

Senate Fiscal Agency
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SFA



BILL ANALYSIS

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FY 1999-2000 Year-to-Date Gross Appropriation	\$8,205,612,600
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Changes from FY 1999-2000 Year-to-Date:

Conference Agreement on Items of Difference

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| 1. Healthy Michigan Fund (HMF). The Conference Committee added a number of projects to current-year HMF programming. These included \$1,000,000 for a lead rededication revolving fund, \$2,000,000 for workaday wellness activities, \$1,000,000 for supportive services for frail elderly, and \$406,200 for a fish advisory. | 4,855,000 |
| 2. Medicaid Base. The Conference Committee made a \$51,246,500 adjustment to the Medicaid base for traditional Medicaid programming, added \$4,593,800 for the Adult Home Help base, \$4,500,000 to recognize Federal match for psychotropic medications, funding for which was moved to the Pharmaceutical Services line, and \$16,011,000 as a base adjustment to the Children's Special Health Services program. | 76,351,300 |
| 3. Qualified Health Plans (QHPs). The Conference Committee increased funding for QHPs by 11.7% to reflect the results of the re-bid for Medicaid managed care services. | 139,683,700 |
| 4. Increases for Hospitals and Physicians. The Conference Committee included a 4% increase for inpatient services, a 7% increase for outpatient services, a 9% increase for physician services, and a new rural health initiative. | 46,213,900 |
| 5. Other Medicaid Provider Increases. The Conference Committee increased long term care rates by 5.4% (with a \$0.50/hour wage pass-through), increased auxiliary medical services rates by 5%, raised the pharmacy dispensing fee to \$3.77, and increased rates for personal care services and home health by 4%. | 58,428,900 |
| 6. Economic Adjustments. Economic Adjustments. The Conference Committee included funding to reflect the typical economic adjustments for salaries and wages, fringe benefits, rent, and workers' compensation. | 27,267,900 |
| 7. Other Changes. Other changes adopted by the Conference Committee resulted in a slight increase in Gross funding. | 5,964,600 |

Total Changes	\$358,765,300
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FY 2000-01 Enacted Gross Appropriation	\$8,564,377,900
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Changes from FY 1999-2000 Year-to-Date:Conference Agreement on Items of Difference

1. **Continuous Prohibition.** Continuous prohibition on competitive bid out of mental health services and requires carve out of specialty services. (Sec. 413)
2. **Psychotropic Medication.** Community Mental Health Boards are not to be held liable for the cost of psychotropic medications. (Sec. 416)
3. **Regional Partnerships.** Encourages Community Mental Health Boards to form regional partnerships. (Sec. 417)
4. **Clinton River Study.** Provides for pollution study of the Clinton River. (Sec. 906)
5. **Lead Hazard.** Establishes lead hazard rededication revolving loan fund. (Sec. 907)
6. **Other Programs.** Use of Healthy Michigan Fund to increase support for a number of programs such as obesity prevention, stroke initiative, and children's arthritis program. (Secs. 1018, 1019, 1020)
7. **Adolescent Health Care Services.** Increase funding for adolescent health care services. (Sec. 1103)
8. **Pharmacy Dispensing Fee.** Increase pharmacy dispensing fee to \$3.77. (Sec. 1603)
9. **Nursing Home Payments.** Provides a 5.4% increase in nursing home payments, which includes a wage pass-through of up to \$0.50 per hour. (Sec. 1618)
10. **Department Allotments.** Requires the Department to allot an amount for GME, including psychiatric residency programs, no less than was allotted in FY 1999-2000. (Secs. 1658, 1659)
11. **Dental Fees.** Increases dental fees, including services to adults by 5%, and personal care services rate by 4%. (Secs. 1696, 1700)
12. **Economic Increases.** Provides an economic increase in new funds of 7% for hospital outpatient services, 9% for physician services and requires that these fee screen be rebased. (Secs. 1701, 1702, 1703)
13. **Other Language.** Includes language that encourages health care providers to contract with QHP.'s. (Secs. 1705, 1706)

Date Completed: 08-14-00

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