

DRAFT 1
SUBSTITUTE FOR
HOUSE BILL NO. 4269

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, 2012; to provide for the expenditure of those appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to create funds; to require and 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:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the



1 amounts listed in this part are appropriated for the department of
 2 community health for the fiscal year ending September 30, 2012,
 3 from the funds indicated in this part. The following is a summary
 4 of the appropriations in this part:

5 **DEPARTMENT OF COMMUNITY HEALTH**

6 APPROPRIATION SUMMARY

7	Full-time equated unclassified positions	6.0	
8	Full-time equated classified positions	4,024.0	
9	Average population.....	893.0	
10	GROSS APPROPRIATION		\$ 13,922,657,100
11	Interdepartmental grant revenues:		
12	Total interdepartmental grants and intradepartmental		
13	transfers.....		4,528,700
14	ADJUSTED GROSS APPROPRIATION		\$ 13,918,128,400
15	Federal revenues:		
16	Total federal revenues		8,746,547,600
17	Special revenue funds:		
18	Total local revenues		248,228,900
19	Total private revenues		96,694,700
20	Merit award trust fund		86,744,500
21	Total other state restricted revenues		2,064,337,500
22	State general fund/general purpose		\$ 2,675,575,200
23	Sec. 102. DEPARTMENTWIDE ADMINISTRATION		
24	Full-time equated unclassified positions	6.0	
25	Full-time equated classified positions	175.2	
26	Director and other unclassified--6.0 FTE positions ...		\$ 583,900
27	Departmental administration and management--165.2 FTE		



1	positions.....		22,667,000
2	Worker's compensation program		8,772,300
3	Rent and building occupancy		10,628,100
4	Developmental disabilities council and projects--10.0		
5	FTE positions.....		<u>2,855,700</u>
6	GROSS APPROPRIATION	\$	45,507,000
7	Appropriated from:		
8	Federal revenues:		
9	Total federal revenues		14,092,400
10	Special revenue funds:		
11	Total private revenues		35,100
12	Total other state restricted revenues		2,502,900
13	State general fund/general purpose	\$	28,876,600
14	Sec. 103. MENTAL HEALTH/SUBSTANCE ABUSE SERVICES		
15	ADMINISTRATION AND SPECIAL PROJECTS		
16	Full-time equated classified positions..... 111.5		
17	Mental health/substance abuse program administration--		
18	110.5 FTE positions.....	\$	17,386,800
19	Gambling addiction--1.0 FTE position		3,000,000
20	Protection and advocacy services support		194,400
21	Community residential and support services		1,777,200
22	Federal and other special projects		2,697,200
23	Family support subsidy		19,470,500
24	Housing and support services		<u>9,306,800</u>
25	GROSS APPROPRIATION	\$	53,832,900
26	Appropriated from:		
27	Federal revenues:		



1	Total federal revenues	37,101,600
2	Special revenue funds:	
3	Total private revenues	390,000
4	Total other state restricted revenues	3,000,000
5	State general fund/general purpose	\$ 13,341,300
6	Sec. 104. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE	
7	SERVICES PROGRAMS	
8	Full-time equated classified positions 9.5	
9	Medicaid mental health services	\$ 2,055,796,700
10	Community mental health non-Medicaid services	273,908,100
11	Medicaid adult benefits waiver	32,056,100
12	Medicaid substance abuse services	42,410,600
13	CMHSP, purchase of state services contracts	134,021,400
14	Civil service charges	1,499,300
15	Federal mental health block grant--2.5 FTE positions .	15,397,500
16	Community substance abuse prevention, education, and	
17	treatment programs.....	77,170,600
18	Children's waiver home care program	18,944,800
19	Nursing home PAS/ARR-OBRA--7.0 FTE positions	12,179,300
20	Children with serious emotional disturbance waiver ...	<u>8,188,000</u>
21	GROSS APPROPRIATION	\$ 2,671,572,400
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	Interdepartmental grant from the department of human	
25	services.....	2,769,000
26	Federal revenues:	
27	Total federal revenues	1,515,519,600



1	Special revenue funds:	
2	Total local revenues	25,228,900
3	Total other state restricted revenues	22,314,900
4	State general fund/general purpose	\$ 1,105,740,000
5	Sec. 105. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
6	MENTAL HEALTH SERVICES	
7	Total average population.....	893.0
8	Full-time equated classified positions	2,194.2
9	Caro regional mental health center - psychiatric	
10	hospital - adult--468.3 FTE positions	\$ 56,706,900
11	Average population.....	185.0
12	Kalamazoo psychiatric hospital - adult--483.1 FTE	
13	positions.....	54,704,100
14	Average population.....	189.0
15	Walter P. Reuther psychiatric hospital - adult--433.3	
16	FTE positions.....	52,222,600
17	Average population.....	234.0
18	Hawthorn center - psychiatric hospital - children and	
19	adolescents--230.9 FTE positions	27,063,900
20	Average population.....	75.0
21	Center for forensic psychiatry--578.6 FTE positions ..	66,703,200
22	Average population.....	210.0
23	Revenue recapture	750,000
24	IDEA, federal special education	120,000
25	Special maintenance	332,500
26	Purchase of medical services for residents of	
27	hospitals and centers.....	445,600



1	Gifts and bequests for patient living and treatment	
2	environment.....	<u>1,000,000</u>
3	GROSS APPROPRIATION.....	\$ 260,048,800
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	Federal revenues:	
7	Total federal revenues.....	29,897,500
8	Special revenue funds:	
9	CMHSP, purchase of state services contracts.....	134,021,400
10	Other local revenues.....	17,477,700
11	Total private revenues.....	1,000,000
12	Total other state restricted revenues.....	15,934,200
13	State general fund/general purpose.....	\$ 61,718,000
14	Sec. 106. PUBLIC HEALTH ADMINISTRATION	
15	Full-time equated classified positions.....	91.7
16	Public health administration--7.3 FTE positions.....	\$ 1,557,200
17	Minority health grants and contracts--3.0 FTE	
18	positions.....	612,700
19	Promotion of healthy behaviors.....	975,900
20	Vital records and health statistics--81.4 FTE	
21	positions.....	<u>9,442,800</u>
22	GROSS APPROPRIATION.....	\$ 12,588,600
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	Interdepartmental grant from the department of human	
26	services.....	1,171,500
27	Federal revenues:	



1	Total federal revenues	4,887,900
2	Special revenue funds:	
3	Total private revenues	300,000
4	Total other state restricted revenues	4,974,700
5	State general fund/general purpose	\$ 1,254,500
6	Sec. 107. HEALTH POLICY, REGULATION, AND	
7	PROFESSIONS	
8	Full-time equated classified positions	456.6
9	Health systems administration--199.6 FTE positions ...	\$ 21,630,100
10	Emergency medical services program state staff--23.0	
11	FTE positions.....	4,850,300
12	Radiological health administration--21.4 FTE positions	3,179,700
13	Emergency medical services grants and services	660,000
14	Health professions--163.0 FTE positions	26,945,900
15	Health policy and regulation--30.2 FTE positions	3,756,600
16	Nurse scholarship, education, and research program--	
17	3.0 FTE positions.....	1,744,200
18	Certificate of need program administration--14.0 FTE	
19	positions.....	2,071,100
20	Rural health services--1.0 FTE position	1,410,300
21	Michigan essential health provider	872,700
22	Primary care services--1.4 FTE positions	<u>2,886,900</u>
23	GROSS APPROPRIATION	\$ 70,007,800
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	Interdepartmental grant from the department of	
27	treasury, Michigan state hospital finance authority .	116,300



1	Federal revenues:	
2	Total federal revenues	24,813,200
3	Special revenue funds:	
4	Total local revenues	100,000
5	Total private revenues	455,000
6	Total other state restricted revenues	36,563,900
7	State general fund/general purpose	\$ 7,959,400
8	Sec. 108. INFECTIOUS DISEASE CONTROL	
9	Full-time equated classified positions	50.7
10	AIDS prevention, testing, and care programs--12.7 FTE	
11	positions.....	\$ 59,449,300
12	Immunization local agreements	11,975,200
13	Immunization program management and field support--	
14	15.0 FTE positions.....	1,786,300
15	Pediatric AIDS prevention and control--1.0 FTE	
16	position.....	1,231,400
17	Sexually transmitted disease control local agreements	3,360,700
18	Sexually transmitted disease control management and	
19	field support--22.0 FTE positions.....	<u>3,743,300</u>
20	GROSS APPROPRIATION	\$ 81,546,200
21	Appropriated from:	
22	Federal revenues:	
23	Total federal revenues	43,541,200
24	Special revenue funds:	
25	Total private revenues	27,707,700
26	Total other state restricted revenues	7,470,600
27	State general fund/general purpose	\$ 2,826,700



1 **Sec. 109. LABORATORY SERVICES**

2 Full-time equated classified positions 111.0

3 Laboratory services--111.0 FTE positions \$ 17,183,900

4 GROSS APPROPRIATION \$ 17,183,900

5 Appropriated from:

6 Interdepartmental grant revenues:

7 Interdepartmental grant from the department of

8 environmental quality..... 471,900

9 Federal revenues:

10 Total federal revenues 2,092,300

11 Special revenue funds:

12 Total other state restricted revenues 8,267,600

13 State general fund/general purpose \$ 6,352,100

14 **Sec. 110. EPIDEMIOLOGY**

15 Full-time equated classified positions 126.7

16 AIDS surveillance and prevention program \$ 2,254,100

17 Asthma prevention and control--2.6 FTE positions 856,900

18 Bioterrorism preparedness--66.6 FTE positions 49,286,900

19 Epidemiology administration--40.0 FTE positions 8,202,000

20 Lead abatement program--7.0 FTE positions 2,647,700

21 Newborn screening follow-up and treatment services--

22 10.5 FTE positions..... 5,337,800

23 Tuberculosis control and prevention 867,000

24 GROSS APPROPRIATION \$ 69,452,400

25 Appropriated from:

26 Federal revenues:

27 Total federal revenues 61,271,300



1	Special revenue funds:		
2	Total private revenues		25,000
3	Total other state restricted revenues		6,367,900
4	State general fund/general purpose	\$	1,788,200
5	Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS		
6	Full-time equated classified positions	2.0	
7	Essential local public health services	\$	35,689,500
8	Implementation of 1993 PA 133, MCL 333.17015		20,000
9	Local health services--2.0 FTE positions		500,000
10	Medicaid outreach cost reimbursement to local health		
11	departments.....		<u>9,000,000</u>
12	GROSS APPROPRIATION	\$	45,209,500
13	Appropriated from:		
14	Federal revenues:		
15	Total federal revenues		9,500,000
16	Special revenue funds:		
17	Total local revenues		5,150,000
18	State general fund/general purpose	\$	30,559,500
19	Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND		
20	HEALTH PROMOTION		
21	Full-time equated classified positions	75.5	
22	Cancer prevention and control program--12.0 FTE		
23	positions.....	\$	14,298,200
24	Chronic disease control and health promotion		
25	administration--33.4 FTE positions		5,950,100
26	Diabetes and kidney program--12.2 FTE positions		2,582,800
27	Public health traffic safety coordination--1.0 FTE		



1	position.....		87,500
2	Smoking prevention program--14.0 FTE positions		2,075,000
3	Violence prevention--2.9 FTE positions		<u>2,123,200</u>
4	GROSS APPROPRIATION	\$	27,116,800
5	Appropriated from:		
6	Federal revenues:		
7	Total federal revenues		23,884,200
8	Special revenue funds:		
9	Total private revenues		61,600
10	Total other state restricted revenues		1,454,900
11	State general fund/general purpose	\$	1,716,100
12	Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH		
13	SERVICES		
14	Full-time equated classified positions	55.1	
15	Childhood lead program--6.0 FTE positions	\$	1,598,400
16	Dental programs--3.0 FTE positions		992,000
17	Dental program for persons with developmental		
18	disabilities.....		151,000
19	Family, maternal, and children's health services		
20	administration--43.6 FTE positions		6,047,700
21	Family planning local agreements		9,085,700
22	Local MCH services		7,018,100
23	Pregnancy prevention program		602,100
24	Prenatal care outreach and service delivery support ..		200
25	Special projects--2.5 FTE positions		8,397,800
26	Sudden infant death syndrome program		<u>321,300</u>
27	GROSS APPROPRIATION	\$	34,214,300



