

**Summary: Executive Budget Recommendation  
for Fiscal Years 2015-16 and 2016-17  
COMMUNITY HEALTH**



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	FY 2014-15 Year-to-Date as of 2/11/15	Proposed FY 2014-15 Adjustments	Adjusted FY 2014-15 Year-to-Date	FY 2015-16 Executive Recommendation	Change: FY 2015-16 vs. FY 2014-15 Adjusted	
					Amount	%
<b>IDG/IDT</b>	\$9,425,900	\$0	\$9,425,900	\$9,678,100	\$252,200	2.7
<b>Federal</b>	12,567,108,200	(111,200,600)	12,455,907,600	13,465,957,200	1,010,049,600	8.1
<b>Local</b>	220,349,300	6,771,100	227,120,400	85,984,600	(141,135,800)	(62.1)
<b>Private</b>	127,856,600	0	127,856,600	127,698,700	(157,900)	(0.1)
<b>Restricted</b>	2,061,403,500	74,290,900	2,135,694,400	2,289,035,100	153,340,700	7.2
<b>GF/GP</b>	3,239,701,400	(150,994,600)	3,088,706,800	2,993,251,300	(95,455,500)	(3.1)
<b>Gross</b>	<b>\$18,225,844,900</b>	<b>(\$181,133,200)</b>	<b>\$18,044,711,700</b>	<b>\$18,971,605,000</b>	<b>\$926,893,300</b>	<b>5.1</b>
<b>FTEs</b>	3,654.1	5.0	3,659.1	3,683.1	24.0	0.7

Notes: (1) FY 2014-15 adjusted year-to-date figures include mid-year budget adjustments through February 11, 2015. (2) Proposed FY 2014-15 adjustments include Executive Order 2015-5 and House Bill 4112. (3) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The Department of Community Health budget provides funding for a wide range of behavioral health (mental health and substance use disorder), public health, and medical services programs, including Medicaid and the Healthy Michigan Plan. Established in 1996, the Department also includes the Office of Services to the Aging, the Crime Victim Services Commission, and health policy.

**Major Budget Changes From Adjusted FY 2014-15 Appropriations**

**1. Base Medicaid, MIChild, and Federal Medicare Pharmaceutical Program Cost Increases**

Increases \$104.5 million Gross (\$20.2 million GF/GP) for caseload, utilization, and inflation adjustments for Medical Services, Behavioral Health Services, Children's Special Health Care Services, Federal Medicare Pharmaceutical Program, and Family Support Subsidy. Amount also includes the Federal Medical Assistance Percentage (FMAP) adjustment from 65.54% to 65.60% and the Enhanced FMAP adjustment from 75.88% to 98.92%, offsetting \$22.9 million GF/GP.

	FY 2014-15 Adjusted Year-to-Date	FY 2015-16 Executive Change
<b>Gross</b>	<b>\$12,912,819,100</b>	<b>\$104,456,200</b>
IDG	2,999,900	(11,000)
Federal	8,447,570,900	85,768,000
Local	45,465,200	0
Private	2,100,000	0
Restricted	1,900,374,300	(1,536,100)
GF/GP	\$2,514,308,800	\$20,235,300

**2. Healthy Michigan Plan (HMP) Cost Increases**

Increases projected FY 2014-15 HMP costs \$361.1 million and FY 2015-16 HMP costs \$454.6 million in increased federal funding for caseload, utilization, and inflation adjustments in Medical Services and Behavioral Health Services for Healthy Michigan Plan/Medicaid expansion. Preliminary estimate of FY 2016-17 GF/GP cost to support Healthy Michigan Plan once 5% state match requirement becomes effective January 1, 2017 is \$142.9 million GF/GP.

	FY 2014-15 Adjusted Year-to-Date	FY 2015-16 Executive Change
<b>Gross</b>	<b>\$2,651,022,800</b>	<b>\$815,762,200</b>
Federal	2,651,022,800	815,762,200
GF/GP	\$0	\$0

**3. Actuarial Sound Capitation Payment Rates Adjustments**

Provides \$170.0 million Gross (\$38.0 million GF/GP) to increase capitation payment rates for Medicaid Health Plans 2.0% and Prepaid Inpatient Health Plans (PIHPs) 1.5% to comply with federal requirement that rates for these managed care entities are actuarially sound. Line items increased include Medicaid mental health services, Medicaid substance use disorder services, Healthy Michigan Plan – behavioral health, health plan services, and Healthy Michigan Plan.

	FY 2014-15 Adjusted Year-to-Date	FY 2015-16 Executive Change
<b>Gross</b>	<b>\$9,818,279,800</b>	<b>\$170,040,500</b>
IDG	2,999,900	0
Federal	7,401,269,800	132,035,300
Local	38,846,400	0
Restricted	1,235,226,000	0
GF/GP	\$1,139,937,700	\$38,005,200

		<b>FY 2014-15 Adjusted Year-to-Date</b>	<b>FY 2015-16 Executive Change</b>
<b>Major Budget Changes From Adjusted FY 2014-15 Appropriations</b>			
<b>DEPARTMENTWIDE ADMINISTRATION</b>			
<b>4. Administrative Hearing System Costs</b>			
Increases funding for administrative hearing costs related to DCH programs by \$1.0 million gross (\$519,700 GF/GP): \$139,400 for new charges for related rent and information technology costs, and \$900,000 transferred from Department of Licensing and Regulatory Affairs (LARA) for Healthy Michigan Plan related hearings costs. LARA is paid to administer the hearings system through an interdepartmental grant, and the appropriation should reside within DCH budget.	<b>Gross</b>	<b>\$1,424,600</b>	<b>\$1,039,400</b>
	Federal	704,000	519,700
	GF/GP	\$720,600	\$519,700
<b>5. Economic Adjustments</b>			
Includes a net reduction of \$607,500 Gross (\$232,100 GF/GP) for the following economics adjustments for employees and other: negotiated salary and wage increases (2.0% base increase), insurance rate increases, reductions in actuarially-determined retirement rates, and increases for worker's compensation, building occupancy, and rent. There are no economic adjustments recommended for costs for food, gas, fuel, or utilities for state hospitals and centers.	<b>Gross</b>	<b>NA</b>	<b>(\$607,500)</b>
	IDG	NA	(5,500)
	Federal	NA	(250,400)
	Local	NA	(42,800)
	Private	NA	(400)
	Restricted	NA	(76,300)
	GF/GP	NA	(\$232,100)
<b>BEHAVIORAL HEALTH SERVICES</b>			
<b>6. Mental Health and Wellness Commission</b>			
Provides \$5.0 million Gross (\$1.9 million GF/GP) and 1.0 FTE for a 12-bed psychiatric residential treatment facility and a children's behavioral action team with an emphasis on children residing at Hawthorn Center; provides \$1.5 million GF/GP designated as one-time basis only to coordinate child trauma response and to partially offset reductions from Executive Order 2015-5; and removes \$6.1 million Gross (\$2.1 million GF/GP) designated as one-time basis funding appropriated in FY 2014-15.	FTE	0.0	1.0
	<b>Gross</b>	<b>\$33,625,000</b>	<b>\$437,500</b>
	Federal	22,205,000	(838,500)
	GF/GP	\$11,420,000	\$1,276,000
<b>7. Mental Health Jail Diversion and Transition</b>			
Restores Executive Order 2015-5 reduction of \$300,000 GF/GP and transfers in \$1.0 million GF/GP from Department of Corrections for jail diversion and transition programming.	FTE	1.0	0.0
	<b>Gross</b>	<b>\$3,050,000</b>	<b>\$1,300,000</b>
	GF/GP	\$3,050,000	\$1,300,000
<b>8. Community Mental Health (CMH) Non-Medicaid Services</b>			
Replaces \$20.0 million in one-time Roads and Risks Reserve funds with a like amount of GF/GP to maintain annual CMH Non-Medicaid funding at \$117.1 million. The \$20.0 million in one-time Roads and Risks Reserve funds is included in the proposed current year supplemental, HB 4112.	<b>Gross</b>	<b>\$117,050,400</b>	<b>\$0</b>
	Restricted	20,000,000	(20,000,000)
	GF/GP	\$97,050,400	\$20,000,000
<b>9. Community Mental Health (CMH) Purchase of State Services</b>			
Eliminates the transfer of GF/GP to local Community Mental Health Services Programs (CMHSP) for the purchase of state services, reducing the corresponding \$139.5 million in local revenue appropriated for state psychiatric hospitals. The GF/GP currently appropriated for CMHSP purchase of state services is instead directly appropriated to support the state psychiatric hospitals.	<b>Gross</b>	<b>\$278,931,200</b>	<b>(\$139,465,600)</b>
	Local	139,465,600	(139,465,600)
	GF/GP	\$139,465,600	\$0
<b>10. Liquor License Fee Increases</b>			
Provides \$913,200 in restricted funds to support fetal alcohol syndrome disorders. Restricted funds are available through increased liquor fees, which have a statutory requirement for 3.5% of license fees to be used for prevention, rehabilitation, care, and treatment of alcoholics and 15% of the fee charged for the issuance of licenses to sell spirits or mixed spirit drinks on Sunday to be used for the treatment of alcoholics. Remaining liquor license fee revenue appropriated in Licensing and Regulatory Affairs (LARA).	<b>Gross</b>	<b>\$1,784,200</b>	<b>\$913,200</b>
	Restricted	1,784,200	913,200
	GF/GP	\$0	\$0
<b>11. One-Time Drug Policy Initiatives</b>			
Provides \$1.5 million GF/GP on a one-time basis to support a new initiative for prescription drug abuse prevention and treatment. Funding targeted to reduce prescription drug abuse and to support those seeking recovery.	<b>Gross</b>	<b>\$0</b>	<b>\$1,500,000</b>
	GF/GP	\$0	\$1,500,000
<b>12. Children's Waiver Home Care Program</b>			
Revises fund sourcing for the children's waiver home care program by offsetting \$1.4 million in federal funds that are not available with GF/GP.	<b>Gross</b>	<b>\$21,544,900</b>	<b>\$0</b>
	Federal	15,488,700	(1,355,200)
	GF/GP	\$6,056,200	\$1,355,200

