

COMMUNITY HEALTH: FY 2011-12
Summary: Conference Report
Senate Bill 172 (S-1) CR-1



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IDG/IDT	FY 2010-11 YTD as of 2/17/10	FY 2011-12 Executive	FY 2011-12 Senate	FY 2011-12 House	FY 2011-12 Conference	Difference: Conference From FY 2010-11 YTD	
						Amount	%
Federal	\$54,020,800	\$6,569,400	\$4,528,700	\$4,528,700	\$6,569,400	(\$47,451,400)	(87.8)
ARRA	650,327,000	0	0	0	0	(650,327,000)	100.0
Non-ARRA	8,823,718,200	8,738,467,400	8,686,999,400	8,746,547,600	8,986,611,000	162,892,800	1.9
Local	235,104,200	248,557,800	248,426,200	248,228,900	250,605,900	15,501,700	6.6
Private	88,103,600	96,294,700	96,494,700	96,694,700	96,494,700	8,391,100	9.5
Restricted	1,851,347,100	2,117,660,700	2,156,325,700	2,151,082,000	2,129,851,900	278,504,800	15.0
GF/GP	2,421,483,700	2,701,024,900	2,641,084,900	2,675,575,200	2,771,183,500	349,699,800	14.4
Gross	\$14,124,104,600	\$13,908,574,900	\$13,833,859,600	\$13,922,657,100	\$14,241,316,400	\$117,211,800	0.8
FTEs	4,398.8	3,641.2	4,035.5	4,030.0	3,640.2	(758.6)	(17.3)

Notes: (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) "ARRA" represents temporary funds received under the federal American Recovery and Reinvestment Act or related sources. (3) House-passed appropriation amounts are based on the Community Health's Article IV contained in House Bill 4526. (4) Figures do not reflect \$22.1 million GF/GP in one-time boilerplate appropriations contained in Sec. 1901 of the Conference Report.

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 2010-11 YTD Appropriations

1. Economic Adjustments

Includes a net increase of \$21.1 million gross (\$10.1 million GF/GP) to finance economic adjustments for pension and retiree insurance (defined benefit and contribution), insurance, workers' compensation, building occupancy, and gas, fuel, and utility costs for FY 2011-12. Does not include economic adjustments for employees' salaries and wages and food provided to clients in state-operated facilities for individuals with mental illness and developmental disabilities.

	FY 2010-11 Year-to-Date (as of 2/17/11)	Conference Change from Year-to-Date
Gross	N/A	\$21,097,800
IDG	N/A	35,700
Federal	N/A	3,993,600
Restricted	N/A	804,700
Local	N/A	6,118,900
Private	N/A	2,800
GF/GP	N/A	\$10,142,100

2. Retirement Adjustments

Projects FY 2011-12 early retirement savings of \$4.6 million gross (\$3.5 million GF/GP).

	FY 2010-11 Year-to-Date (as of 2/17/11)	Conference Change from Year-to-Date
Gross	N/A	(\$4,644,900)
Federal	N/A	(580,400)
Restricted	N/A	0
Local	N/A	(607,800)
GF/GP	N/A	(\$3,456,700)

3. Community Health Automated Medical Processing System (CHAMPS) Funding

Adds \$8.9 million gross (\$1.2 million GF/GP) for the Medicaid automated claims processing system, referred to as CHAMPS, to meet federal requirements for enhancements related to the Health Insurance Portability and Accountability Act (HIPAA).

	FY 2010-11 Year-to-Date (as of 2/17/11)	Conference Change from Year-to-Date
Gross	N/A	\$8,922,600
Federal	N/A	7,768,000
GF/GP	N/A	\$1,154,600

Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 Year-to-Date (as of 2/17/11)	Conference Change from Year-to-Date	
4. Actuarially Sound Capitation Payment Rates Adjustment		Gross	\$6,088,703,100	\$75,020,500
Includes capitation rate increase of 1.68% and 1.17% in the FY 2011-12 budget for Health Plans and Prepaid Inpatient Health Plans, respectively, to ensure that payment rates are actuarially sound. This type of adjustment has been included in the budget since FY 2004-05.	Federal	4,004,215,300	49,618,500	
	ARRA	328,031,800	0	
	Restricted	971,718,500	0	
	Local	34,887,900	0	
	GF/GP	\$749,849,600	\$25,402,000	
5. Mental Health Services for Special Populations Program Reduction		Gross	\$6,873,800	(\$1,031,000)
Reduces funding for mental health services for special populations and groups such as Chinese American, Asian American, Hispanics, Arab/Chaldean, ACCESS, Michigan Inter-Tribal Council, Jewish Federation, Chaldean Community Foundation, and Vietnam Veterans by \$1,031,000 GF/GP. This adjustment represents a 15.0% reduction from current funding for this program. An additional one-time appropriation is included in section 1901.		GF/GP	\$6,873,800	(\$1,031,000)
6. Community Mental Health (CMH) Non-Medicaid Services and Administrative Reduction		Gross	\$282,275,100	(\$8,483,300)
Reduces non-Medicaid services provided to individuals with mental illness and developmental disabilities by community mental health services programs (CMHSPs) and related administrative costs by \$8.5 million GF/GP, a budgetary change which represents a 3.0% reduction from current funding for the CMH non-Medicaid line item. Up to \$3.4 million GF/GP of the reduction is related to administrative services and the remaining \$5.1 million GF/GP is related to non-Medicaid services provided to individuals. (Sec. 462)		GF/GP	\$282,275,100	(\$8,483,300)
7. Substance Abuse Services and Administrative Funding		Gross	\$85,758,300	(\$1,724,300)
Reduces administrative costs for coordinating agencies by \$152,900 GF/GP and eliminates one-time funding of \$1.0 million GF/GP for a community health outreach program provided by Self-Help Addiction Rehabilitation (SHAR) Inc. Includes \$224,300 GF/GP reduction for the State Disability Assistance Program Substance Abuse Services line item, and \$165,000 GF/GP reduction for the Salvation Army Harbor Light Program and Odyssey House. Also, includes an unspecified reduction of \$182,100 GF/GP for community substance abuse prevention, education, and treatment programs.	Federal	65,893,900	0	
	ARRA	277,700	0	
	Restricted	3,051,100	0	
	GF/GP	\$16,535,600	(\$1,724,300)	
8. Children's Waiver Home Care Program Reduction		Gross	\$21,049,800	(\$2,105,000)
Includes a reduction of \$2,105,000 gross (\$712,800 GF/GP) for the Children's Waiver Home Care Program that provides home and community-based services for 464 eligible children with developmental disabilities. The DCH will be reviewing administrative and regulatory requirements to implement efficiencies and hopes to capture unspent authorization for the waiver program.	Federal	14,361,800	(1,392,200)	
	ARRA	1,066,000	0	
	GF/GP	\$5,622,000	(\$712,800)	
9. Forensic Mental Health Services Provided to the Department of Corrections (DOC) Transfer		FTE	396.3	(396.3)
Transfers almost 400 staff positions associated with \$50.5 million interdepartmental grant from the DOC as the Department of Community Health will no longer be responsible for providing mental health services to prisoners under the jurisdiction of DOC. The effective date of the transfer was February 20, 2011. Michigan's Mental Health Code allows DOC to contract with DCH or third-party providers to operate the mental health program.	Gross	\$50,527,800	(\$50,527,800)	
	IDG	50,527,800	(50,527,800)	
	GF/GP	\$0	\$0	
10. Transfers to the Department of Licensing and Regulatory Affairs (LARA)		FTE	N/A	(389.8)
Transfers almost 390 staff positions associated with funding of \$56.7 million based on provisions of Executive Order 2011-4 which transfers responsibilities of the Bureau of Health Professions, Part 209 of the Michigan Public Health Code, Bureau of Health Systems, and Controlled Substances Advisory Commission from DCH to LARA.	Gross	N/A	(\$56,734,100)	
	IDG	N/A	2,040,700	
	Federal	N/A	(19,840,300)	
	Private	N/A	(200,000)	
	Restricted	N/A	(38,674,500)	
	GF/GP	N/A	(\$60,000)	
11. Essential Local Public Health Services Reduction		Gross	\$39,082,800	(\$1,696,700)
Reduces GF/GP funding to the state's 45 local public health departments by \$1.7 million (5%), affecting most state and local cost-shared services: immunizations, infectious disease control, sexually transmitted disease control and prevention, food protection, public water supply, private groundwater supply, and on-site sewage management. Hearing and vision screening programs funded by this line item are not affected.	Local	5,150,000	0	
	GF/GP	\$33,932,800	(\$1,696,700)	

Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 Year-to-Date (as of 2/17/11)	Conference Change from Year-to-Date
12. Healthy Michigan Prevention Funding Reduction		FTE N/A (1.0)	
Eliminates all \$10.9 million of individual Healthy Michigan Fund (HMF) public health prevention project appropriations, establishes a reduced \$5.0 million single line item appropriation for HMF programs (public health projects), and shifts \$5.9 million of HMF funds to Medicaid match, for GF/GP savings. Healthy Michigan Fund appropriations total \$34.2 million. See also boilerplate sections 1901 and 1902 related to additional one-time HMF appropriations.		Gross \$33,981,700	(\$5,918,900)
	Restricted	33,981,700	194,200
	GF/GP	\$0	(\$6,113,100)
13. Public Health Projects Eliminated		Gross \$425,000	(\$425,000)
Eliminates funding for the following public health projects: traumatic brain injury pilot projects \$200,000 Gross (\$100,000 GF/GP), stillbirth awareness \$50,000 GF/GP, colon disease project with Henry Ford Health System \$125,000 GF/GP, and Special Needs Vision Clinic \$50,000 GF/GP.		Federal 100,000	(100,000)
	GF/GP	\$325,000	(\$325,000)
14. Nurse Family Partnership Program		Gross \$0	\$3,794,200
Includes \$1.5 million GF/GP funding nurse family partnership programs. Additional federal authorization is included to reflect Title XIX Medicaid match that may be earned by state and local spending for this program.		Federal 0	2,294,200
	GF/GP	\$0	\$1,500,000
15. Aging Programs		Gross \$90,829,700	\$271,000
Maintains current year GF/GP funding to programs for seniors including community services, home-delivered and congregate meals, and 3 senior volunteer programs. Eliminates funding of \$120,000 for Tribal Elders program. Federal, private and early retirement adjustments are concurred with.		Federal 56,707,800	321,000
	Private	607,500	70,000
	Merit Awd	4,468,700	0
	Restricted	1,400,000	0
	GF/GP	\$27,645,700	(\$120,000)
16. Medicaid FMAP Federal Stimulus Adjustment		Gross N/A	\$20,877,000
Includes an increase of \$564.7 million GF/GP to offset the final year of enhanced federal FMAP Medicaid funding from the American Recovery and Reinvestment Act (ARRA) and related extension.		ARRA N/A	(627,327,000)
	Local	N/A	4,516,200
	Restricted	N/A	79,018,600
	GF/GP	N/A	\$564,669,200
17. Medicaid Caseload, Utilization and Inflation Increase		Gross \$11,397,017,900	\$656,473,400
Includes a base adjustment increase for FY 2010-11 of \$115.5 million gross (\$47.8 million GF/GP) to cover caseload/utilization/inflation changes within Medicaid, Mental Health/Substance Abuse, Children's Special Health Care Services and Federal Medicare Prescription programs. The increase included for FY 2011-12 is \$541.0 million Gross (\$133.2 million GF/GP).		Federal 7,568,396,600	420,556,200
	Local	52,469,400	0
	Private	2,100,000	0
	Merit Awd	82,275,800	0
	Restricted	1,846,351,100	0
	GF/GP	\$1,845,425,000	\$235,917,200
18. Dual Eligibles to Managed Care		Gross N/A	(\$29,828,700)
Shifting individuals who are eligible for both Medicare and Medicaid (dual eligibles) from fee-for-service to an integrated managed care system would generate savings of \$29.8 million gross (\$10.1 million GF/GP) given a start date of April 1, 2012. A federal waiver would be required to allow the State to receive the Medicare funds to manage the care of the dual eligibles.		Federal N/A	(19,728,700)
	GF/GP	N/A	(\$10,100,000)
19. Other Medicaid Fund Source Adjustments		Gross N/A	\$431,600
Includes an increase of federal Medicaid and Children's Health Insurance Program Reauthorization Act (CHIPRA) funds for FY 2011-12 which would offset \$29.9 million of GF/GP due to regular changes in federal match rates. An additional \$160.0 million GF/GP is included to offset one-time CHIPRA FMAP correction revenue which is part of the FY 2010-11 budget. In FY 2012-13, a decrease of federal Medicaid and SCHIP funds requires an additional \$97.8 million of GF/GP due to regular changes in federal match rates.		Federal N/A	40,613,500
	Local	N/A	(457,800)
	Restricted	N/A	(169,810,500)
	GF/GP	N/A	\$130,086,400
20. Graduate Medical Education Reduction		Gross \$168,160,800	(\$31,824,300)
Includes a \$31.8 million gross (\$10.8 million GF/GP) reduction to Graduate Medical Education (GME) payments. GME payments are made to Michigan hospitals which provide clinical training and education to individuals in approved residency programs. This funding is provided in recognition of the higher costs incurred by the teaching hospitals. An additional GME appropriation is included in Sec. 1901, "One-Time Basis Only".		Federal 110,633,000	(21,048,600)
	ARRA	9,164,800	0
	GF/GP	\$48,363,000	(\$10,775,700)

Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 Year-to-Date (as of 2/17/11)	Conference Change from Year-to-Date
21. Hospital Disproportionate Share Payments	Gross	\$52,500,000	(\$7,500,000)
Eliminates the FY 2010-11 small/ rural, disproportionate share hospital (DSH) payment pool and maintains the \$45.0 million large hospital pool. A rural hospital appropriation is included in Sec. 1901, "One Time Basis Only".	Federal	34,344,700	(4,960,500)
	Restricted	8,875,700	(2,539,500)
	GF/GP	\$9,279,600	\$0
22. Include Behavioral Health Drugs On Preferred Drug List	Gross	\$401,414,600	(\$18,700,000)
Savings of \$18.7 million gross (\$6.3 million GF/GP) are removed from the Pharmaceutical Services line as a result of including behavioral health drugs on the preferred drug list. A statutory change would be required to realize these savings.	Federal	262,930,300	(12,368,200)
	ARRA	21,788,500	0
	GF/GP	\$116,695,800	(\$6,331,800)
23. Healthy Kids Dental Expansion	Gross	\$145,313,300	\$4,430,000
Expands the Healthy Kids Dental program to Mason, Muskegon, Newaygo and Oceana counties adding \$4.4 million (\$1.5 million GF/GP) to the Dental Services line item.	Federal	94,947,800	2,930,000
	ARRA	7,868,600	0
	Restricted	589,000	0
	GF/GP	\$41,907,900	\$1,500,000
24. Medicaid Estate Recovery Program	Gross	\$1,687,362,700	(\$16,573,800)
Reduces the Long-Term Care Services line \$16.6 million gross (\$5.6 million GF/GP) representing savings generated by statutory changes strengthening the existing Medicaid long-term care estate recovery law. Michigan currently is the only state in the nation without a federally approved estate recovery program.	Federal	1,128,268,000	(10,961,900)
	ARRA	93,769,300	0
	Restricted	328,363,700	0
	Local	6,618,800	0
	GF/GP	\$130,342,900	(\$5,611,900)
25. Nursing Home Transition Savings	Gross	N/A	(\$35,331,300)
Includes savings of \$35.3 million gross (\$7.5 million GF/GP) resulting from the transitioning of Medicaid funded nursing home occupants to the MIChoice program.	Federal	N/A	(24,335,700)
	Restricted	N/A	(3,479,600)
	GF/GP	N/A	(\$7,516,000)
26. Adult Home Help Service Limits	Gross	\$304,928,900	(\$17,720,000)
Reduces the Adult Home Help line by \$17.7 million gross (\$6.0 million GF/GP) as a result of excluding individuals from the Adult Home Help program who qualify only for assistance with instrumental activities of daily living (IADL). IADLs include shopping, laundry, housework, meal preparation and money management.	Federal	202,644,500	(11,720,000)
	ARRA	16,794,600	0
	GF/GP	\$85,489,800	(\$6,000,000)
27. Repeal Medicaid HMO and PIHP Use Tax	Gross	\$388,352,900	(\$388,352,900)
Includes the assumed repeal of the use tax currently covering Medicaid HMOs and PIHPs. Proposed elimination is based on anticipated federal action that would prohibit financing the Medicaid program under the current law. The repeal of the use tax would save the State \$131.5 million GF/GP; reduce tax collections by \$388.4 million gross, resulting in a net State revenue reduction of \$257.9 million. Statutory changes would be necessary to repeal this portion of the use tax.	Federal	256,856,600	(256,856,600)
	GF/GP	\$131,496,300	(\$131,496,300)
28. Insurer Paid Claims Tax of 1%	Gross	\$0	\$0
Assumes enactment of a 1% assessment on all health insurance paid claims which would generate approximately \$396.9 million of state restricted revenue which would offset a like amount of GF/GP. Statutory changes would be necessary to enact the assessment.	Restricted	0	396,856,600
	GF/GP	\$0	(\$396,856,600)
29. Third Party Liability Recovery Savings	Gross	N/A	(\$22,017,100)
Reduces the Health Plan Services line item \$22.0 million gross (\$7.5 million GF/GP) reflecting savings generated by broadening the Sharing Health Care Information Act. Statutory language change would require auto insurers who are legally responsible for payment of a health care claim to report to the Department of Community Health. This will enable the State to better identify Medicaid eligible persons with other health care coverage and avoid or recover payments for services provided by the Medicaid program.	Federal	N/A	(14,562,100)
	GF/GP	N/A	(\$7,455,000)