1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues	30,552,600
4	Special revenue funds:	
5	Total local revenues	75,000
6	State general fund/general purpose	\$ 3,586,700
7	Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND	
8	NUTRITION PROGRAM	
9	Full-time equated classified positions	45.0
10	Women, infants, and children program administration	
11	and special projects--45.0 FTE positions	\$ 13,825,200
12	Women, infants, and children program local agreements	
13	and food costs	<u>254,200,800</u>
14	GROSS APPROPRIATION	\$ 268,026,000
15	Appropriated from:	
16	Federal revenues:	
17	Total federal revenues	209,412,200
18	Special revenue funds:	
19	Total private revenues	58,613,800
20	State general fund/general purpose	\$ 0
21	Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES	
22	Full-time equated classified positions	47.8
23	Children's special health care services	
24	administration--45.0 FTE positions	\$ 5,245,700
25	Bequests for care and services--2.8 FTE positions	1,511,400
26	Outreach and advocacy	3,773,500
27	Nonemergency medical transportation	2,679,300



1	Medical care and treatment	<u>281,971,300</u>
2	GROSS APPROPRIATION	\$ 295,181,200
3	Appropriated from:	
4	Federal revenues:	
5	Total federal revenues	166,222,000
6	Special revenue funds:	
7	Total private revenues	996,800
8	Total other state restricted revenues	3,843,600
9	State general fund/general purpose	\$ 124,118,800
10	Sec. 116. CRIME VICTIM SERVICES COMMISSION	
11	Full-time equated classified positions 13.0	
12	Grants administration services--13.0 FTE positions ...	\$ 1,811,300
13	Justice assistance grants	19,106,100
14	Crime victim rights services grants	<u>16,570,000</u>
15	GROSS APPROPRIATION	\$ 37,487,400
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues	23,467,200
19	Special revenue funds:	
20	Total other state restricted revenues	14,020,200
21	State general fund/general purpose	\$ 0
22	Sec. 117. OFFICE OF SERVICES TO THE AGING	
23	Full-time equated classified positions 43.5	
24	Office of services to aging administration--43.5 FTE	
25	positions.....	\$ 6,408,800
26	Community services	33,479,400
27	Nutrition services	33,848,500



1	Employment assistance	3,792,500
2	Respite care program	<u>5,868,700</u>
3	GROSS APPROPRIATION	\$ 83,397,900
4	Appropriated from:	
5	Federal revenues:	
6	Total federal revenues	57,159,200
7	Special revenue funds:	
8	Total private revenues	677,500
9	Merit award trust fund	4,468,700
10	Total other state restricted revenues	1,400,000
11	State general fund/general purpose	\$ 19,692,500
12	Sec. 118. MEDICAL SERVICES ADMINISTRATION	
13	Full-time equated classified positions	415.0
14	Medical services administration--415.0 FTE positions .	\$ 65,057,000
15	Facility inspection contract	132,800
16	MICHild administration	<u>4,327,800</u>
17	GROSS APPROPRIATION	\$ 69,517,600
18	Appropriated from:	
19	Federal revenues:	
20	Total federal revenues	47,476,900
21	Special revenue funds:	
22	Total local revenues	105,900
23	Total private revenues	100,000
24	Total other state restricted revenues	110,100
25	State general fund/general purpose	\$ 21,724,700
26	Sec. 119. MEDICAL SERVICES	
27	Hospital services and therapy	\$ 1,239,794,200



1	Hospital disproportionate share payments	45,000,000
2	Physician services	290,369,500
3	Medicare premium payments	409,169,400
4	Pharmaceutical services	318,717,500
5	Home health services	6,791,100
6	Hospice services	144,637,700
7	Transportation	15,009,800
8	Auxiliary medical services	6,252,100
9	Dental services	158,500,800
10	Ambulance services	9,271,600
11	Long-term care services	1,717,160,900
12	Medicaid home- and community-based services waiver ...	205,940,500
13	Adult home help services	289,032,800
14	Personal care services	14,421,500
15	Program of all-inclusive care for the elderly	30,707,800
16	Health plan services	3,933,146,800
17	MIChild program	51,753,100
18	Plan first family planning waiver	13,089,200
19	Medicaid adult benefits waiver	105,877,700
20	Special indigent care payments	88,518,500
21	Federal Medicare pharmaceutical program	185,599,300
22	Maternal and child health	20,279,500
23	Subtotal basic medical services program	9,299,041,300
24	School-based services	91,296,500
25	Special Medicaid reimbursement	329,823,200
26	Subtotal special medical services payments	<u>421,119,700</u>
27	GROSS APPROPRIATION	\$ 9,720,161,000



1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues	6,401,465,100
4	Special revenue funds:	
5	Total local revenues	66,070,000
6	Total private revenues	6,332,200
7	Merit award trust fund	82,275,800
8	Total other state restricted revenues	1,932,885,800
9	State general fund/general purpose	\$ 1,231,132,100
10	Sec. 120. INFORMATION TECHNOLOGY	
11	Information technology services and projects	\$ 34,881,700
12	Michigan Medicaid information system	<u>25,723,700</u>
13	GROSS APPROPRIATION	\$ 60,605,400
14	Appropriated from:	
15	Federal revenues:	
16	Total federal revenues	44,191,200
17	Special revenue funds:	
18	Total other state restricted revenues	3,226,200
19	State general fund/general purpose	\$ 13,188,000

20 PART 1A

21 ANTICIPATED LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2012-2013

22 Sec. 151. Subject to the conditions set forth in this act, the

23 amounts listed in this part are anticipated to be appropriated for

24 the department of community health for the fiscal year ending

25 September 30, 2013, from the funds indicated in this part. The



1 following is a summary of the anticipated appropriations in this
2 part:

3 **DEPARTMENT OF COMMUNITY HEALTH**

4 APPROPRIATION SUMMARY

5	Full-time equated unclassified positions	6.0	
6	Full-time equated classified positions	4,024.0	
7	Average population	893.0	
8	GROSS APPROPRIATION		\$ 14,370,554,100
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers		4,528,700
12	ADJUSTED GROSS APPROPRIATION		\$ 14,366,025,400
13	Federal revenues:		
14	Total federal revenues		8,964,967,300
15	Special revenue funds:		
16	Total local revenues		250,030,200
17	Total private revenues		96,694,700
18	Merit award trust fund		86,744,500
19	Total other state restricted revenues		2,062,684,700
20	State general fund/general purpose		\$ 2,904,904,000
21	Sec. 152. DEPARTMENTWIDE ADMINISTRATION		
22	Full-time equated unclassified positions	6.0	
23	Full-time equated classified positions	175.2	
24	Director and other unclassified--6.0 FTE positions ...		\$ 583,900
25	Departmental administration and management--165.2 FTE		
26	positions		22,667,000
27	Worker's compensation program		8,772,300



1	Rent and building occupancy	10,628,100
2	Developmental disabilities council and projects--10.0	
3	FTE positions.....	2,855,700
4	Active and retiree insurance and pension adjustment ..	<u>13,031,100</u>
5	GROSS APPROPRIATION	\$ 58,538,100
6	Appropriated from:	
7	Federal revenues:	
8	Total federal revenues	17,801,600
9	Special revenue funds:	
10	Total local revenues	447,800
11	Total private revenues	35,100
12	Total other state restricted revenues	3,757,100
13	State general fund/general purpose	\$ 36,496,500
14	Sec. 153. MENTAL HEALTH/SUBSTANCE ABUSE SERVICES	
15	ADMINISTRATION AND SPECIAL PROJECTS	
16	Full-time equated classified positions	111.5
17	Mental health/substance abuse program administration--	
18	110.5 FTE positions.....	\$ 17,386,800
19	Gambling addiction--1.0 FTE position	3,000,000
20	Protection and advocacy services support	194,400
21	Community residential and support services	1,777,200
22	Federal and other special projects	2,697,200
23	Family support subsidy	19,470,500
24	Housing and support services	<u>9,306,800</u>
25	GROSS APPROPRIATION	\$ 53,832,900
26	Appropriated from:	
27	Federal revenues:	



1	Total federal revenues	37,101,600
2	Special revenue funds:	
3	Total private revenues	390,000
4	Total other state restricted revenues	3,000,000
5	State general fund/general purpose	\$ 13,341,300
6	Sec. 154. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE	
7	SERVICES PROGRAMS	
8	Full-time equated classified positions 9.5	
9	Medicaid mental health services	\$ 2,113,486,700
10	Community mental health non-Medicaid services	273,908,100
11	Medicaid adult benefits waiver	32,056,100
12	Medicaid substance abuse services	43,817,700
13	CMHSP, purchase of state services contracts	134,418,900
14	Civil service charges	1,499,300
15	Federal mental health block grant--2.5 FTE positions .	15,397,500
16	Community substance abuse prevention, education, and	
17	treatment programs.....	77,170,600
18	Children's waiver home care program	18,944,800
19	Nursing home PAS/ARR-OBRA--7.0 FTE positions	12,179,300
20	Children with serious emotional disturbance waiver ...	<u>8,188,000</u>
21	GROSS APPROPRIATION	\$ 2,731,067,000
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	Interdepartmental grant from the department of human	
25	services.....	2,769,000
26	Federal revenues:	
27	Total federal revenues	1,531,119,000



1	Special revenue funds:	
2	Total local revenues	25,228,900
3	Total other state restricted revenues	22,314,900
4	State general fund/general purpose	\$ 1,149,635,200
5	Sec. 155. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
6	MENTAL HEALTH SERVICES	
7	Total average population.....	893.0
8	Full-time equated classified positions	2,194.2
9	Caro regional mental health center - psychiatric	
10	hospital - adult--468.3 FTE positions	\$ 56,706,900
11	Average population.....	185.0
12	Kalamazoo psychiatric hospital - adult--483.1 FTE	
13	positions.....	54,704,100
14	Average population.....	189.0
15	Walter P. Reuther psychiatric hospital - adult--433.3	
16	FTE positions.....	52,222,600
17	Average population.....	234.0
18	Hawthorn center - psychiatric hospital - children and	
19	adolescents--230.9 FTE positions	27,063,900
20	Average population.....	75.0
21	Center for forensic psychiatry--578.6 FTE positions ..	66,703,200
22	Average population.....	210.0
23	Revenue recapture	750,000
24	IDEA, federal special education	120,000
25	Special maintenance	332,500
26	Purchase of medical services for residents of	
27	hospitals and centers.....	445,600



1	Gifts and bequests for patient living and treatment	
2	environment.....	<u>1,000,000</u>
3	GROSS APPROPRIATION.....	\$ 260,048,800
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	Federal revenues:	
7	Total federal revenues.....	29,500,000
8	Special revenue funds:	
9	CMHSP, purchase of state services contracts.....	134,418,900
10	Other local revenues.....	17,477,700
11	Total private revenues.....	1,000,000
12	Total other state restricted revenues.....	15,934,200
13	State general fund/general purpose.....	\$ 61,718,000
14	Sec. 156. PUBLIC HEALTH ADMINISTRATION	
15	Full-time equated classified positions.....	91.7
16	Public health administration--7.3 FTE positions.....	\$ 1,557,200
17	Minority health grants and contracts--3.0 FTE	
18	positions.....	612,700
19	Promotion of healthy behaviors.....	975,900
20	Vital records and health statistics--81.4 FTE	
21	positions.....	<u>9,442,800</u>
22	GROSS APPROPRIATION.....	\$ 12,588,600
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	Interdepartmental grant from the department of human	
26	services.....	1,171,500
27	Federal revenues:	



1	Total federal revenues	4,887,900
2	Special revenue funds:	
3	Total private revenues	300,000
4	Total other state restricted revenues	4,974,700
5	State general fund/general purpose	\$ 1,254,500
6	Sec. 157. HEALTH POLICY, REGULATION, AND	
7	PROFESSIONS	
8	Full-time equated classified positions	456.6
9	Health systems administration--199.6 FTE positions ...	\$ 21,630,100
10	Emergency medical services program state staff--23.0	
11	FTE positions.....	4,850,300
12	Radiological health administration--21.4 FTE positions	3,179,700
13	Emergency medical services grants and services	660,000
14	Health professions--163.0 FTE positions	26,945,900
15	Health policy and regulation--30.2 FTE positions	3,756,600
16	Nurse scholarship, education, and research program--	
17	3.0 FTE positions.....	1,744,200
18	Certificate of need program administration--14.0 FTE	
19	positions.....	2,071,100
20	Rural health services--1.0 FTE position	1,410,300
21	Michigan essential health provider	872,700
22	Primary care services--1.4 FTE positions	<u>2,886,900</u>
23	GROSS APPROPRIATION	\$ 70,007,800
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	Interdepartmental grant from the department of	
27	treasury, Michigan state hospital finance authority .	116,300