<b>Major Budget Changes From Adjusted FY 2014-15 Appropriations</b>		<b>FY 2014-15 Adjusted Year-to-Date</b>	<b>FY 2015-16 Executive Change</b>
<b>STATE PSYCHIATRIC HOSPITALS &amp; FORENSIC MENTAL HEALTH SERVICES</b>			
<b>13. State Psychiatric Hospitals</b>			
Provides \$567,600 Gross (\$449,100 GF/GP) for a 5% inflationary increase for pharmacy costs at the state's 4 psychiatric hospitals and the Forensic Center.	<b>Gross</b>	<b>NA</b>	<b>\$567,600</b>
	Federal	NA	38,200
	Local	NA	39,400
	Restricted	NA	40,900
	GF/GP	NA	\$449,100
<b>HEALTH POLICY</b>			
<b>14. Health Policy - State Innovation Model Grant</b>			
Recognizes \$50.0 million in federal grant funds to implement Michigan's Blueprint for Health Innovation, supporting major innovations in health care service delivery and payment systems, an increase of \$30.0 million from FY 2014-15. Authorization for the remaining \$20.0 million of the \$70.0 million grant is included in proposed current year supplemental, HB 4112. Also adds new related boilerplate Sec. 718, including outcomes and performance measures.	<b>Gross</b>	<b>\$20,000,000</b>	<b>\$30,000,000</b>
	Federal	20,000,000	30,000,000
	GF/GP	\$0	\$0
<b>PUBLIC HEALTH, AND MATERNAL AND CHILD HEALTH SERVICES</b>			
<b>15. Reinstate Public Health, Wellness, and Maternal and Child Health Funding</b>			
Reinstates the following funds reduced in the current fiscal year by Executive Order 2015-5: \$1.5 million GF/GP for essential local public health services, \$1.5 million GF/GP for health and wellness initiatives including breast cancer screening and services, and \$1.5 million GF/GP for one-time funding for pay for success contracts for maternal and child services programs. Year-to-date (YTD) amount shown is for all 3 line items.	<b>Gross</b>	<b>\$46,836,100</b>	<b>\$4,500,000</b>
	Local	5,150,000	0
	Restricted	5,210,700	0
	GF/GP	\$36,475,400	\$4,500,000
<b>16. Newborn Screening</b>			
Increases funding for newborn screening and treatment program, and related laboratory and vital records services by \$2.1 million from state restricted newborn screening fees. Additional revenues are from fee increases for inflation and for new tests as recommended by the Quality Assurance Advisory Committee, pursuant to the Public Health Code. YTD amount shown includes funding for all newborn screening services.	<b>Gross</b>	<b>\$14,070,500</b>	<b>\$2,060,900</b>
	Restricted	14,070,500	2,060,900
	GF/GP	\$0	\$0
<b>17. Chronic Disease Prevention</b>			
Includes \$3.5 million authorization for a new 4-year federal grant to support coordinated population approaches and reduce disparities in prevention of adult chronic disease, including obesity, diabetes, heart disease and stroke.	<b>Gross</b>	<b>NA</b>	<b>\$3,520,000</b>
	Federal	NA	3,520,000
	GF/GP	NA	\$0
<b>18. Other Public Health Federal Grants</b>			
Recognizes additional federal grant adjustments for public health and family, maternal, and child health programs totaling \$2.3 million, including: five new grants totaling \$2.9 million, removal of one completed grant of \$850,000, and an increase of \$286,000 to one ongoing grant. New grants address immunization, lead poisoning prevention, environmental public health tracking, and school readiness for children with high health needs.	FTE	NA	4.0
	<b>Gross</b>	<b>NA</b>	<b>\$2,348,200</b>
	Federal	NA	2,348,200
	GF/GP	NA	\$0
<b>19. Trauma Hospital Traumatic Brain Injury (TBI) Treatment Support</b>			
Eliminates \$1.0 million GF/GP supporting evidence-based traumatic brain injury intensive care treatment management system, training, and interactive software at Level I trauma hospitals, first funded in FY 2011-12. This program was also reduced by \$350,000 GF/GP in the current fiscal year by Executive Order 2015-5.	<b>Gross</b>	<b>\$1,000,000</b>	<b>(\$1,000,000)</b>
	GF/GP	\$1,000,000	(\$1,000,000)
<b>20. Real Alternatives Pilot Program</b>			
Eliminates funding of \$800,000 GF/GP for alternative pregnancy and parenting support program which promotes childbirth and alternatives to abortion; pilot program was first funded in FY 2013-14. Related boilerplate Sec. 1136 is also eliminated.	<b>Gross</b>	<b>\$800,000</b>	<b>(\$800,000)</b>
	GF/GP	\$800,000	(\$800,000)