Major Boilerplate Changes From FY 2010-11

GENERAL SECTIONS

Sec. 206. Contingency Funds – REVISED

Appropriates and makes available for expenditure up to \$200 million federal contingency funds, up to \$40 million state restricted contingency funds, up to \$20 million local contingency funds, and up to \$20 million private contingency funds if transferred according to provisions of Section 393(2) of the Management and Budget Act.

Sec. 213. Report on Tobacco Tax and Healthy Michigan Funds - RETAINED

Requires state departments, agencies, and commissions receiving tobacco tax and Healthy Michigan funds to report on programs utilizing these funds.

Sec. 219. DCH Contracts with the Michigan Public Health Institute - RETAINED

Allows DCH to contract with the Michigan Public Health Institute for the design and implementation of projects and other public health related activities. Requires DCH to report on each funded project and provide copies of all reports, studies, and publications produced by the Institute.

Sec. 292. Civil Service Classification Pay Status and Publicly Accessible Internet Website - REVISED

Requires DCH to maintain on a searchable website accessible by the public at no cost that includes: fiscal year-to-date expenditures by category and appropriation unit; fiscal year-to-date payments to a selected vendor including the vendor name, and payment date, amount, and description; the number of active department employees by job classification; and specifications and wage rates.

Sec. 295. Privatization of Program and Service Areas - NEW

Requires the Department to explore program and other service areas, including eligibility determination, where privatization may lead to increased efficiencies and budgetary savings.

Sec. 296. State Restricted Fund Balances, Revenues, and Expenditures - NEW

Requires annual report on estimated state restricted fund balances, projected revenues, and expenditures for FY 2010-11 and FY 2011-12 within 14 days after the release of the Executive budget recommendation.

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

Sec. 401. Comprehensive System of CMH Services -RETAINED

Provides that Part 1 appropriated funds are to support a comprehensive system of CMH services under the full authority and responsibility of local community mental health services programs (CMHSPs) or prepaid inpatient health plans (PIHPs). Requires that DCH ensure each CMHSP or PIHP provide a complete array of mental health services, coordination of inpatient and outpatient hospital services, individualized plans of services, a case or care management system, and a system that serves at-risk and delinquent youth pursuant to provisions of the Mental Health Code.