1	Federal revenues:	
2	Total federal revenues	24,813,200
3	Special revenue funds:	
4	Total local revenues	100,000
5	Total private revenues	455,000
6	Total other state restricted revenues	36,563,900
7	State general fund/general purpose	\$ 7,959,400
8	Sec. 158. INFECTIOUS DISEASE CONTROL	
9	Full-time equated classified positions	50.7
10	AIDS prevention, testing, and care programs--12.7 FTE	
11	positions.....	\$ 59,449,300
12	Immunization local agreements	11,975,200
13	Immunization program management and field support--	
14	15.0 FTE positions.....	1,786,300
15	Pediatric AIDS prevention and control--1.0 FTE	
16	position.....	1,231,400
17	Sexually transmitted disease control local agreements	3,360,700
18	Sexually transmitted disease control management and	
19	field support--22.0 FTE positions.....	<u>3,743,300</u>
20	GROSS APPROPRIATION	\$ 81,546,200
21	Appropriated from:	
22	Federal revenues:	
23	Total federal revenues	43,541,200
24	Special revenue funds:	
25	Total private revenues	27,707,700
26	Total other state restricted revenues	7,470,600
27	State general fund/general purpose	\$ 2,826,700



1	Sec. 159. LABORATORY SERVICES	
2	Full-time equated classified positions 111.0	
3	Laboratory services--111.0 FTE positions	\$ <u>17,183,900</u>
4	GROSS APPROPRIATION	\$ 17,183,900
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	Interdepartmental grant from the department of	
8	environmental quality	471,900
9	Federal revenues:	
10	Total federal revenues	2,092,300
11	Special revenue funds:	
12	Total other state restricted revenues	8,267,600
13	State general fund/general purpose	\$ 6,352,100
14	Sec. 160. EPIDEMIOLOGY	
15	Full-time equated classified positions 126.7	
16	AIDS surveillance and prevention program	\$ 2,254,100
17	Asthma prevention and control--2.6 FTE positions	856,900
18	Bioterrorism preparedness--66.6 FTE positions	49,286,900
19	Epidemiology administration--40.0 FTE positions	8,202,000
20	Lead abatement program--7.0 FTE positions	2,647,700
21	Newborn screening follow-up and treatment services--	
22	10.5 FTE positions	5,337,800
23	Tuberculosis control and prevention	<u>867,000</u>
24	GROSS APPROPRIATION	\$ 69,452,400
25	Appropriated from:	
26	Federal revenues:	
27	Total federal revenues	61,271,300



1	Special revenue funds:	
2	Total private revenues	25,000
3	Total other state restricted revenues	6,367,900
4	State general fund/general purpose	\$ 1,788,200
5	Sec. 161. LOCAL HEALTH ADMINISTRATION AND GRANTS	
6	Full-time equated classified positions	2.0
7	Essential local public health services	\$ 35,689,500
8	Implementation of 1993 PA 133, MCL 333.17015	20,000
9	Local health services--2.0 FTE positions	500,000
10	Medicaid outreach cost reimbursement to local health	
11	departments.....	<u>9,000,000</u>
12	GROSS APPROPRIATION	\$ 45,209,500
13	Appropriated from:	
14	Federal revenues:	
15	Total federal revenues	9,500,000
16	Special revenue funds:	
17	Total local revenues	5,150,000
18	State general fund/general purpose	\$ 30,559,500
19	Sec. 162. CHRONIC DISEASE AND INJURY PREVENTION AND	
20	HEALTH PROMOTION	
21	Full-time equated classified positions	75.5
22	Cancer prevention and control program--12.0 FTE	
23	positions.....	\$ 14,298,200
24	Chronic disease control and health promotion	
25	administration--33.4 FTE positions	5,950,100
26	Diabetes and kidney program--12.2 FTE positions	2,582,800
27	Public health traffic safety coordination--1.0 FTE	



1	position.....		87,500
2	Smoking prevention program--14.0 FTE positions		2,075,000
3	Violence prevention--2.9 FTE positions		<u>2,123,200</u>
4	GROSS APPROPRIATION	\$	27,116,800
5	Appropriated from:		
6	Federal revenues:		
7	Total federal revenues		23,884,200
8	Special revenue funds:		
9	Total private revenues		61,600
10	Total other state restricted revenues		1,454,900
11	State general fund/general purpose	\$	1,716,100
12	Sec. 163. FAMILY, MATERNAL, AND CHILDREN'S HEALTH		
13	SERVICES		
14	Full-time equated classified positions	55.1	
15	Childhood lead program--6.0 FTE positions	\$	1,598,400
16	Dental programs--3.0 FTE positions		992,000
17	Dental program for persons with developmental		
18	disabilities.....		151,000
19	Family, maternal, and children's health services		
20	administration--43.6 FTE positions		6,047,700
21	Family planning local agreements		9,085,700
22	Local MCH services		7,018,100
23	Pregnancy prevention program		602,100
24	Prenatal care outreach and service delivery support ..		200
25	Special projects--2.5 FTE positions		8,397,800
26	Sudden infant death syndrome program		<u>321,300</u>
27	GROSS APPROPRIATION	\$	34,214,300



1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues	30,552,600
4	Special revenue funds:	
5	Total local revenues	75,000
6	State general fund/general purpose	\$ 3,586,700
7	Sec. 164. WOMEN, INFANTS, AND CHILDREN FOOD AND	
8	NUTRITION PROGRAM	
9	Full-time equated classified positions	45.0
10	Women, infants, and children program administration	
11	and special projects--45.0 FTE positions	\$ 13,825,200
12	Women, infants, and children program local agreements	
13	and food costs	<u>254,200,800</u>
14	GROSS APPROPRIATION	\$ 268,026,000
15	Appropriated from:	
16	Federal revenues:	
17	Total federal revenues	209,412,200
18	Special revenue funds:	
19	Total private revenues	58,613,800
20	State general fund/general purpose	\$ 0
21	Sec. 165. CHILDREN'S SPECIAL HEALTH CARE SERVICES	
22	Full-time equated classified positions	47.8
23	Children's special health care services	
24	administration--45.0 FTE positions	\$ 5,245,700
25	Bequests for care and services--2.8 FTE positions	1,511,400
26	Outreach and advocacy	3,773,500
27	Nonemergency medical transportation	2,679,300



1	Medical care and treatment	<u>290,910,900</u>
2	GROSS APPROPRIATION	\$ 304,120,800
3	Appropriated from:	
4	Federal revenues:	
5	Total federal revenues	168,901,900
6	Special revenue funds:	
7	Total private revenues	996,800
8	Total other state restricted revenues	3,843,600
9	State general fund/general purpose	\$ 130,378,500
10	Sec. 166. CRIME VICTIM SERVICES COMMISSION	
11	Full-time equated classified positions	13.0
12	Grants administration services--13.0 FTE positions ...	\$ 1,811,300
13	Justice assistance grants	19,106,100
14	Crime victim rights services grants	<u>16,570,000</u>
15	GROSS APPROPRIATION	\$ 37,487,400
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues	23,467,200
19	Special revenue funds:	
20	Total other state restricted revenues	14,020,200
21	State general fund/general purpose	\$ 0
22	Sec. 167. OFFICE OF SERVICES TO THE AGING	
23	Full-time equated classified positions	43.5
24	Office of services to aging administration--43.5 FTE	
25	positions.....	\$ 6,408,800
26	Community services	33,479,400
27	Nutrition services	33,848,500



1	Employment assistance	3,792,500
2	Respite care program	<u>5,868,700</u>
3	GROSS APPROPRIATION	\$ 83,397,900
4	Appropriated from:	
5	Federal revenues:	
6	Total federal revenues	57,159,200
7	Special revenue funds:	
8	Total private revenues	677,500
9	Merit award trust fund	4,468,700
10	Total other state restricted revenues	1,400,000
11	State general fund/general purpose	\$ 19,692,500
12	Sec. 168. MEDICAL SERVICES ADMINISTRATION	
13	Full-time equated classified positions	415.0
14	Medical services administration--415.0 FTE positions .	\$ 65,057,000
15	Facility inspection contract	132,800
16	MICHild administration	<u>4,327,800</u>
17	GROSS APPROPRIATION	\$ 69,517,600
18	Appropriated from:	
19	Federal revenues:	
20	Total federal revenues	47,476,900
21	Special revenue funds:	
22	Total local revenues	105,900
23	Total private revenues	100,000
24	Total other state restricted revenues	110,100
25	State general fund/general purpose	\$ 21,724,700
26	Sec. 169. MEDICAL SERVICES	
27	Hospital services and therapy	\$ 1,248,139,300



1	Hospital disproportionate share payments	45,000,000
2	Physician services	324,189,500
3	Medicare premium payments	440,325,400
4	Pharmaceutical services	344,042,400
5	Home health services	7,478,500
6	Hospice services	162,498,200
7	Transportation	16,042,100
8	Auxiliary medical services	7,021,700
9	Dental services	168,033,800
10	Ambulance services	10,034,700
11	Long-term care services	1,765,283,200
12	Medicaid home- and community-based services waiver ...	205,940,500
13	Adult home help services	313,298,900
14	Personal care services	14,855,600
15	Program of all-inclusive care for the elderly	30,707,800
16	Health plan services	4,097,464,100
17	MiChild program	51,753,100
18	Plan first family planning waiver	13,089,200
19	Medicaid adult benefits waiver	105,877,700
20	Special indigent care payments	88,518,500
21	Federal Medicare pharmaceutical program	185,599,300
22	Maternal and child health	20,279,500
23	Subtotal basic medical services program	9,665,473,000
24	School-based services	91,296,500
25	Special Medicaid reimbursement	329,823,200
26	Subtotal special medical services payments	<u>421,119,700</u>
27	GROSS APPROPRIATION	\$ 10,086,592,700



1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues	6,598,293,800
4	Special revenue funds:	
5	Total local revenues	67,026,000
6	Total private revenues	6,332,200
7	Merit award trust fund	82,275,800
8	Total other state restricted revenues	1,929,978,800
9	State general fund/general purpose	\$ 1,402,686,100
10	Sec. 170. INFORMATION TECHNOLOGY	
11	Information technology services and projects	\$ 34,881,700
12	Michigan Medicaid information system	<u>25,723,700</u>
13	GROSS APPROPRIATION	\$ 60,605,400
14	Appropriated from:	
15	Federal revenues:	
16	Total federal revenues	44,191,200
17	Special revenue funds:	
18	Total other state restricted revenues	3,226,200
19	State general fund/general purpose	\$ 13,188,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

23 Sec. 201. Pursuant to section 30 of article IX of the state
 24 constitution of 1963, total state spending from state resources
 25 under part 1 for fiscal year 2011-2012 is \$4,826,657,200.00 and



1 state spending from state resources to be paid to local units of
 2 government for fiscal year 2011-2012 is \$1,368,231,700.00. The
 3 itemized statement below identifies appropriations from which
 4 spending to local units of government will occur:

5 DEPARTMENT OF COMMUNITY HEALTH

6 MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION

7 AND SPECIAL PROJECTS

8 Community residential and support services \$ 258,500

9 Housing and support services 599,800

10 COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

11 Community substance abuse prevention, education, and

12 treatment programs..... \$ 13,923,900

13 Medicaid mental health services 670,863,800

14 Community mental health non-Medicaid services 273,908,100

15 Medicaid adult benefits waiver 10,854,200

16 Medicaid substance abuse services 14,360,200

17 Children's waiver home care program 5,906,800

18 Nursing home PASARR 2,717,200

19 HEALTH POLICY, REGULATION, AND PROFESSIONS

20 Primary care services \$ 88,900

21 INFECTIOUS DISEASE CONTROL

22 AIDS prevention, testing, and care programs \$ 1,000,000

23 Sexually transmitted disease control local agreements 175,200

24 LABORATORY SERVICES

25 Laboratory services \$ 13,700

26 LOCAL HEALTH ADMINISTRATION AND GRANTS

27 Implementation of 1993 PA 133, MCL 333.17015 \$ 8,000



1	Essential local public health services		30,539,500
2	CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION		
3	Cancer prevention and control program	\$	450,000
4	Chronic disease control and health promotion		
5	administration		75,000
6	Diabetes and kidney program		54,500
7	FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES		
8	Childhood lead program	\$	51,100
9	CHILDREN'S SPECIAL HEALTH CARE SERVICES		
10	Medical care and treatment	\$	1,409,900
11	Outreach and advocacy		1,237,500
12	MEDICAL SERVICES		
13	Dental services	\$	2,536,000
14	Long-term care services		285,952,300
15	Transportation		2,971,900
16	Medicaid adult benefits waiver		6,246,800
17	Hospital services and therapy		4,965,500
18	Physician services		3,774,800
19	OFFICE OF SERVICES TO THE AGING		
20	Community services	\$	10,398,500
21	Nutrition services		7,205,300
22	Respite care program		5,384,800
23	CRIME VICTIM SERVICES COMMISSION		
24	Crime victim rights services grants	\$	<u>10,300,000</u>
25	TOTAL OF PAYMENTS TO LOCAL UNITS		
26	OF GOVERNMENT	\$	1,368,231,700
27	Sec. 202. (1) The appropriations authorized under this act are		



1 subject to the management and budget act, 1984 PA 431, MCL 18.1101
2 to 18.1594.

