptions of anti-
6 ulcer agents; these programs shall not be expanded to other therapeutic
7 classes. Such programs shall have physician oversight through the drug
8 utilization and review board to ensure proper determination.

9 Sec. 1511. The department shall assure that all eligible children
10 assigned to medical services managed care programs have timely access
11 to early and periodic screening, diagnosis, and treatment (EPSDT)
12 services as required by federal law.

13 Sec. 1512. (1) The department of community health is authorized to
14 pursue reimbursement for eligible services provided in Michigan schools
15 from the federal medigrant program. The department and the department
16 of management and budget are authorized to negotiate and enter into
17 agreements, together with the department of education, with local and
18 intermediate school districts regarding the sharing of federal
19 medigrant services funds received for these services. The department
20 is authorized to receive and disburse funds to participating school
21 districts pursuant to such agreements and state and federal law.

22 (2) From the funds appropriated in section 101 for medical services
23 school services payments, the department is authorized to do all of the
24 following:

25 (a) Finance activities within the medical services administration
26 related to this project.

27 (b) Reimburse participating school districts pursuant to the fund
28 sharing ratios negotiated in the state-local agreements authorized in
29 subsection (1).

1 (c) Offset general fund costs associated with the medical services
2 program.

3 (3) The department shall not make distributions from the funds
4 provided for this purpose in section 101 until it has filed the
5 necessary state plan amendments, made required notifications, received
6 an indication of approval from the health care financing
7 administration, and received approval from the department of management
8 and budget.

9 Sec. 1513. The special adjustor appropriation in section 101 may be
10 increased if the department submits a medical services state plan
11 amendment pertaining to this line item at a level higher than the
12 appropriation and receives an indication of approval of the amendment
13 from the health care financing administration. The department is
14 authorized to appropriately adjust financing sources in accordance with
15 the increased appropriation.

16 Sec. 1514. The department of community health shall obtain from
17 those health maintenance organizations and clinic plans with which the
18 department contracts patient-based utilization data, including
19 immunizations, early and periodic screenings, diagnoses, and
20 treatments, substance abuse services, and maternal and infant support
21 services referrals. The format and frequency of reporting shall be
22 specified by the department.

23 Sec. 1515. (1) The department may require that at least 50% of
24 inflation increases in rates shall be used for a wage and benefit pass-
25 through to nursing home workers, based on a plan developed by the
26 department and substantially similar to a plan implemented in the 1989-
27 1990 fiscal year. The rate increase for enhanced wages and benefits
28 shall be provided to those facilities which make application for it to
29 fund the medical services program share of wage and benefit increases

1 up to 50 cents per employee hour. The pass-through shall only be used
2 to increase wages and benefits. Nursing facilities shall be required
3 to document that these wage and benefit increases were actually
4 provided.

5 (2) The department may implement a capitated based long term care
6 reimbursement program.

7 Sec. 1516. Medical services shall be provided to elderly and
8 disabled persons with incomes less than or equal to 100% of the
9 official poverty line.

10 Sec. 1517. The department may fund home and community-based
11 services in lieu of nursing home services, for individuals seeking
12 long-term care services, from the nursing home or personal care in-home
13 services line items.

14 Sec. 1518. (1) The department shall implement enforcement actions
15 as specified in the nursing facility enforcement provisions of 42
16 U.S.C. 1396r.

17 (2) The department is authorized to receive and spend penalty
18 money received as the result of noncompliance with medical services
19 certification regulations. Penalty money, characterized as private
20 funds, received by the department shall increase authorizations and
21 allotments in the long-term care accounts.

22 (3) Any unexpended penalty money, at the end of the year, shall
23 carry forward to the following year.

24 Sec. 1519. The department shall notify the medical services
25 managed care provider of an address and a telephone number for each
26 enrolled recipient at the time of enrollment and whenever there is a
27 subsequent address or telephone number change.

28 Sec. 1520. (1) Medical services patients who are enrolled in
29 health maintenance organizations (HMOs) or capitated clinic plans have

1 the choice to elect hospice services or other services for the
2 terminally ill that are offered by the HMO or clinic plan. If the
3 patient elects hospice services, those services shall be provided in
4 accordance with 214 of the public health code, Act No. 368 of the
5 Public Acts of 1978, being sections 333.21401 to 333.21420 of the
6 Michigan Compiled Laws.

7 (2) The department shall not amend the medical services hospice
8 manual in a manner that would allow hospice services to be provided
9 without making available all comprehensive hospice services described
10 in 42 C.F.R. part 418.

11 Sec. 1521. Usual and customary charges for pharmacy providers are
12 defined as the pharmacy's charges to the general public for like or
13 similar services.

14 Sec. 1522. (1) From the funds appropriated in section 101 for
15 outpatient hospital indigent adjustor, the department, subject to the
16 requirements and limitations in this section, shall establish a funding
17 pool of up to \$44,012,800.00 for the purpose of enhancing the aggregate
18 payment for medical services hospital outpatient services. Such
19 payments, if any, may be made as a gross adjustment to hospital
20 outpatient payments or by another mechanism or schedule as determined
21 by the department, which meets the intent of this section.

22 (2) For counties with populations in excess of 2,000,000 persons,
23 the department shall distribute \$44,012,800.00 to hospitals if
24 \$15,026,700.00 is received by the state from such counties, which meets
25 the criteria of an allowable state matching share as determined by
26 applicable federal laws and regulations. If the state receives a
27 lesser sum of an allowable state matching share from these counties,
28 the amount distributed shall be reduced accordingly.

29 (3) The department of community health may establish a statewide,

1 county-based, indigent health care program that is at least equal in
2 eligibility and coverage to the fiscal year 1996 state medical program.

3 Sec. 1523. An institutional provider that is required to submit a
4 cost report under the medical services program shall submit cost
5 reports completed in full within 5 months after the end of its fiscal
6 year.

7 Sec. 1524. In order to ensure that expenditures do not exceed the
8 amounts appropriated in section 101, the department is authorized to
9 expand the number of services purchased through competitively bid
10 contracts, including the competitively bid purchase of capitated long
11 term care services.

12 Sec 1525. Any unexpended balance from the medigrant contingency
13 fund will not lapse and will carry forward into fiscal year 1998.

Final page.