Sec. 404. Report on CMHSPs - RETAINED

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

Sec. 407. Substance Abuse Prevention, Education, and Treatment Grants - RETAINED

Requires that appropriations for substance abuse prevention, education, and treatment grants be expended for contracting with coordinating agencies. Requires coordinating agencies work with CMHSPs or PIHPs to coordinate care and services provided to individuals with severe and persistent mental illness and substance abuse diagnoses.

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

Requires DCH to report on expenditures and services data on substance abuse prevention, education, and treatment programs from the prior fiscal year.

Sec. 494. National Accreditation Review Criteria for Behavioral Health Services - NEW

Requires the Department to utilize applicable national accreditation review criteria to determine compliance with corresponding state requirements for CMHSPs, PIHPs, or subcontracting provider agencies that have been reviewed and accredited by a national accrediting entity for behavioral health care services, in order to avoid duplication of efforts. Requires a progress report by July 1, 2012 on implementation of the section.

Sec. 495. Medical Home for Recipients of Medicaid Mental Health Benefits - NEW

Expresses legislature's intent that the Department begins working with the Centers for Medicare and Medicaid Services to develop a program that creates a medical home for individuals receiving Medicaid mental health benefits.

Sec. 496. CMHSPs and PIHPs Funding Reductions - NEW

Permits CMHSPs and PIHPs to offset state funding reductions by limiting the administrative component of their contracts with providers and case management to a maximum of 9%.

Sec. 497. Distribution of Substance Abuse Block Grant Funds - NEW

Requires population data from the most recent federal census be used in determining the distribution of substance abuse block grant funds.

Major Boilerplate Changes From FY 2010-11

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

Sec. 605. Closures or Consolidations of State Hospitals and Centers - RETAINED

Prohibits DCH from implementing any closures or consolidations of state hospitals and centers until CMHSPs or PIHPs have programs and services in place for those individuals currently in the facilities. Requires DCH to provide a closure plan four months after closure certification to the House and Senate Appropriations Subcommittees on Community Health, House and Senate Fiscal Agencies, and State Budget Director. Upon the closure of state-run operations and after transitional costs have been paid, requires the transfer of remaining operational funds to CMHSPs or PIHPs.

PUBLIC HEALTH ADMINISTRATION

Sec. 650. Fish Consumption Advisory - REVISED

Replaces current language regarding the posting of the annual public health consumption advisory for sport fish with language requiring a report to the legislature by April 1 on criteria and methodology used to derive the information provided in the fish advisory.

INFECTIOUS DISEASE CONTROL

Sec. 804. HIV and Hepatitis C Cooperative Program with Department of Corrections - RETAINED

Directs DCH to cooperate with Department of Corrections to share data and information regarding prisoners being released who test positive for HIV or Hepatitis C, related to the Michigan prisoner reentry initiative.

Sec. 805. Michigan Care Improvement Registry - NOT INCLUDED

Directs DCH to continue to fund the Michigan Care Improvement Registry (MCIR) at FY 2010-11 levels.

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Sec. 1004. Cancer Rate Investigations - NEW

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

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

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

Requires DCH to annually report an estimate of public funds administered by the department for family planning, sexually transmitted infection prevention and treatment, pregnancies, and births, and report demographics collected by DCH as self-reported by individuals utilizing those services.

Sec. 1104. Services and Report of Certain Pregnancy Planning and Prenatal Programs - RETAINED

Requires DCH to report on funding, services, and expenditures by urban and rural for local maternal and child health prenatal care, family planning, and pregnancy prevention programs. Requires DCH to ensure that needs of rural communities are considered in the distribution of maternal and child health program funds, and defines rural.

Sec. 1119. No Use of Funds to Encourage Abortion Services - NEW

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

Sec. 1135. School Health Education Curriculum - REVISED

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

WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

Sec. 1153. WIC Program Access in Rural Communities - REVISED

Requires DCH to ensure that individuals residing in rural communities have sufficient access to WIC program services. Deletes required report by DCH on efforts to increase access in rural areas.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1204. CSHCS and Medicaid HMOs - NEW

Deletes the requirement that the Department work with the Michigan Association of Health Plans to identify and report on a Medicaid HMO reimbursement methodology for Children's Special Health Care Services (CSHCS) eligibles and replaces it with the requirement that the Department report on its plan for enrolling Medicaid eligible CSHCS recipients into Medicaid health plans.

