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House Bill 5742 (Substitute H-2 as reported without amendment)
Sponsor: Representative Margaret O'Brien
House Committee: Appropriations
Senate Committee: Appropriations

CONTENT

The bill would amend the Autism Coverage Reimbursement Act to allow for the one-time appropriation and expenditure of up to \$5.5 million from the Autism Coverage Fund in fiscal year (FY) 2014-15. These funds could be used for university autism programs and autism family assistance services as appropriated in Section 1902 of the Department of Community Health (DCH) budget for FY 2014-15, Article IV, Public Act 252 of 2014. Additionally, the bill includes a statement of legislative intent that the amount spent in FY 2014-15 be appropriated in FY 2015-16 to reimburse the Fund.

Proposed MCL 550.1838

BACKGROUND

The Autism Coverage Reimbursement Act, which provides for the Autism Coverage Fund, was established by Public Act 101 of 2012 in order to assist health insurance carriers with offsetting the costs of offering autism benefits for the diagnosis and treatment of autism spectrum disorders. Appropriations made in the FY 2014-15 DCH budget for autism programs from the Fund were the result of the May 2014 budget Leadership Target Agreements to support grants to the Autism Alliance, Central Michigan University, Oakland University, and Western Michigan University.

For FY 2012-13, \$15.0 million was appropriated to the Department of Insurance and Financial Services (DIFS) for the Autism Coverage Fund. This amount dropped in FY 2013-14 to a total appropriation of \$11.0 million. Money remaining in the Fund at the end of the fiscal year does not lapse, but carries forward into the next fiscal year. The FY 2014-15 budget did not include an appropriation in DIFS for the Autism Coverage Fund. However, the DCH budget included a total of \$9.0 million for various autism programs, with the following breakdown:

- \$500,000 GF/GP for Eastern Michigan University (Behavioral Health Program Administration line item)
- One-Time: \$3.0 million GF/GP and \$4.0 million Autism Coverage Fund (University Autism Programs line item)
 - o \$1.0 million for Eastern Michigan University
 - o \$500,000 for Central Michigan University
 - o \$500,000 for Oakland University
 - o \$4.0 million for Western Michigan University
 - o \$1.0 million for Michigan State University
- One-Time: \$1.5 million Autism Coverage Fund for the Autism Alliance of Michigan (Autism Family Assistance Services line item).

While autism family assistance services is a new appropriation in the FY 2014-15 budget, the university autism programs line item was first funded in FY 2013-14 at \$2.5 million.

FISCAL IMPACT

The bill would allow one-time expenditures of up to \$5.5 million of State restricted Autism Coverage Fund revenue in FY 2014-15, to support university autism programs and autism family assistance services. If the bill is not enacted, then \$5.5 million, of a total of \$9.0 million, of revenue dedicated to such services in the FY 2014-15 DCH budget will not be available. There is currently a sufficient balance in the Fund to support the proposed appropriation. As of September 30, 2014, the balance in the Fund was approximately \$22.0 million. The true balance of the Fund may be slightly less than that amount because some of the payments of claims for reimbursement received in September 2014 are still being processed.

Date Completed: 11-25-14

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