<b>Major Budget Changes From Adjusted FY 2014-15 Appropriations</b>		<b>FY 2014-15 Adjusted Year-to-Date</b>	<b>FY 2015-16 Executive Change</b>
<b>21. Autism University and Family Assistance Programs</b>			
Provides one-time funding of \$2.5 million GF/GP for university autism programs related to education and development of autism service providers, which is a reduction from \$7.5 million Gross (\$7.0 million one-time and \$500,000 ongoing); also eliminates one-time funding of \$1.5 million for autism family assistance services, from the Autism Coverage Fund. Proposed current year supplemental, HB 4112, includes a shift of \$3.0 million from GF/GP to Autism Coverage Fund for university autism program grants.	<b>Gross</b>	<b>\$9,000,000</b>	<b>(\$6,500,000)</b>
	Restricted	8,500,000	(8,500,000)
	GF/GP	\$500,000	\$2,000,000
<b>OFFICE OF SERVICES TO THE AGING</b>			
<b>22. Seniors – Ombudsman Fund Shift and Nursing Home Quality Improvement</b>			
Includes a net \$0 gross (\$357,500 GF/GP) shift from civil monetary penalty fund revenues to GF/GP to fund state and local long-term care ombudsman programs, in order to comply with revised federal guidelines that disallow use of penalty fund revenue for this purpose. In addition, \$200,000 of the civil monetary penalty fund monies are retained as a budget increase for a new voluntary nursing home culture and quality improvement project emphasizing person-centered services.	<b>Gross</b>	<b>\$357,500</b>	<b>\$200,000</b>
	Private	357,500	(157,500)
	GF/GP	\$0	\$357,500
<b>MEDICAL SERVICES</b>			
<b>23. Health Insurance Claims Assessment (HICA) Rate Increase and Cap Removal</b>			
Increases HICA revenue \$180.1 million to offset a like amount of GF/GP. The additional HICA revenues are from a proposed rate increase from 0.75% to 1.30% (\$162.8 million) and a proposed removal of the statutory cap on annual HICA collections (\$17.3 million).	<b>Gross</b>	<b>\$237,178,400</b>	<b>\$0</b>
	Restricted	237,178,400	180,103,000
	GF/GP	\$0	(\$180,103,000)
<b>24. 6% Medicaid Managed Care Use Tax</b>			
Revises GF/GP portion of the 6% Use Tax on Medicaid managed care organizations to \$377.7 million for FY 2015-16. Projected GF/GP portion of Use Tax revenue during FY 2016-17 is \$97.7 million, reflecting its availability during only the first quarter of FY 2016-17. Of the projected \$280.0 million reduction in FY 2016-17, \$116.0 million is estimated to be offset through actuarial soundness savings as a result of the Medicaid managed care organizations no longer having to pay the Use Tax for a net FY 2016-17 GF/GP loss of \$165.0 million.	<b>Gross</b>	<b>\$373,700,000</b>	<b>\$4,000,000</b>
	GF/GP	\$373,700,000	\$4,000,000
<b>25. Replacement of Medicaid Restricted Revenue with GF/GP</b>			
Increases \$90.0 million GF/GP to replace the following: one-time Roads and Risks Reserve funds (\$62.9 million), a decline in Medicaid Benefits Trust Fund revenue (\$19.5 million), one-time Certified Public Expenditures (\$5.9 million federal), and a decline in Healthy Michigan Fund revenue (\$1.7 million) that are currently used to support Medicaid medical services.	<b>Gross</b>	<b>\$90,037,300</b>	<b>\$0</b>
	Federal	5,900,000	(5,900,000)
	Restricted	84,137,300	(84,137,300)
	GF/GP	\$0	\$90,037,300
<b>26. Graduate Medical Education (GME)</b>			
Restores \$14.5 million Gross (\$5.0 million GF/GP) Executive Order 2015-5 reduction and finances GME with \$63.5 million in increased hospital quality assurance assessment program (QAAP) revenue to offset \$63.5 million GF/GP. Amount includes \$7.4 million in GF/GP retainer savings.	<b>Gross</b>	<b>\$148,378,700</b>	<b>\$14,509,600</b>
	Federal	97,278,700	9,509,600
	Restricted	0	63,505,200
	GF/GP	\$51,100,000	(\$58,505,200)
<b>27. Special Rural Hospital Payments</b>			
Restores \$5.8 million Gross (\$2.0 million GF/GP) Executive Order 2015-5 reduction and finances special rural hospital payments with \$13.6 million in increased hospital QAAP revenue to offset \$13.6 million GF/GP. Amount includes \$1.6 million in GF/GP retainer savings.	<b>Gross</b>	<b>\$29,019,200</b>	<b>\$5,803,800</b>
	Federal	19,019,200	3,803,800
	Restricted	0	13,584,000
	GF/GP	\$10,000,000	(\$11,584,000)
<b>28. Hospital Capital Cost Reimbursements</b>			
Assumes savings of \$34.8 million Gross (\$12.0 million GF/GP) from incorporating managed care hospital capital cost expenditure data into the hospital capital cost reimbursement formula.	<b>Gross</b>	<b>NA</b>	<b>(\$34,806,800)</b>
	Federal	NA	(22,833,300)
	GF/GP	NA	(\$11,973,500)