CRIME VICTIM SERVICES COMMISSION

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

Allocates up to \$200,000 for expansion of forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault. Funds shall be used for program coordination and training.

OFFICE OF SERVICES TO THE AGING

Sec. 1420. Aging Care Management Nursing Services Only Pilot - NEW

Directs DCH to establish an aging care management services pilot project with services provide solely by nurses, if funds become available; pilot shall be established in a county with a population between 150,000 and 250,000.

Major Boilerplate Changes From FY 2010-11

MEDICAL SERVICES

Sec. 1699. Disproportionate Share Hospital (DSH) & Graduate Medical Education (GME) Payments - REVISED

Subsection 4 requires the Department to form a workgroup to derive a new DSH formula or formulas with the result to be reported to the Legislature.

Sec. 1756. Beneficiary Monitoring Program - NEW

Requires the Department to expand and improve the beneficiary monitoring program and provide a report to the Legislature.

Sec. 1775. Medicaid Managed Care for Dual Eligibles - NEW

Requires the Department to report to the Legislature on an approved managed care waiver for dual Medicare/Medicaid eligibles.

Sec. 1793. Pilot Project On Preventable Hospitalizations - NEW

Requires the Department to consider the development of a pilot project focusing on the prevention of preventable hospitalizations from nursing homes.

Sec. 1820. Recognition of Medicaid Health Plan Accreditation - NEW

Requires the Department to give consideration of Medicaid Health Plan accreditation when establishing compliance with State program review criteria or audit requirements and includes a report requirement.

Sec. 1846. Graduate Medical Education Funding Workgroup - NEW

Requires the Department to establish a workgroup on graduate medical education, identifies workgroup representation, goals of the workgroup and a report.

Sec. 1847. Ambulance Quality Assurance Assessment Program - NEW

Requires the Department to meet with the Michigan Association of Ambulance Services to discuss the possible structure of an ambulance quality assurance assessment program.

Sec. 1849. Voluntary In-Home Visitation Services - NEW

Requires the Department to use 50% of the funds allocated for in-home visiting services for evidence-based models and submit a report to the Legislature.

Sec. 1853. Medicaid HMO Enrollee Automatic Assignment Workgroup - NEW

Requires the Department to form a workgroup to develop revisions to the process of automatic assignment of new Medicaid recipients to HMOs if the recipient has not chosen an HMO upon enrollment.

ONE-TIME BASIS ONLY

Sec. 1901. One-Time Funding For FY 2011-12 - NEW

Appropriates one-time FY 2011-12 funding of \$22.1 million GF/GP, \$53.0 million gross for the following:

Mental health services for special populations	\$3,000,000
Healthy Michigan Fund programs	\$3,000,000
Primary care services - island health clinics	\$300,000
Hospital services and therapy - graduate medical education	\$17,129,400
Hospital services and therapy - rural and sole community hospitals	\$29,533,400

Sec. 1902. Allocation of Healthy Michigan Funds for Cancer Prevention and Control - NEW

Allocates \$900,000 for cancer prevention and control from the one-time funds appropriated in Sec. 1901 for Healthy Michigan Fund programs.

Sec. 1903. Rural and Sole Community Hospitals - NEW

Establishes that \$10.0 million of GF/GP and associated match within the Hospital Services and Therapy-Rural and Sole Community Hospitals item in Sec. 1901 shall be awarded based on criteria to be established which includes services to low-income rural residents and that no hospital shall receive more than 5% of the total funding. A report is due the Legislature

PART 2A

GENERAL SECTIONS

Sec. 2001. Fiscal Year 2012-13 Anticipated Appropriations - NEW

Expresses legislative intent to provide appropriations for FY 2012-13 for the line items listed in Part 1 for FY 2011-12, except the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue.