

DIABETES IMPACT STUDY

Mary Ann Cleary, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 5204

Sponsor: Rep. Gail Haines

Committee: Health Policy

Complete to 2-29-12

A SUMMARY OF HOUSE BILL 5204 AS INTRODUCED 12-8-11

The bill would require various state departments and agencies to collaborate around the topic of diabetes to improve care and reduce the incidence of diabetes in the state; develop their own individual plans to meet the bill's goals; and collaborate on a biennial report to the Legislature that would assess, among other things, the financial impact and reach that diabetes has on the state and local units of government.

House Bill 5204 would add a new section to the Public Health Code to require the Department of Human Services (DHS), the Department of Community Health (DCH), and the Medical Services Administration (MSA), which administers the state's Medicaid program, to collaborate to identify goals and benchmarks to reduce the incidence of diabetes in the state, improve diabetes care, and control diabetes complications.

In addition, the DHS, DCH, and MSA would each have to develop its own individual entity plan to reduce the incidence of diabetes in the state, improve diabetes care, and control complications associated with diabetes.

Further, on or before January 10 of each odd-numbered year, the DHS, DCH, and MSA would have to collaborate to submit a report to the Legislature that contained all of the following as detailed in the bill:

- **The financial impact and the reach that diabetes of all types is having on the state and local governments.** The assessment would have to include the number of lives impacted by diabetes or covered by the DHS, DCH, and MSA; the number of lives with diabetes and family members impacted by prevention and diabetes control programs implemented by the three entities; the financial toll or impact that diabetes and its complications place on each program, and the financial toll or impact that diabetes and its complications place on each program in comparison to other chronic diseases and conditions.
- **An assessment of the benefits of implemented programs and activities aimed at preventing and controlling diabetes.** The amount and source for any funding directed to the entities by the Legislature for programs and activities aimed at reaching those with diabetes would have to be documented in the assessment.

- **A description of the level of coordination existing between the three entities on activities; programmatic activities; and messaging on managing, treating, or preventing all forms of diabetes and its complications.**
- **The development or revision of a detailed action plan for battling diabetes with a range of actionable items for consideration by the Legislature.** The action plan would have to identify steps to reduce the impact of diabetes, prediabetes, and related diabetes complications.
- **The development of a detailed budget blueprint identifying needs, costs, and resources required to implement the action plan presented to the Legislature.** The report would have to include a budget range for all options presented in the action plan for the Legislature's consideration.

MCL 333.5410

FISCAL IMPACT:

House Bill 5204 as introduced will increase costs for the Michigan Department of Community Health (DCH), which includes the Medical Services Administration, for collaborative planning and biennial reporting related to diabetes programming.

The Department estimates staffing costs of \$150,000 - \$400,000 to meet the requirements of the bill. The bill does not include funding to support the additional costs. Unless funding is appropriated, the Department will be required to perform these functions within its existing budget, and reduce programming in other areas.

The DCH Diabetes Prevention and Control Program is funded in FY 2011-12 at \$2.4 million, supported by \$1.6 million of federal funds, \$181,700 of state restricted Michigan Health Initiative funds, and \$600,000 of one-time GF/GP funding. Funding for the program has been reduced in recent years, down from \$4.5 million in FY 2001-02.

House Bill 5204 would have little to no fiscal impact on the Department of Human Services.

Legislative Analyst: Susan Stutzky
 Fiscal Analyst: Steve Stauff
 Susan Frey
 Kevin Koorstra

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.