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BILL ANALYSIS

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House Bill 4560 (Substitute H-3)

Sponsor: Representative Victor C. Krause

House Committee: Mental Health

Senate Committee: Human Resources and Senior Citizens

Date Completed: 5-24-88

SUMMARY OF HOUSE BILL 4560 (Substitute H-3) as passed by the House:

The bill would amend the Mental Health Code to create a grant program that would fund pilot "care program" projects designed to meet the special needs of persons diagnosed as having Alzheimer's disease or related disorders (including multi-infarct dementia, Huntington's disease, and Parkinson's disease) who are in the "moderate to severe range of disability". The Department of Mental Health would have to administer the grants in an effort to encourage the development of adult day care, crisis intervention, and respite care services.

The bill would require grant recipients to provide a matching contribution equal to at least 25% of the grant amount in either cash or in-kind services, such as paid staff or volunteers. Both public and private nonprofit agencies would be eligible for grants, which would be awarded throughout the State. An applicant for a grant would be required to apply in the manner prescribed by the Department, and would also have to do the following:

- Identify the agency or agencies involved in developing the care program.
- Identify the geographic area the care program would serve.
- Identify the estimated number of participants and the scope of their care needs.
- Describe how existing programs were unable to meet the care needs of participants.
- Describe how the care program would meet the care needs of participants.
- Describe the coordination of the care program with existing programs.
- Describe how the local community mental health board would be involved in the care program.
- Describe the involvement of the care program with existing educational programs, if any.
- If participants would be charged for any portion of the cost of their participation in the care program, describe how the care program would assist those who could not afford such costs. (The bill would require that volunteer services by families of participants be considered in defraying the cost of services in a

care program.)

- Describe the role of volunteers in a care program and how they would be trained and supervised.
- Describe training for care givers (if provided).
- Identify additional sources of funding for a care program such as private donations, foundation grants or Medicare reimbursement.
- Describe how the care program would provide counseling and referral services.
- Describe how the care program would provide family support services.

The Department of Mental Health would be required to report to the Legislature annually on the progress being made in implementing pilot projects, the number of projects established by grant recipients, and the number and characteristics of those served. The report would also have to include an evaluation of the usefulness of the projects in delaying the institutionalization of participants, providing respite for families caring for participants at home, and relieving the burden of "care-giver stress". Not later than five years after the bill became law, the Department would be required to evaluate the effectiveness of the program and make a recommendation to the Legislature regarding the continuation or modification of the program, or its integration into the community mental health system.

The Department would be required to promulgate rules to carry out the purposes of the bill before January 1, 1989.

MCL 330.1950 et al.

Legislative Analyst: L. Burghardt

FISCAL IMPACT

The Gross cost for a single project is estimated at \$60,000. Since the bill would require a 25% match from the Grantee, the net cost per project would be \$45,000 GF/GP assuming no other revenue offsets would be available. Total costs would be based on the actual number of projects which were established which would be a function of the eventual number of Grantee applications that were submitted and accepted.

Fiscal Analyst: J. Walker
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.