3 (2) Funds for which the state is acting as the custodian or
4 agent are not subject to annual appropriation.

5 Sec. 203. As used in this act:

6 (a) "AIDS" means acquired immunodeficiency syndrome.

7 (b) "CMHSP" means a community mental health services program
8 as that term is defined in section 100a of the mental health code,
9 1974 PA 258, MCL 330.1100a.

10 (c) "Current fiscal year" means the fiscal year ending
11 September 30, 2012.

12 (d) "Department" means the department of community health.

13 (e) "Director" means the director of the department.

14 (f) "DSH" means disproportionate share hospital.

15 (g) "EPSDT" means early and periodic screening, diagnosis, and
16 treatment.

17 (h) "Federal health care reform legislation" means the patient
18 protection and affordable care act, Public Law 111-148, and the
19 health care and education reconciliation act of 2010, Public Law
20 111-152.

21 (i) "Federal poverty level" means the poverty guidelines
22 published annually in the federal register by the United States
23 department of health and human services under its authority to
24 revise the poverty line under 42 USC 9902.

25 (j) "GME" means graduate medical education.

26 (k) "Health plan" means, at a minimum, an organization that
27 meets the criteria for delivering the comprehensive package of



1 services under the department's comprehensive health plan.

2 (l) "HEDIS" means healthcare effectiveness data and information
3 set.

4 (m) "HIV" means human immunodeficiency virus.

5 (n) "HMO" means health maintenance organization.

6 (o) "IDEA" means the individuals with disabilities education
7 act, 20 USC 1400 to 1482.

8 (p) "MCH" means maternal and child health.

9 (q) "MIChild" means the program described in section 1670.

10 (r) "PASARR" means the preadmission screening and annual
11 resident review required under the omnibus budget reconciliation
12 act of 1987, section 1919(e)(7) of the social security act, and 42
13 USC 1396r.

14 (s) "PIHP" means a specialty prepaid inpatient health plan for
15 Medicaid mental health services, services to individuals with
16 developmental disabilities, and substance abuse services. Specialty
17 prepaid inpatient health plans are described in section 232b of the
18 mental health code, 1974 PA 258, MCL 330.1232b.

19 (t) "Title XVIII" and "Medicare" mean title XVIII of the
20 social security act, 42 USC 1395 to 1395kkk.

21 (u) "Title XIX" and "Medicaid" mean title XIX of the social
22 security act, 42 USC 1396 to 1396w-5.

23 (v) "Title XX" means title XX of the social security act, 42
24 USC 1397 to 1397m-5.

25 Sec. 204. The civil service commission shall bill departments
26 and agencies at the end of the first fiscal quarter for the 1%
27 charge authorized by section 5 of article XI of the state



1 constitution of 1963. Payments shall be made for the total amount
2 of the billing by the end of the second fiscal quarter.

3 Sec. 205. (1) A hiring freeze is imposed on the state
4 classified civil service. State departments and agencies are
5 prohibited from hiring any new full-time state classified civil
6 service employees and prohibited from filling any vacant state
7 classified civil service positions. This hiring freeze does not
8 apply to internal transfers of classified employees from 1 position
9 to another within a department.

10 (2) The state budget director may grant exceptions to this
11 hiring freeze when the state budget director believes that the
12 hiring freeze will result in rendering a state department or agency
13 unable to deliver basic services, cause loss of revenue to the
14 state, result in the inability of the state to receive federal
15 funds, or necessitate additional expenditures that exceed any
16 savings from maintaining a vacancy. The state budget director shall
17 report quarterly to the chairpersons of the senate and house
18 standing committees on appropriations the number of exceptions to
19 the hiring freeze approved during the previous quarter and the
20 reasons to justify the exception.

21 Sec. 206. (1) In addition to the funds appropriated in part 1,
22 there is appropriated an amount not to exceed \$200,000,000.00 for
23 federal contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item
25 in this act under section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.

27 (2) In addition to the funds appropriated in part 1, there is



1 appropriated an amount not to exceed \$40,000,000.00 for state
2 restricted contingency funds. These funds are not available for
3 expenditure until they have been transferred to another line item
4 in this act under section 393(2) of the management and budget act,
5 1984 PA 431, MCL 18.1393.

6 (3) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$20,000,000.00 for local
8 contingency funds. These funds are not available for expenditure
9 until they have been transferred to another line item in this act
10 under section 393(2) of the management and budget act, 1984 PA 431,
11 MCL 18.1393.

12 (4) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$20,000,000.00 for private
14 contingency funds. These funds are not available for expenditure
15 until they have been transferred to another line item in this act
16 under section 393(2) of the management and budget act, 1984 PA 431,
17 MCL 18.1393.

18 Sec. 208. Unless otherwise specified, the departments shall
19 use the Internet to fulfill the reporting requirements of this act.
20 This requirement may include transmission of reports via electronic
21 mail to the recipients identified for each reporting requirement,
22 or it may include placement of reports on the Internet or Intranet
23 site.

24 Sec. 209. Funds appropriated in part 1 shall not be used for
25 the purchase of foreign goods or services, or both, if
26 competitively priced and of comparable quality American goods or
27 services, or both, are available. Preference shall be given to



1 goods or services, or both, manufactured or provided by Michigan
2 businesses if they are competitively priced and of comparable
3 quality. In addition, preference shall be given to goods or
4 services, or both, that are manufactured or provided by Michigan
5 businesses owned and operated by veterans if they are competitively
6 priced and of comparable quality.

7 Sec. 210. The director shall take all reasonable steps to
8 ensure that businesses in deprived and depressed communities
9 compete for and perform contracts to provide services or supplies,
10 or both. The director shall strongly encourage firms with which the
11 department contracts to subcontract with certified businesses in
12 depressed and deprived communities for services, supplies, or both.

13 Sec. 211. (1) If the revenue collected by the department from
14 fees and collections exceeds the amount appropriated in part 1, the
15 revenue may be carried forward with the approval of the state
16 budget director into the subsequent fiscal year. The revenue
17 carried forward under this section shall be used as the first
18 source of funds in the subsequent fiscal year.

19 (2) The department shall provide a report to the senate and
20 house appropriations subcommittees on community health and the
21 senate and house fiscal agencies on the balance of each of the
22 restricted funds administered by the department as of September 30
23 of the current fiscal year.

24 Sec. 212. (1) On or before February 1 of the current fiscal
25 year, the department shall report to the house and senate
26 appropriations subcommittees on community health, the house and
27 senate fiscal agencies, and the state budget director on the



1 detailed name and amounts of federal, restricted, private, and
2 local sources of revenue that support the appropriations in each of
3 the line items in part 1 of this act.

4 (2) Upon the release of the next fiscal year executive budget
5 recommendation, the department shall report to the same parties in
6 subsection (1) on the amounts and detailed sources of federal,
7 restricted, private, and local revenue proposed to support the
8 total funds appropriated in each of the line items in part 1 of the
9 next fiscal year executive budget proposal.

10 Sec. 213. The state departments, agencies, and commissions
11 receiving tobacco tax funds and healthy Michigan funds from part 1
12 shall report by April 1 of the current fiscal year to the senate
13 and house appropriations committees, the senate and house fiscal
14 agencies, and the state budget director on the following:

15 (a) Detailed spending plan by appropriation line item
16 including description of programs and a summary of organizations
17 receiving these funds.

18 (b) Description of allocations or bid processes including need
19 or demand indicators used to determine allocations.

20 (c) Eligibility criteria for program participation and maximum
21 benefit levels where applicable.

22 (d) Outcome measures used to evaluate programs, including
23 measures of the effectiveness of these programs in improving the
24 health of Michigan residents.

25 (e) Any other information considered necessary by the house of
26 representatives or senate appropriations committees or the state
27 budget director.



1 Sec. 216. (1) In addition to funds appropriated in part 1 for
2 all programs and services, there is appropriated for write-offs of
3 accounts receivable, deferrals, and for prior year obligations in
4 excess of applicable prior year appropriations, an amount equal to
5 total write-offs and prior year obligations, but not to exceed
6 amounts available in prior year revenues.

7 (2) The department's ability to satisfy appropriation
8 deductions in part 1 shall not be limited to collections and
9 accruals pertaining to services provided in the current fiscal
10 year, but shall also include reimbursements, refunds, adjustments,
11 and settlements from prior years.

12 Sec. 218. The department shall include the following in its
13 annual list of proposed basic health services as required in part
14 23 of the public health code, 1978 PA 368, MCL 333.2301 to
15 333.2321:

16 (a) Immunizations.

17 (b) Communicable disease control.

18 (c) Sexually transmitted disease control.

19 (d) Tuberculosis control.

20 (e) Prevention of gonorrhea eye infection in newborns.

21 (f) Screening newborns for the conditions listed in section
22 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
23 recommended by the newborn screening quality assurance advisory
24 committee created under section 5430 of the public health code,
25 1978 PA 368, MCL 333.5430.

26 (g) Community health annex of the Michigan emergency
27 management plan.



1 (h) Prenatal care.

2 Sec. 219. (1) The department may contract with the Michigan
3 public health institute for the design and implementation of
4 projects and for other public health-related activities prescribed
5 in section 2611 of the public health code, 1978 PA 368, MCL
6 333.2611. The department may develop a master agreement with the
7 institute to carry out these purposes for up to a 3-year period.
8 The department shall report to the house and senate appropriations
9 subcommittees on community health, the house and senate fiscal
10 agencies, and the state budget director on or before January 1 of
11 the current fiscal year all of the following:

12 (a) A detailed description of each funded project.

13 (b) The amount allocated for each project, the appropriation
14 line item from which the allocation is funded, and the source of
15 financing for each project.

16 (c) The expected project duration.

17 (d) A detailed spending plan for each project, including a
18 list of all subgrantees and the amount allocated to each
19 subgrantee.

20 (2) On or before September 30 of the current fiscal year, the
21 department shall provide to the same parties listed in subsection
22 (1) a copy of all reports, studies, and publications produced by
23 the Michigan public health institute, its subcontractors, or the
24 department with the funds appropriated in part 1 and allocated to
25 the Michigan public health institute.

26 Sec. 223. The department may establish and collect fees for
27 publications, videos and related materials, conferences, and



1 workshops. Collected fees shall be used to offset expenditures to
2 pay for printing and mailing costs of the publications, videos and
3 related materials, and costs of the workshops and conferences. The
4 department shall not collect fees under this section that exceed
5 the cost of the expenditures.

6 Sec. 259. From the funds appropriated in part 1 for
7 information technology, departments and agencies shall pay user
8 fees to the department of technology, management, and budget for
9 technology-related services and projects. The user fees shall be
10 subject to provisions of an interagency agreement between the
11 department and agencies and the department of technology,
12 management, and budget.