<b>Major Budget Changes From Adjusted FY 2014-15 Appropriations</b>		<b>FY 2014-15 Adjusted Year-to-Date</b>	<b>FY 2015-16 Executive Change</b>
<b>29. Primary Care Rate Annualization</b>		<b>Gross</b>	<b>\$72,547,900</b>
Annualizes the partial continuation of the primary care rate increase that was provided through the Affordable Care Act with 100% federal funds through calendar year 2014. After calendar year 2014, states have the option to continue the higher rates at regular FMAP.		Federal	15,863,800
		GF/GP	\$8,318,800
<b>30. OB/GYN Hospital Lump Sum Payment Elimination</b>		<b>Gross</b>	<b>\$11,027,300</b>
Eliminates \$11.0 million Gross (\$3.8 million GF/GP) allocated as lump sum payments based on amount of obstetrical care and newborn care provided through hospitals that qualify for special rural hospital payments.		Federal	(7,233,900)
		GF/GP	(\$3,793,400)
<b>31. Healthy Kids Dental Services</b>		<b>Gross</b>	<b>NA</b>
Provides \$21.8 million Gross (\$7.5 million GF/GP) to expand Healthy Kids Dental for an estimated 210,000 additional children ages 0-8 in Kent, Oakland, and Wayne counties.		Federal	14,302,300
		GF/GP	\$7,500,000
<b>32. Adult Dental Services</b>		<b>Gross</b>	<b>NA</b>
Provides \$23.0 million Gross (\$7.9 million GF/GP) to convert the current Medicaid fee-for-service adult dental program to a managed care organization statewide. Adult dental increase would be effective for only the last quarter of FY 2015-16; full year cost is \$92.1 million Gross (\$31.7 million GF/GP).		Federal	15,112,800
		GF/GP	\$7,925,000
<b>33. Program of All-Inclusive Care for the Elderly (PACE)</b>		<b>Gross</b>	<b>\$66,672,600</b>
Provides \$8.3 million Gross (\$2.8 million GF/GP) to expand PACE into Jackson County and Traverse City. Assumes expansion of PACE will offset a like amount of funding within the long-term care services line item. YTD and change amounts shown only include PACE line item.		Federal	5,428,400
		GF/GP	\$2,846,600
<b>34. Medicaid Managed Care Pharmacy Coverage to Fee-For-Service</b>		<b>Gross</b>	<b>NA</b>
Assumes savings of \$48.8 million Gross (\$16.8 million GF/GP) from moving pharmacy coverage from managed care contracts to fee-for-service effective January 1, 2016.		Federal	(31,994,300)
		GF/GP	(\$16,777,500)
<b>35. Medicaid Managed Care Laboratory Reimbursement Annualization</b>		<b>Gross</b>	<b>(\$4,352,900)</b>
Annualizes laboratory reimbursement savings effective August 1, 2015 under Executive Order 2015-5. Savings are from a policy change that reduces laboratory service payments benchmark from Medicare payment rates to Medicaid fee-for-service rates.		Federal	(18,001,300)
		GF/GP	(\$9,435,800)
<b>36. Medicaid Managed Care Integration Savings</b>		<b>Gross</b>	<b>\$4,883,751,900</b>
Assumes savings of \$15.4 million Gross (\$5.3 million GF/GP) from Medicaid managed care coordination and other contractual changes effective January 1, 2016.		Federal	(10,086,000)
		Local	0
		Restricted	0
		GF/GP	(\$5,289,000)
<b>37. Medicaid Autism Services through Age 21</b>		<b>Gross</b>	<b>\$25,171,800</b>
Provides \$7.4 million Gross (\$2.5 million GF/GP) to expand Medicaid autism benefit through age 21. Current benefit is offered to individuals from ages 18 months to 5 years. Also transfers line item from Medical Services to Behavioral Health Services.		Federal	4,821,700
		GF/GP	\$2,528,400
<b>ONE-TIME BASIS ONLY APPROPRIATIONS</b>			
<b>38. Eliminate Certain One-Time Basis Appropriations</b>		<b>Gross</b>	<b>\$10,742,300</b>
Removes the following one-time funding items that were included in the FY 2014-15 budget: \$250,000 GF/GP for bone marrow registry, \$2.0 million GF/GP for child and adolescent health services pilot in schools, \$4.1 million GF/GP for University of Detroit dental program, \$3.0 million Gross (\$300,000 GF/GP) for Healthy Kids Dental computer project, \$1.3 million for statewide trauma system (from state restricted Crime Victim's Rights Fund in proposed current year supplemental HB 4112, and \$100,000 GF/GP for Senior Olympics.		Federal	(2,700,000)
		Restricted	(1,300,000)
		GF/GP	(\$6,742,300)