13 Sec. 264. Upon submission of a Medicaid waiver, a Medicaid
14 state plan amendment, or a similar proposal to the centers for
15 Medicare and Medicaid services, the department shall notify the
16 house and senate appropriations subcommittees on community health
17 and the house and senate fiscal agencies of the submission.

18 Sec. 265. The department and agencies receiving appropriations
19 in part 1 shall receive and retain copies of all reports funded
20 from appropriations in part 1. Federal and state guidelines for
21 short-term and long-term retention of records shall be followed.
22 The department may electronically retain copies of reports unless
23 otherwise required by federal and state guidelines.

24 Sec. 266. (1) Due to the current budgetary problems in this
25 state, out-of-state travel for the fiscal year ending September 30,
26 2012 shall be limited to situations in which 1 or more of the
27 following conditions apply:



1 (a) The travel is required by legal mandate or court order or
2 for law enforcement purposes.

3 (b) The travel is necessary to protect the health or safety of
4 Michigan citizens or visitors or to assist other states in similar
5 circumstances.

6 (c) The travel is necessary to produce budgetary savings or to
7 increase state revenues, including protecting existing federal
8 funds or securing additional federal funds.

9 (d) The travel is necessary to comply with federal
10 requirements.

11 (e) The travel is necessary to secure specialized training for
12 staff that is not available within this state.

13 (f) The travel is financed entirely by federal or nonstate
14 funds.

15 (2) If out-of-state travel is necessary but does not meet 1 or
16 more of the conditions in subsection (1), the state budget director
17 may grant an exception to allow the travel. Any exceptions granted
18 by the state budget director shall be reported on a monthly basis
19 to the senate and house of representatives standing committees on
20 appropriations.

21 Sec. 267. The department shall not take disciplinary action
22 against an employee for communicating with a member of the
23 legislature or his or her staff.

24 Sec. 270. Within 180 days after receipt of the notification
25 from the attorney general's office of a legal action in which
26 expenses had been recovered pursuant to section 106(4) of the
27 social welfare act, 1939 PA 280, MCL 400.106, or any other statute



1 under which the department has the right to recover expenses, the
2 department shall submit a written report to the house and senate
3 appropriations subcommittees on community health, the house and
4 senate fiscal agencies, and the state budget office which includes,
5 at a minimum, all of the following:

6 (a) The total amount recovered from the legal action.

7 (b) The program or service for which the money was originally
8 expended.

9 (c) Details on the disposition of the funds recovered such as
10 the appropriation or revenue account in which the money was
11 deposited.

12 (d) A description of the facts involved in the legal action.

13 Sec. 276. Funds appropriated in part 1 shall not be used by a
14 principal executive department, state agency, or authority to hire
15 a person to provide legal services that are the responsibility of
16 the attorney general. This prohibition does not apply to legal
17 services for bonding activities and for those activities that the
18 attorney general authorizes.

19 Sec. 282. (1) The department, through its organizational units
20 responsible for departmental administration, operation, and
21 finance, shall establish uniform definitions, standards, and
22 instructions for the classification, allocation, assignment,
23 calculation, recording, and reporting of administrative costs by
24 area agencies on aging and local providers that receive payment or
25 reimbursement from funds appropriated under section 117.

26 (2) By May 15 of the current fiscal year, the department shall
27 provide a written draft of its proposed definitions, standards, and



1 instructions to the house of representatives and senate
2 appropriations subcommittees on community health, the house and
3 senate fiscal agencies, and the state budget director.

4 Sec. 287. Not later than October 15, the department shall
5 prepare and transmit a report that provides for estimates of the
6 total general fund/general purpose appropriation lapses at the
7 close of the previous fiscal year. This report shall summarize the
8 projected year-end general fund/general purpose appropriation
9 lapses by major departmental program or program areas. The report
10 shall be transmitted to the office of the state budget, the
11 chairpersons of the senate and house of representatives standing
12 committees on appropriations, and the senate and house fiscal
13 agencies.

14 Sec. 292. From the funds appropriated in part 1, the
15 department shall develop, post, and maintain on a user-friendly and
16 publicly accessible Internet site all expenditures made by the
17 agency within a fiscal year. The posting shall include the purpose
18 for which each expenditure is made. The department shall not
19 provide financial information on its website under this section if
20 doing so would violate a federal or state law, rule, regulation, or
21 guideline that establishes privacy or security standards applicable
22 to that financial information.

23 Sec. 294. Amounts appropriated in part 1 for information
24 technology may be designated as work projects and carried forward
25 to support technology projects under the direction of the
26 department of technology, management, and budget. Funds designated
27 in this manner are not available for expenditure until approved as



1 work projects under section 451a of the management and budget act,
2 1984 PA 431, MCL 18.1451a.

3 Sec. 295. The department shall explore program and other
4 service areas, including eligibility determination, where
5 privatization may lead to increased efficiencies and budgetary
6 savings.

7 **MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL**
8 **PROJECTS**

9 Sec. 350. The department may enter into a contract with the
10 protection and advocacy agency, authorized under section 931 of the
11 mental health code, 1974 PA 258, MCL 330.1931, or a similar
12 organization to provide legal services for purposes of gaining and
13 maintaining occupancy in a community living arrangement that is
14 under lease or contract with the department or a community mental
15 health services program to provide services to individuals with
16 mental illness or developmental disability.

17 **COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS**

18 Sec. 404. (1) Not later than May 31 of the current fiscal
19 year, the department shall provide a report on the community mental
20 health services programs to the members of the house and senate
21 appropriations subcommittees on community health, the house and
22 senate fiscal agencies, and the state budget director that includes
23 the information required by this section.

24 (2) The report shall contain information for each CMHSP or
25 PIHP and a statewide summary, each of which shall include at least



1 the following information:

2 (a) A demographic description of service recipients which,
3 minimally, shall include reimbursement eligibility, client
4 population, age, ethnicity, housing arrangements, and diagnosis.

5 (b) Per capita expenditures by client population group.

6 (c) Financial information that, minimally, includes a
7 description of funding authorized; expenditures by client group and
8 fund source; and cost information by service category, including
9 administration. Service category includes all department-approved
10 services.

11 (d) Data describing service outcomes that includes, but is not
12 limited to, an evaluation of consumer satisfaction, consumer
13 choice, and quality of life concerns including, but not limited to,
14 housing and employment.

15 (e) Information about access to community mental health
16 services programs that includes, but is not limited to, the
17 following:

18 (i) The number of people receiving requested services.

19 (ii) The number of people who requested services but did not
20 receive services.

21 (f) The number of second opinions requested under the code and
22 the determination of any appeals.

23 (g) An analysis of information provided by CMHSPs in response
24 to the needs assessment requirements of the mental health code,
25 1974 PA 258, MCL 330.1001 to 330.2106, including information about
26 the number of individuals in the service delivery system who have
27 requested and are clinically appropriate for different services.



1 (h) Lapses and carryforwards during the immediately preceding
2 fiscal year for CMHSPs or PIHPs.

3 (i) Information about contracts for mental health services
4 entered into by CMHSPs or PIHPs with providers, including, but not
5 limited to, all of the following:

6 (i) The amount of the contract, organized by type of service
7 provided.

8 (ii) Payment rates, organized by the type of service provided.

9 (iii) Administrative costs for services provided to CMHSPs or
10 PIHPs.

11 (j) Information on the community mental health Medicaid
12 managed care program, including, but not limited to, both of the
13 following:

14 (i) Expenditures by each CMHSP or PIHP organized by Medicaid
15 eligibility group, including per eligible individual expenditure
16 averages.

17 (ii) Performance indicator information required to be submitted
18 to the department in the contracts with CMHSPs or PIHPs.

19 (k) An estimate of the number of direct care workers in local
20 residential settings and paraprofessional and other nonprofessional
21 direct care workers in settings where skill building, community
22 living supports and training, and personal care services are
23 provided by CMHSPs or PIHPs as of September 30 of the prior fiscal
24 year employed directly or through contracts with provider
25 organizations.

26 (3) The department shall include data reporting requirements
27 listed in subsection (2) in the annual contract with each



1 individual CMHSP or PIHP.

2 (4) The department shall take all reasonable actions to ensure
3 that the data required are complete and consistent among all CMHSPs
4 or PIHPs.

5 Sec. 407. (1) The amount appropriated in part 1 for substance
6 abuse prevention, education, and treatment grants shall be expended
7 for contracting with coordinating agencies. Coordinating agencies
8 shall work with CMHSPs or PIHPs to coordinate care and services
9 provided to individuals with severe and persistent mental illness
10 and substance abuse diagnoses.

11 (2) The department shall approve coordinating agency fee
12 schedules for providing substance abuse services and charge
13 participants in accordance with their ability to pay.

14 (3) It is the intent of the legislature that the coordinating
15 agencies continue current efforts to collaborate on the delivery of
16 services to those clients with mental illness and substance abuse
17 diagnoses.

18 (4) Coordinating agencies that are located completely within
19 the boundary of a PIHP shall conduct a study of the administrative
20 costs and efficiencies associated with consolidation with that
21 PIHP. If that coordinating agency realizes an administrative cost
22 savings of 5% or greater of their current costs, then that
23 coordinating agency shall initiate discussions regarding a
24 potential merger in accordance with section 6226 of the public
25 health code, 1978 PA 368, MCL 333.6226. The department shall report
26 to the legislature by April 1 of the current fiscal year on any
27 such discussions.



1 Sec. 408. (1) By April 1 of the current fiscal year, the
2 department shall report the following data from the prior fiscal
3 year on substance abuse prevention, education, and treatment
4 programs to the senate and house appropriations subcommittees on
5 community health, the senate and house fiscal agencies, and the
6 state budget office:

7 (a) Expenditures stratified by coordinating agency, by central
8 diagnosis and referral agency, by fund source, by subcontractor, by
9 population served, and by service type. Additionally, data on
10 administrative expenditures by coordinating agency shall be
11 reported.

12 (b) Expenditures per state client, with data on the
13 distribution of expenditures reported using a histogram approach.

14 (c) Number of services provided by central diagnosis and
15 referral agency, by subcontractor, and by service type.
16 Additionally, data on length of stay, referral source, and
17 participation in other state programs.

18 (d) Collections from other first- or third-party payers,
19 private donations, or other state or local programs, by
20 coordinating agency, by subcontractor, by population served, and by
21 service type.

22 (2) The department shall take all reasonable actions to ensure
23 that the required data reported are complete and consistent among
24 all coordinating agencies.

25 Sec. 410. The department shall assure that substance abuse
26 treatment is provided to applicants and recipients of public
27 assistance through the department of human services who are



1 required to obtain substance abuse treatment as a condition of
2 eligibility for public assistance.

3 Sec. 411. (1) The department shall ensure that each contract
4 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
5 programs to encourage diversion of individuals with serious mental
6 illness, serious emotional disturbance, or developmental disability
7 from possible jail incarceration when appropriate.

8 (2) Each CMHSP or PIHP shall have jail diversion services and
9 shall work toward establishing working relationships with
10 representative staff of local law enforcement agencies, including
11 county prosecutors' offices, county sheriffs' offices, county
12 jails, municipal police agencies, municipal detention facilities,
13 and the courts. Written interagency agreements describing what
14 services each participating agency is prepared to commit to the
15 local jail diversion effort and the procedures to be used by local
16 law enforcement agencies to access mental health jail diversion
17 services are strongly encouraged.

18 Sec. 418. On or before the tenth of each month, the department
19 shall report to the senate and house appropriations subcommittees
20 on community health, the senate and house fiscal agencies, and the
21 state budget director on the amount of funding paid to PIHPs to
22 support the Medicaid managed mental health care program in the
23 preceding month. The information shall include the total paid to
24 each PIHP, per capita rate paid for each eligibility group for each
25 PIHP, and number of cases in each eligibility group for each PIHP,
26 and year-to-date summary of eligibles and expenditures for the
27 Medicaid managed mental health care program.



1 Sec. 428. Each PIHP shall provide, from internal resources,
2 local funds to be used as a bona fide part of the state match
3 required under the Medicaid program in order to increase capitation
4 rates for PIHPs. These funds shall not include either state funds
5 received by a CMHSP for services provided to non-Medicaid
6 recipients or the state matching portion of the Medicaid capitation
7 payments made to a PIHP.

8 Sec. 435. A county required under the provisions of the mental
9 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
10 matching funds to a CMHSP for mental health services rendered to
11 residents in its jurisdiction shall pay the matching funds in equal
12 installments on not less than a quarterly basis throughout the
13 fiscal year, with the first payment being made by October 1 of the
14 current fiscal year.

15 Sec. 462. (1) With the exception of administrative costs, the
16 department shall continue to utilize the funding formula for all
17 CMHSPs that receive funds appropriated under the community mental
18 health non-Medicaid services line utilized in fiscal year 2009-
19 2010.

20 (2) The department shall convene a workgroup including CMHSPs
21 regarding the allocation of the current fiscal year administrative
22 reduction of up to \$3,400,000.00.

23 Sec. 463. The department shall use standard program evaluation
24 measures to assess the overall effectiveness of programs provided
25 through coordinating agencies and service providers in reducing and
26 preventing the incidence of substance abuse. The measures
27 established by the department shall be modeled after the program



1 outcome measures and best practice guidelines for the treatment of
2 substance abuse as proposed by the federal substance abuse and
3 mental health services administration.

4 Sec. 492. If a CMHSP has entered into an agreement with a
5 county or county sheriff to provide mental health services to the
6 inmates of the county jail, the department shall not prohibit the
7 use of state general fund/general purpose dollars by CMHSPs to
8 provide mental health services to inmates of a county jail.

9 Sec. 494. (1) A CMHSP, PIHP, or subcontracting provider agency
10 that has been reviewed and accredited through a national
11 accreditation process for behavioral health care services is
12 considered to be in compliance with any state program review
13 criteria or audit requirement for each corresponding item that was
14 reviewed and addressed by the national accrediting entity.

15 (2) In consultation with national accrediting entities,
16 CMHSPs, PIHPs, and subcontracting provider agencies, the department
17 shall minimize the number of gaps between state program review
18 criteria and audit requirements and standards under the national
19 accreditation process on or before March 1, 2012.

20 (3) As used in this section, "national accrediting entity"
21 means the joint commission on accreditation of healthcare
22 organizations, the commission on accreditation of rehabilitation
23 facilities, the council of accreditation, or other appropriate
24 entity, as approved by the department.

25 Sec. 495. It is the intent of the legislature that the
26 department begin working with the centers for Medicare and Medicaid
27 services to develop a program that creates a medical home for the



1 individuals receiving Medicaid mental health benefits.

2 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

3 Sec. 601. The department shall continue a revenue recapture
4 project to generate additional revenues from third parties related
5 to cases that have been closed or are inactive. A portion of
6 revenues collected through project efforts may be used for
7 departmental costs and contractual fees associated with these
8 retroactive collections and to improve ongoing departmental
9 reimbursement management functions.

10 Sec. 602. Unexpended and unencumbered amounts and accompanying
11 expenditure authorizations up to \$1,000,000.00 remaining on
12 September 30 of the current fiscal year from the amounts
13 appropriated in part 1 for gifts and bequests for patient living
14 and treatment environments shall be carried forward for 1 fiscal
15 year. The purpose of gifts and bequests for patient living and
16 treatment environments is to use additional private funds to
17 provide specific enhancements for individuals residing at state-
18 operated facilities. Use of the gifts and bequests shall be
19 consistent with the stipulation of the donor. The expected
20 completion date for the use of gifts and bequests donations is
21 within 3 years unless otherwise stipulated by the donor.

22 Sec. 605. (1) Four months after the certification of closure
23 required in section 19(6) of the state employees' retirement act,
24 1943 PA 240, MCL 38.19, the department shall provide a closure plan
25 to the house and senate appropriations subcommittees on community
26 health and the state budget director.



1 (2) Upon the closure of state-run operations and after
2 transitional costs have been paid, the remaining balances of funds
3 appropriated for that operation shall be transferred to CMHSPs or
4 PIHPs responsible for providing services for individuals previously
5 served by the operations.

6 Sec. 606. The department may collect revenue for patient
7 reimbursement from first- and third-party payers, including
8 Medicaid and local county CMHSP payers, to cover the cost of
9 placement in state hospitals and centers. The department is
10 authorized to adjust financing sources for patient reimbursement
11 based on actual revenues earned. If the revenue collected exceeds
12 current year expenditures, the revenue may be carried forward with
13 approval of the state budget director. The revenue carried forward
14 shall be used as a first source of funds in the subsequent year.

15 Sec. 608. Effective October 1, 2010, the department, in
16 consultation with the department of technology, management, and
17 budget, shall establish and implement a bid process to identify 1
18 or more private contractors to provide food service and custodial
19 services for the administrative areas at any state hospital
20 identified by the department as capable of generating savings
21 through the outsourcing of such services.

22 HEALTH POLICY, REGULATION, AND PROFESSIONS

23 Sec. 708. Nursing facilities shall report in the quarterly
24 staff report to the department, the total patient care hours
25 provided each month, by state licensure and certification
26 classification, and the percentage of pool staff, by state



1 licensure and certification classification, used each month during
2 the preceding quarter. The department shall make available to the
3 public, the quarterly staff report compiled for all facilities
4 including the total patient care hours and the percentage of pool
5 staff used, by classification.

6 Sec. 709. The funds appropriated in part 1 for the Michigan
7 essential health care provider program may also provide loan
8 repayment for dentists that fit the criteria established by part 27
9 of the public health code, 1978 PA 368, MCL 333.2701 to 333.2727.

10 Sec. 711. The department may make available to interested
11 entities customized listings of nonconfidential information in its
12 possession, such as names and addresses of licensees. The
13 department may establish and collect a reasonable charge to provide
14 this service. The revenue received from this service shall be used
15 to offset expenses to provide the service. Any balance of this
16 revenue collected and unexpended at the end of the fiscal year
17 shall revert to the appropriate restricted fund.

18 Sec. 712. From the funds appropriated in part 1 for primary
19 care services, \$250,000.00 shall be allocated to free health
20 clinics operating in the state. The department shall distribute the
21 funds equally to each free health clinic. For the purpose of this
22 appropriation, "free health clinics" means nonprofit organizations
23 that use volunteer health professionals to provide care to
24 uninsured individuals.

25 Sec. 713. The department shall continue support of
26 multicultural agencies that provide primary care services from the
27 funds appropriated in part 1.



1 Sec. 714. The department shall report by April 1 of the
2 current fiscal year to the legislature on the timeliness of nursing
3 facility complaint investigations and the number of allegations
4 that are substantiated on an annual basis. The report shall consist
5 of the number of allegations filed by consumers and the number of
6 facility-reported incidents. The department shall make every effort
7 to contact every complainant and the subject of a complaint during
8 an investigation.

9 Sec. 726. If the required fees are shown to be insufficient to
10 offset all expenses of implementing and administering the medical
11 marihuana program, the department shall review and revise the
12 application and renewal fees accordingly to ensure that all
13 expenses of implementing and administering the medical marihuana
14 program are offset as is permitted under section 5 of the Michigan
15 medical marihuana act, 2008 IL 1, MCL 333.26425.

16 INFECTIOUS DISEASE CONTROL

17 Sec. 804. The department, in conjunction with efforts to
18 implement the Michigan prisoner reentry initiative, shall cooperate
19 with the department of corrections to share data and information as
20 they relate to prisoners being released who are HIV positive or
21 positive for the hepatitis C antibody.

22 LOCAL HEALTH ADMINISTRATION AND GRANTS

23 Sec. 902. If a county that has participated in a district
24 health department or an associated arrangement with other local
25 health departments takes action to cease to participate in such an



1 arrangement after October 1 of the current fiscal year, the
2 department shall have the authority to assess a penalty from the
3 local health department's operational accounts in an amount equal
4 to no more than 6.25% of the local health department's essential
5 local public health services funding. This penalty shall only be
6 assessed to the local county that requests the dissolution of the
7 health department.

8 Sec. 904. (1) Funds appropriated in part 1 for essential local
9 public health services shall be prospectively allocated to local
10 health departments to support immunizations, infectious disease
11 control, sexually transmitted disease control and prevention,
12 hearing screening, vision services, food protection, public water
13 supply, private groundwater supply, and on-site sewage management.
14 Food protection shall be provided in consultation with the
15 department of agriculture and rural development. Public water
16 supply, private groundwater supply, and on-site sewage management
17 shall be provided in consultation with the department of
18 environmental quality.

19 (2) Local public health departments shall be held to
20 contractual standards for the services in subsection (1).

21 (3) Distributions in subsection (1) shall be made only to
22 counties that maintain local spending in the current fiscal year of
23 at least the amount expended in fiscal year 1992-1993 for the
24 services described in subsection (1).

25 **FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES**

26 Sec. 1104. Before April 1 of the current fiscal year, the



1 department shall submit a report to the house and senate fiscal
2 agencies and the state budget director on planned allocations from
3 the amounts appropriated in part 1 for local MCH services, prenatal
4 care outreach and service delivery support, family planning local
5 agreements, and pregnancy prevention programs. Using applicable
6 federal definitions, the report shall include information on all of
7 the following:

8 (a) Funding allocations.

9 (b) Actual number of women, children, and adolescents served
10 and amounts expended for each group for the immediately preceding
11 fiscal year.

12 (c) A breakdown of the expenditure of these funds between
13 urban and rural communities.

14 Sec. 1106. Each family planning program receiving federal
15 title X family planning funds under 42 USC 300 to 300a-8 shall be
16 in compliance with all performance and quality assurance indicators
17 that the office of family planning within the United States
18 department of health and human services specifies in the family
19 planning annual report. An agency not in compliance with the
20 indicators shall not receive supplemental or reallocated funds.

21 Sec. 1108. The funds appropriated in part 1 for pregnancy
22 prevention programs shall not be used to provide abortion
23 counseling, referrals, or services.

24 Sec. 1109. (1) From the amounts appropriated in part 1 for
25 dental programs, funds shall be allocated to the Michigan dental
26 association for the administration of a volunteer dental program
27 that provides dental services to the uninsured.



1 (2) Not later than December 1 of the current fiscal year, the
2 department shall report to the senate and house appropriations
3 subcommittees on community health and the senate and house standing
4 committees on health policy the number of individual patients
5 treated, number of procedures performed, and approximate total
6 market value of those procedures from the immediately preceding
7 fiscal year.

8 Sec. 1112. From the funds appropriated in part 1 for prenatal
9 care outreach and service delivery support, the department shall
10 allocate up to \$100.00 to communities with high infant mortality
11 rates.

12 Sec. 1117. Contingent upon the availability of federal or
13 state restricted funds, the department may pursue efforts to reduce
14 the incidence of stillbirth. Efforts shall include the
15 establishment of a program to increase public awareness of
16 stillbirth, promote education to monitor fetal movements counting
17 kicks, promote a uniform definition of stillbirth, standardize data
18 collection of stillbirths, and collaborate with appropriate federal
19 agencies and statewide organizations. The department shall seek
20 federal or other grant funds to assist in implementing this
21 program.

22 Sec. 1118. The department shall pursue utilization of
23 evidence-based practices and program models for maternal, infant,
24 and child health in-home visiting programs that are supported by
25 appropriations in part 1, consistent with any applicable program or
26 grant requirements.

27 Sec. 1133. The department shall release infant mortality rate



1 data to all local public health departments 72 hours or more before
2 releasing infant mortality rate data to the public.

3 Sec. 1139. From the funds appropriated in part 1 for prenatal
4 care outreach and service delivery support, the department shall
5 fund the nurse family partnership program.

6 CHILDREN'S SPECIAL HEALTH CARE SERVICES

7 Sec. 1202. The department may do 1 or more of the following:

8 (a) Provide special formula for eligible clients with
9 specified metabolic and allergic disorders.

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

12 (c) Provide medical care and treatment to eligible patients
13 with hereditary coagulation defects, commonly known as hemophilia,
14 who are 21 years of age or older.

15 OFFICE OF SERVICES TO THE AGING

16 Sec. 1401. The appropriation in part 1 to the office of
17 services to the aging for community services and nutrition services
18 shall be restricted to eligible individuals at least 60 years of
19 age who fail to qualify for home care services under title XVIII,
20 XIX, or XX.

21 Sec. 1403. (1) The office of services to the aging shall
22 require each region to report to the office of services to the
23 aging and to the legislature home-delivered meals waiting lists
24 based upon standard criteria. Determining criteria shall include
25 all of the following:



1 (a) The recipient's degree of frailty.

2 (b) The recipient's inability to prepare his or her own meals
3 safely.