## **Major Boilerplate Changes From FY 2014-15**

### ***Executive Boilerplate Deletions***

The Executive Budget Recommendation deletes a significant amount of boilerplate language included in the FY 2014-15 budget. The list below includes major changes to boilerplate, but is not a comprehensive list of all sections proposed to be deleted.

### **GENERAL SECTIONS**

#### ***Sec. 204. Benchmarks for New Programs or Program Increases – DELETED***

Requires DCH to identify performance measurement benchmarks for new programs or program expansions for which funds of \$500,000 or greater are appropriated, and provide a report; also expresses Legislative intent for FY 2015-16 budget proposals.

#### ***Sec. 218. Basic Health Services – DELETED***

Lists eight basic health services embodied in Part 23 of the Public Health Code, 1978 PA 368, that are to be available and accessible throughout the state.

#### ***Sec. 282. Performance Metrics for Contracts – DELETED***

Requires the establishment of an automated annual metric collection, validation, and reporting system for contracts via the state's e-procurement system, and deadlines for generation of report under the system for state-funded contracts of \$1.0 million or more.

### **BEHAVIORAL HEALTH SERVICES**

#### ***Sec. 412. Non-Medicaid Substance Use Disorder Services – DELETED***

Requires DCH to contract with the Salvation Army Harbor Light Program for providing non-Medicaid substance use disorder services.

#### ***Sec. 424. Timely Claims Process for PIHPs – DELETED***

Requires that PIHPs contracting with DCH to provide services to the Medicaid population adhere to the timely claims processing and payments procedure to claims submitted by health professionals and facilities as described in Section 111i of the Social Welfare Act, 1939 PA 280, MCL 400.111i.

#### ***Sec. 503. Policies and Procedures for PIHPs or CMHSPs – DELETED***

Requires DCH to notify the Michigan Association of CMH Boards when developing policies and procedures that will impact PIHPs or CMHSPs.

### **PUBLIC HEALTH ADMINISTRATION**

#### ***Sec. 654. School Children's Healthy Exercise Program – DELETED***

Allocates \$1.0 million for the school children's healthy exercise program for children in kindergarten through grade 8, using evidence-based best practice models; no less than one half of the funds shall be granted for before- and after-school programs.

### **HEALTH POLICY**

#### ***Sec. 712. Free Health Clinic Funding – DELETED***

Allocates \$250,000 to free health clinics from the funds appropriated for primary care services, to be distributed equally to each free health clinic; defines free health clinic.

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

#### ***Sec. 1103. Report of Sexual and Maternal Health Demographics and Expenditures by Marital Status – DELETED***

Requires annual report of estimate of public funds expended for family planning, sexually transmitted infection prevention and treatment, pregnancies, and births, and client demographics as voluntarily provided to DCH; and to report data by marital status.

#### ***Sec. 1139. Housing Rehabilitation and Hazard Abatement Program Task Force and Report – DELETED***

Requires DCH to establish a joint task force with Department of Human Services and Michigan State Housing Development Authority to review housing rehabilitation, energy and weatherization, and hazard abatement program policies, and report recommendations.

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

#### ***Sec. 1205. Expansion of Telemedicine Capacity – DELETED***

Authorizes the Department to use up to \$500,000 for continued development and expansion of telemedicine capacity to allow CSHCS children better access to specialty providers.

### **CRIME VICTIM SERVICES COMMISSION**

#### ***Sec. 1302. Allocation of Funds for Forensic Nurse Examiner Programs – DELETED***

Allocates up to \$200,000 of justice assistance grants line item funds for expansion of forensic nurse examiner programs to facilitate training for improved evidence collection for prosecution of sexual assault. Funds to be used for program coordination and training.

### **MEDICAL SERVICES**

#### ***Sec. 1815. Cap on Health Plan Capitation Withhold – DELETED***

Prohibits DCH from implementing a capitation withhold as part of overall health plan capitation rate schedule that exceeds the 0.19% withhold administered during FY 2008-09.

**Major Boilerplate Changes From FY 2014-15**

***Sec. 1861. Nonemergency Medical Transportation Pilot Program – DELETED***

Requires the Department to review the efficiency and effectiveness of the current nonemergency transportation system and report the results to the Legislature. Directs the Department to create a pilot in at least two counties, with priority given to Berrien and Muskegon counties, to provide nonemergency transportation services encouraging use of nonprofit entities.

***Sec. 1870. MIDocs Consortium – DELETED***

Directs the Department to establish the MIDocs consortium, consisting of Michigan-based medical schools. The purpose of MIDocs is to develop freestanding residency training programs in primary care and other ambulatory care-based specialties. Directs the Department to require an annual report from the consortium detailing per resident costs for medical training and clinical quality measures. Clarifies that, from the funds appropriated in part 1, \$500,000 is allocated to prepare the report, legally create the consortium, prepare to obtain ACGME accreditation, and develop new residency programs.