4 (c) Whether the recipient has another care provider available.

5 (d) Any other qualifications normally necessary for the
6 recipient to receive home-delivered meals.

7 (2) Data required in subsection (1) shall be recorded only for
8 individuals who have applied for participation in the home-
9 delivered meals program and who are initially determined as likely
10 to be eligible for home-delivered meals.

11 Sec. 1406. The appropriation of \$4,468,700.00 of merit award
12 trust funds to the office of services to the aging for the respite
13 care program shall be allocated in accordance with a long-term care
14 plan developed by the long-term care working group established in
15 section 1657 of 1998 PA 336 upon implementation of the plan. The
16 use of the funds shall be for direct respite care or adult respite
17 care center services. Not more than 9% of the amount allocated
18 under this section shall be expended for administration and
19 administrative purposes.

20 Sec. 1417. The department shall provide to the senate and
21 house appropriations subcommittees on community health, senate and
22 house fiscal agencies, and state budget director a report by March
23 30 of the current fiscal year that contains all of the following:

24 (a) The total allocation of state resources made to each area
25 agency on aging by individual program and administration.

26 (b) Detail expenditure by each area agency on aging by
27 individual program and administration including both state-funded



1 resources and locally-funded resources.

2 **MEDICAL SERVICES**

3 Sec. 1601. The cost of remedial services incurred by residents
4 of licensed adult foster care homes and licensed homes for the aged
5 shall be used in determining financial eligibility for the
6 medically needy. Remedial services include basic self-care and
7 rehabilitation training for a resident.

8 Sec. 1603. (1) The department may establish a program for
9 individuals to purchase medical coverage at a rate determined by
10 the department.

11 (2) The department may receive and expend premiums for the
12 buy-in of medical coverage in addition to the amounts appropriated
13 in part 1.

14 (3) The premiums described in this section shall be classified
15 as private funds.

16 (4) The department shall modify program policies to permit
17 individuals eligible for the transitional medical assistance plus
18 program, as structured in fiscal year 2009-2010, to access medical
19 assistance coverage through a 100% cost share.

20 Sec. 1605. The protected income level for Medicaid coverage
21 determined pursuant to section 106(1)(b)(iii) of the social welfare
22 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
23 assistance standard.

24 Sec. 1606. For the purpose of guardian and conservator
25 charges, the department of community health may deduct up to \$60.00
26 per month as an allowable expense against a recipient's income when



1 determining medical services eligibility and patient pay amounts.

2 Sec. 1607. (1) An applicant for Medicaid, whose qualifying
3 condition is pregnancy, shall immediately be presumed to be
4 eligible for Medicaid coverage unless the preponderance of evidence
5 in her application indicates otherwise. The applicant who is
6 qualified as described in this subsection shall be allowed to
7 select or remain with the Medicaid participating obstetrician of
8 her choice.

9 (2) An applicant qualified as described in subsection (1)
10 shall be given a letter of authorization to receive Medicaid
11 covered services related to her pregnancy. All qualifying
12 applicants shall be entitled to receive all medically necessary
13 obstetrical and prenatal care without preauthorization from a
14 health plan. All claims submitted for payment for obstetrical and
15 prenatal care shall be paid at the Medicaid fee-for-service rate in
16 the event a contract does not exist between the Medicaid
17 participating obstetrical or prenatal care provider and the managed
18 care plan. The applicant shall receive a listing of Medicaid
19 physicians and managed care plans in the immediate vicinity of the
20 applicant's residence.

21 (3) In the event that an applicant, presumed to be eligible
22 pursuant to subsection (1), is subsequently found to be ineligible,
23 a Medicaid physician or managed care plan that has been providing
24 pregnancy services to an applicant under this section is entitled
25 to reimbursement for those services until such time as they are
26 notified by the department that the applicant was found to be
27 ineligible for Medicaid.



1 (4) If the preponderance of evidence in an application
2 indicates that the applicant is not eligible for Medicaid, the
3 department shall refer that applicant to the nearest public health
4 clinic or similar entity as a potential source for receiving
5 pregnancy-related services.

6 (5) The department shall develop an enrollment process for
7 pregnant women covered under this section that facilitates the
8 selection of a managed care plan at the time of application.

9 (6) The department shall mandate enrollment of women, whose
10 qualifying condition is pregnancy, into Medicaid managed care
11 plans.

12 (7) The department shall encourage physicians to provide
13 women, whose qualifying condition for Medicaid is pregnancy, with a
14 referral to a Medicaid participating dentist at the first
15 pregnancy-related appointment.

16 Sec. 1611. (1) For care provided to medical services
17 recipients with other third-party sources of payment, medical
18 services reimbursement shall not exceed, in combination with such
19 other resources, including Medicare, those amounts established for
20 medical services-only patients. The medical services payment rate
21 shall be accepted as payment in full. Other than an approved
22 medical services co-payment, no portion of a provider's charge
23 shall be billed to the recipient or any person acting on behalf of
24 the recipient. Nothing in this section shall be considered to
25 affect the level of payment from a third-party source other than
26 the medical services program. The department shall require a
27 nonenrolled provider to accept medical services payments as payment

1 in full.

2 (2) Notwithstanding subsection (1), medical services
3 reimbursement for hospital services provided to dual
4 Medicare/medical services recipients with Medicare part B coverage
5 only shall equal, when combined with payments for Medicare and
6 other third-party resources, if any, those amounts established for
7 medical services-only patients, including capital payments.

8 Sec. 1627. (1) The department shall use procedures and rebate
9 amounts specified under section 1927 of title XIX, 42 USC 1396r-8,
10 to secure quarterly rebates from pharmaceutical manufacturers for
11 outpatient drugs dispensed to participants in the MIChild program,
12 maternal outpatient medical services program, and children's
13 special health care services.

14 (2) For products distributed by pharmaceutical manufacturers
15 not providing quarterly rebates as listed in subsection (1), the
16 department may require preauthorization.

17 Sec. 1631. (1) The department shall require co-payments on
18 dental, podiatric, and vision services provided to Medicaid
19 recipients, except as prohibited by federal or state law or
20 regulation.

21 (2) Except as otherwise prohibited by federal or state law or
22 regulations, the department shall require Medicaid recipients to
23 pay the following co-payments:

24 (a) Two dollars for a physician office visit.

25 (b) Three dollars for a hospital emergency room visit.

26 (c) Fifty dollars for the first day of an inpatient hospital
27 stay.



1 (d) One dollar for an outpatient hospital visit.

2 Sec. 1641. An institutional provider that is required to
3 submit a cost report under the medical services program shall
4 submit cost reports completed in full within 5 months after the end
5 of its fiscal year.

6 Sec. 1657. (1) Reimbursement for medical services to screen
7 and stabilize a Medicaid recipient, including stabilization of a
8 psychiatric crisis, in a hospital emergency room shall not be made
9 contingent on obtaining prior authorization from the recipient's
10 HMO. If the recipient is discharged from the emergency room, the
11 hospital shall notify the recipient's HMO within 24 hours of the
12 diagnosis and treatment received.

13 (2) If the treating hospital determines that the recipient
14 will require further medical service or hospitalization beyond the
15 point of stabilization, that hospital shall receive authorization
16 from the recipient's HMO prior to admitting the recipient.

17 (3) Subsections (1) and (2) do not require an alteration to an
18 existing agreement between an HMO and its contracting hospitals and
19 do not require an HMO to reimburse for services that are not
20 considered to be medically necessary.

21 Sec. 1659. The following sections of this act are the only
22 ones that shall apply to the following Medicaid managed care
23 programs, including the comprehensive plan, MIChoice long-term care
24 plan, and the mental health, substance abuse, and developmentally
25 disabled services program: 404, 411, 418, 428, 474, 494, 1607,
26 1657, 1662, 1689, 1699, 1740, 1752, 1764, 1783, 1815, and 1820.

27 Sec. 1662. (1) The department shall assure that an external



1 quality review of each contracting HMO is performed that results in
2 an analysis and evaluation of aggregated information on quality,
3 timeliness, and access to health care services that the HMO or its
4 contractors furnish to Medicaid beneficiaries.

5 (2) The department shall require Medicaid HMOs to provide
6 EPSDT utilization data through the encounter data system, and HEDIS
7 well child health measures in accordance with the national
8 committee for quality assurance prescribed methodology.

9 (3) The department shall provide a copy of the analysis of the
10 Medicaid HMO annual audited HEDIS reports and the annual external
11 quality review report to the senate and house of representatives
12 appropriations subcommittees on community health, the senate and
13 house fiscal agencies, and the state budget director, within 30
14 days of the department's receipt of the final reports from the
15 contractors.

16 Sec. 1670. (1) The appropriation in part 1 for the MICHild
17 program is to be used to provide comprehensive health care to all
18 children under age 19 who reside in families with income at or
19 below 200% of the federal poverty level, who are uninsured and have
20 not had coverage by other comprehensive health insurance within 6
21 months of making application for MICHild benefits, and who are
22 residents of this state. The department shall develop detailed
23 eligibility criteria through the medical services administration
24 public concurrence process, consistent with the provisions of this
25 act. Health coverage for children in families between 150% and 200%
26 of the federal poverty level shall be provided through a state-
27 based private health care program.



1 (2) The department may provide up to 1 year of continuous
2 eligibility to children eligible for the MIChild program unless the
3 family fails to pay the monthly premium, a child reaches age 19, or
4 the status of the children's family changes and its members no
5 longer meet the eligibility criteria as specified in the federally
6 approved MIChild state plan.

7 (3) Children whose category of eligibility changes between the
8 Medicaid and MIChild programs shall be assured of keeping their
9 current health care providers through the current prescribed course
10 of treatment for up to 1 year, subject to periodic reviews by the
11 department if the beneficiary has a serious medical condition and
12 is undergoing active treatment for that condition.

13 (4) To be eligible for the MIChild program, a child must be
14 residing in a family with an adjusted gross income of less than or
15 equal to 200% of the federal poverty level. The department's
16 verification policy shall be used to determine eligibility.

17 (5) The department shall enter into a contract to obtain
18 MIChild services from any HMO, dental care corporation, or any
19 other entity that offers to provide the managed health care
20 benefits for MIChild services at the MIChild capitated rate. As
21 used in this subsection:

22 (a) "Dental care corporation", "health care corporation",
23 "insurer", and "prudent purchaser agreement" mean those terms as
24 defined in section 2 of the prudent purchaser act, 1984 PA 233, MCL
25 550.52.

26 (b) "Entity" means a health care corporation or insurer
27 operating in accordance with a prudent purchaser agreement.



1 (6) The department may enter into contracts to obtain certain
2 MICHild services from community mental health service programs.

3 (7) The department may make payments on behalf of children
4 enrolled in the MICHild program from the line-item appropriation
5 associated with the program as described in the MICHild state plan
6 approved by the United States department of health and human
7 services, or from other medical services.

8 (8) The department shall assure that an external quality
9 review of each MICHild contractor, as described in subsection (5),
10 is performed, which analyzes and evaluates the aggregated
11 information on quality, timeliness, and access to health care
12 services that the contractor furnished to MICHild beneficiaries.

13 (9) The department shall develop an automatic enrollment
14 algorithm that is based on quality and performance factors.

15 Sec. 1673. The department may establish premiums for MICHild
16 eligible individuals in families with income above 150% of the
17 federal poverty level. The monthly premiums shall not be less than
18 \$10.00 or exceed \$15.00 for a family.

19 Sec. 1682. (1) The department shall implement enforcement
20 actions as specified in the nursing facility enforcement provisions
21 of section 1919 of title XIX, 42 USC 1396r.

22 (2) In addition to the appropriations in part 1, the
23 department is authorized to receive and spend penalty money
24 received as the result of noncompliance with medical services
25 certification regulations. Penalty money, characterized as private
26 funds, received by the department shall increase authorizations and
27 allotments in the long-term care accounts.



1 (3) The department is authorized to provide civil monetary
2 penalty funds to the disability network/Michigan to be distributed
3 to the 15 centers for independent living for the purpose of
4 assisting individuals with disabilities who reside in nursing homes
5 to return to their own homes.

6 (4) The department is authorized to use civil monetary penalty
7 funds to conduct a survey evaluating consumer satisfaction and the
8 quality of care at nursing homes. Factors can include, but are not
9 limited to, the level of satisfaction of nursing home residents,
10 their families, and employees. The department may use an
11 independent contractor to conduct the survey.

12 (5) Any unexpended penalty money, at the end of the year,
13 shall carry forward to the following year.

14 Sec. 1685. All nursing home rates, class I and class III,
15 shall have their respective fiscal year rate set 30 days prior to
16 the beginning of their rate year. Rates may take into account the
17 most recent cost report prepared and certified by the preparer,
18 provider corporate owner or representative as being true and
19 accurate, and filed timely, within 5 months of the fiscal year end
20 in accordance with Medicaid policy. If the audited version of the
21 last report is available, it shall be used. Any rate factors based
22 on the filed cost report may be retroactively adjusted upon
23 completion of the audit of that cost report.

24 Sec. 1689. (1) Priority in enrolling additional individuals in
25 the Medicaid home- and community-based services waiver program
26 shall be given to those who are currently residing in nursing homes
27 or who are eligible to be admitted to a nursing home if they are



1 not provided home- and community-based services. The department
2 shall use screening and assessment procedures to assure that no
3 additional Medicaid eligible individuals are admitted to nursing
4 homes who would be more appropriately served by the Medicaid home-
5 and community-based services waiver program.

6 (2) Within 60 days of the end of each fiscal year, the
7 department shall provide a report to the senate and house
8 appropriations subcommittees on community health and the senate and
9 house fiscal agencies that details existing and future allocations
10 for the home- and community-based services waiver program by
11 regions as well as the associated expenditures. The report shall
12 include information regarding the net cost savings from moving
13 individuals from a nursing home to the home- and community-based
14 services waiver program, the number of individuals transitioned
15 from nursing homes to the home- and community-based services waiver
16 program, the number of individuals on waiting lists by region for
17 the program, and the amount of funds transferred during the fiscal
18 year. The report shall also include the number of Medicaid
19 individuals served and the number of days of care for the home- and
20 community-based services waiver program and in nursing homes.

21 (3) The department shall develop a system to collect and
22 analyze information regarding individuals on the home- and
23 community-based services waiver program waiting list to identify
24 the community supports they receive, including, but not limited to,
25 adult home help, food assistance, and housing assistance services
26 and to determine the extent to which these community supports help
27 individuals remain in their home and avoid entry into a nursing



1 home. The department shall provide a progress report on
2 implementation to the senate and house appropriations subcommittees
3 on community health and the senate and house fiscal agencies by
4 June 1 of the current fiscal year.

5 (4) The department shall maintain any policies, guidelines,
6 procedures, standards, and regulations in order to limit the self-
7 determination option with respect to the home- and community-based
8 services waiver program to those services furnished by approved
9 home-based service providers meeting provider qualifications
10 established in the waiver and approved by the centers for Medicare
11 and Medicaid services.

12 Sec. 1692. (1) The department is authorized to pursue
13 reimbursement for eligible services provided in Michigan schools
14 from the federal Medicaid program. The department and the state
15 budget director are authorized to negotiate and enter into
16 agreements, together with the department of education, with local
17 and intermediate school districts regarding the sharing of federal
18 Medicaid services funds received for these services. The department
19 is authorized to receive and disburse funds to participating school
20 districts pursuant to such agreements and state and federal law.

21 (2) From the funds appropriated in part 1 for medical services
22 school-based services payments, the department is authorized to do
23 all of the following:

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

26 (b) Reimburse participating school districts pursuant to the
27 fund-sharing ratios negotiated in the state-local agreements



1 authorized in subsection (1).

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

4 Sec. 1693. The special Medicaid reimbursement appropriation in
5 part 1 may be increased if the department submits a medical
6 services state plan amendment pertaining to this line item at a
7 level higher than the appropriation. The department is authorized
8 to appropriately adjust financing sources in accordance with the
9 increased appropriation.

10 Sec. 1694. The department shall distribute \$1,122,300.00 to an
11 academic health care system that includes a children's hospital
12 that has a high indigent care volume.

13 Sec. 1699. (1) The department may make separate payments in
14 the amount of \$45,000,000.00 directly to qualifying hospitals
15 serving a disproportionate share of indigent patients and to
16 hospitals providing GME training programs. If direct payment for
17 GME and DSH is made to qualifying hospitals for services to
18 Medicaid clients, hospitals shall not include GME costs or DSH
19 payments in their contracts with HMOs.

20 (2) The department shall allocate \$33,750,000.00 in DSH
21 funding using the distribution methodology used in fiscal year
22 2003-2004.

23 (3) The department shall allocate \$11,250,000.00 in DSH
24 funding to unaffiliated hospitals and hospital systems that
25 received less than \$900,000.00 in DSH payments in fiscal year 2007-
26 2008 based on a formula that is weighted proportional to the
27 product of each eligible system's Medicaid revenue and each



1 eligible system's Medicaid utilization, except that no payment of
2 less than \$1,000.00 shall be made.

3 (4) By September 30 of the current fiscal year, the department
4 shall report to the senate and house appropriations subcommittees
5 on community health and the senate and house fiscal agencies on the
6 new distribution of funding to each eligible hospital from the GME
7 and DSH pools.

8 Sec. 1718. The department shall provide each Medicaid adult
9 home help beneficiary or applicant with the right to a fair hearing
10 when the department or its agent reduces, suspends, terminates, or
11 denies adult home help services. If the department takes action to
12 reduce, suspend, terminate, or deny adult home help services, it
13 shall provide the beneficiary or applicant with a written notice
14 that states what action the department proposes to take, the
15 reasons for the intended action, the specific regulations that
16 support the action, and an explanation of the beneficiary's or
17 applicant's right to an evidentiary hearing and the circumstances
18 under which those services will be continued if a hearing is
19 requested.

20 Sec. 1724. The department shall allow licensed pharmacies to
21 purchase injectable drugs for the treatment of respiratory
22 syncytial virus for shipment to physicians' offices to be
23 administered to specific patients. If the affected patients are
24 Medicaid eligible, the department shall reimburse pharmacies for
25 the dispensing of the injectable drugs and reimburse physicians for
26 the administration of the injectable drugs.

27 Sec. 1740. From the funds appropriated in part 1 for health



1 plan services, the department shall assure that all GME funds
2 continue to be promptly distributed to qualifying hospitals using
3 the methodology developed in consultation with the graduate medical
4 education advisory group during fiscal year 2006-2007.

5 Sec. 1741. The department shall continue to provide nursing
6 homes the opportunity to receive interim payments upon their
7 request. The department may disapprove requests or discontinue
8 interim payments that result in financial risk to this state. The
9 department shall make reasonable efforts to ensure that the interim
10 payments are as similar in amount to expected cost-settled
11 payments.

12 Sec. 1752. The department shall provide a Medicaid health plan
13 with any information that may assist the Medicaid health plan in
14 determining whether another party may be responsible, in whole or
15 in part, for the payment of health benefits.

16 Sec. 1756. The department shall develop a plan to expand and
17 improve the beneficiary monitoring program. The department shall
18 submit this plan to the house and senate appropriations
19 subcommittees on community health, the house and senate fiscal
20 agencies, and the state budget director by April 1 of the current
21 fiscal year.

22 Sec. 1757. The department shall direct the department of human
23 services to obtain proof from all Medicaid recipients that they are
24 legal United States citizens or otherwise legally residing in this
25 country and that they are residents of this state before approving
26 Medicaid eligibility.

27 Sec. 1764. The department shall annually certify rates paid to



1 Medicaid health plans as being actuarially sound in accordance with
2 federal requirements and shall provide a copy of the rate
3 certification and approval immediately to the house and senate
4 appropriations subcommittees on community health and the house and
5 senate fiscal agencies.

6 Sec. 1770. In conjunction with the consultation requirements
7 of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and
8 except as otherwise provided in this section, the department shall
9 attempt to make the effective date for a proposed Medicaid policy
10 bulletin or adjustment to the Medicaid provider manual on October
11 1, January 1, April 1, or July 1 after the end of the consultation
12 period. The department may provide an effective date for a proposed
13 Medicaid policy bulletin or adjustment to the Medicaid provider
14 manual other than provided for in this section if necessary to be
15 in compliance with federal or state law, regulations, or rules or
16 with an executive order of the governor.

17 Sec. 1777. From the funds appropriated in part 1 for long-term
18 care services, the department shall permit, in accordance with
19 applicable federal and state law, nursing homes to use dining
20 assistants to feed eligible residents if legislation to permit the
21 use of dining assistants is enacted into law. The department shall
22 not be responsible for costs associated with training dining
23 assistants.

24 Sec. 1783. (1) The department shall develop rates by April 1
25 of the current fiscal year for the enrollment of individuals dually
26 eligible for Medicare and Medicaid into Medicaid health plans if
27 those health plans also maintain a Medicare advantage special needs



1 plan certified by the centers for Medicare and Medicaid services.

2 (2) The department shall report quarterly to the house and
3 senate appropriations subcommittees on community health and to the
4 house and senate fiscal agencies the status of the rate development
5 described in subsection (1) and the number of dual eligibles
6 enrolled by month in Medicaid health plans with Medicare advantage
7 special needs plan certification for the current fiscal year.

8 Sec. 1804. The department, in cooperation with the department
9 of human services, shall work with the federal public assistance
10 reporting information system to identify Medicaid recipients who
11 are veterans and who may be eligible for federal veterans health
12 care benefits or other benefits.

13 Sec. 1815. From the funds appropriated in part 1 for health
14 plan services, the department shall not implement a capitation
15 withhold as part of the overall capitation rate schedule that
16 exceeds the 0.19% withhold administered during fiscal year 2008-
17 2009.

18 Sec. 1820. (1) A Medicaid health plan that has been reviewed
19 and accredited through a national accreditation process for health
20 care services is considered to be in compliance with any state
21 program review criteria or audit requirement for each corresponding
22 item that was reviewed and addressed by the national accrediting
23 entity.

24 (2) In consultation with national accrediting entities and
25 Medicaid health plans, the department shall minimize the number of
26 gaps between state program review criteria and audit requirements
27 and standards under the national accreditation process on or before



1 March 1, 2012.

2 (3) As used in this section, "national accrediting entity"
3 means the national committee for quality assurance, the utilization
4 review accreditation committee, or other appropriate entity, as
5 approved by the department.

6 Sec. 1832. (1) The department shall continue efforts to
7 standardize billing formats, referral forms, electronic
8 credentialing, primary source verification, electronic billing and
9 attachments, claims status, eligibility verification, and reporting
10 of accepted and rejected encounter records received in the
11 department data warehouse.

12 (2) The department shall convene a workgroup on making e-
13 billing mandatory for the Medicaid program. The workgroup shall
14 include representatives from medical provider organizations,
15 Medicaid HMOs, and the department. The department shall report to
16 the legislature on the findings of the workgroup by April 1 of the
17 current fiscal year.

18 (3) The department shall provide a report by April 1 of the
19 current fiscal year to the senate and house appropriations
20 subcommittees on community health and the senate and house fiscal
21 agencies detailing the percentage of claims for Medicaid
22 reimbursement provided to the department that were initially
23 rejected in the first quarter of fiscal year 2010-2011.

24 Sec. 1841. The department shall report to the legislature on
25 the fiscal impact of federal health care reform legislation that
26 has been implemented on the department's budget. This report shall
27 be provided to the senate and house appropriations subcommittees on



1 community health and the senate and house fiscal agencies by April
2 1 of the current fiscal year.

3 Sec. 1842. (1) Subject to the availability of funds, the
4 department shall adjust the hospital outpatient Medicaid
5 reimbursement rate for qualifying hospitals as provided in this
6 section. The Medicaid reimbursement rate for qualifying hospitals
7 shall be adjusted to provide each qualifying hospital with its
8 actual cost of delivering outpatient services to Medicaid
9 recipients.

10 (2) As used in this section, "qualifying hospital" means a
11 hospital that has not more than 50 staffed beds and is either
12 located outside a metropolitan statistical area or in a
13 metropolitan statistical area but within a city, village, or
14 township with a population of not more than 12,000 according to the
15 official 2000 federal decennial census and within a county with a
16 population of not more than 165,000 according to the official 2000
17 federal decennial census.

18 Sec. 1847. The department shall meet with the Michigan
19 association of ambulance services to discuss the possible structure
20 of an ambulance quality assurance assessment program.

