

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

FY2003 EXECUTIVE RECOMMENDATIONS

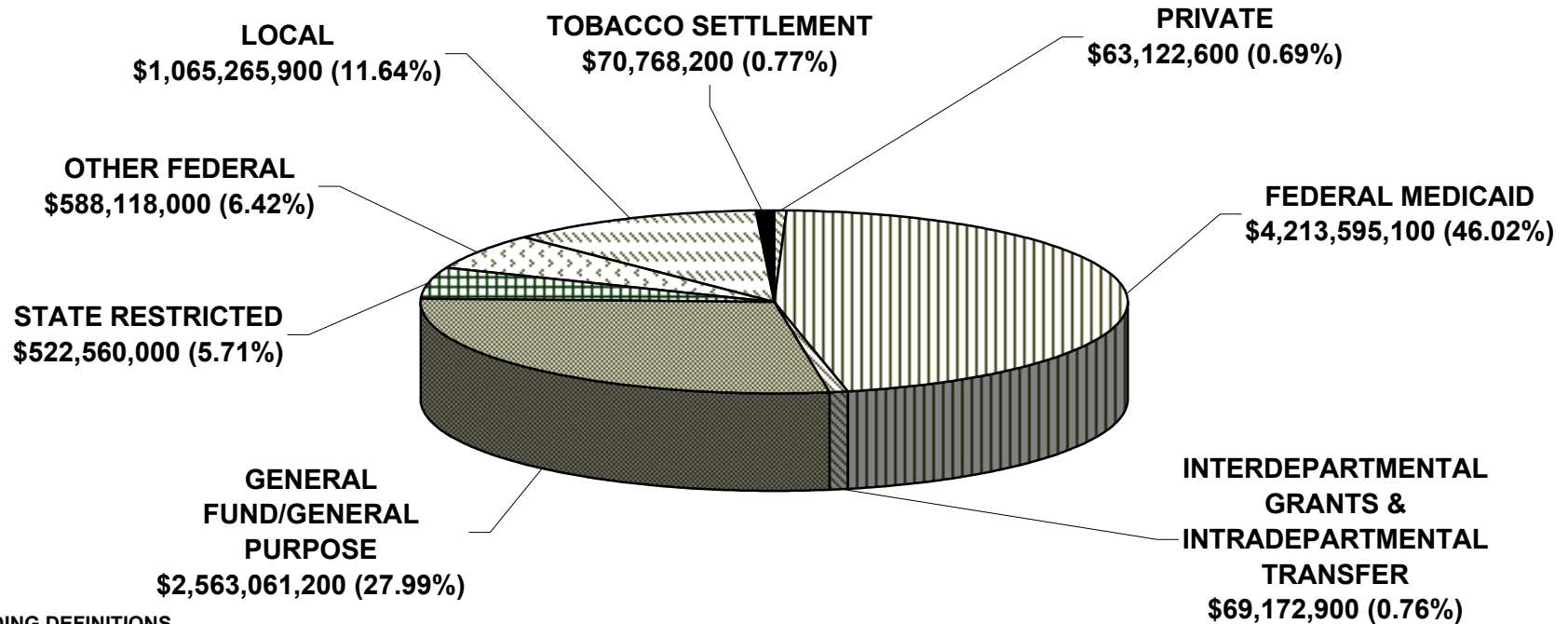
**PRESENTATION TO THE HOUSE APPROPRIATIONS
SUBCOMMITTEE ON COMMUNITY HEALTH**

APRIL 10, 2002

**JAMES K. HAVEMAN, JR.
DIRECTOR**

FY2003 DEPARTMENT OF COMMUNITY HEALTH EXECUTIVE RECOMMENDATION

Source of Financing - \$9,155,663,900



FUNDING DEFINITIONS

- Interdepartmental Grants, Intradepartmental Transfers: Grants from other state departments.
- Federal Medicaid: Funding obtained under Title XIX of the Social Security Act.
- Other Federal: Various federal grants and programs.
- Local: Revenue obtained from local units of government required by statute.
- Private: Various revenue sources from private entities; gifts, bequests & donations.
- State Restricted: State of Michigan taxes, fees or payments specifically designated by statute.
- Tobacco Settlement: (State Restricted).
- General Fund: State of Michigan taxes, fees or other revenues not specifically designated.

DEPARTMENT OF COMMUNITY HEALTH
FY2003 Executive Recommendation - Overview

The Governor's FY2003 Executive Recommendation for the Department of Community Health is **\$9,155,663,900**. The recommendation contains a gross increase of **\$413.5 million** which equates to a **4.7%** increase with a general fund decrease of **\$19.4 million**, which equates to a **.8%** decrease. The change in the Medicaid federal FMAP rate reduced federal funding by **\$64.5 million** requiring additional GF to maintain the program at its current level. The FY2003 Executive Recommendation includes new funding for the MIFamily Program, new Senior Pharmacy Plus Program, and the Medicare Low-Income Drug Assistance Program recently announced by the Bush Administration, and funding for Bioterrorism.

Medicaid Services - The Executive Recommendation includes base funding adjustment increase of **\$266.6 million** to support mandatory inflationary increases, such as pharmacy and medicare premiums, increased utilization of services and a projected continued growth in the number of Medicaid beneficiaries. The FY2003 Executive Recommendation includes using **\$269.0 million** of the Medicaid Trust Fund for the following:

- \$64.5 million** - Change in Federal Medical Assistance Participation (FMAP) rate
- \$43.8 million** - Change in special financing guidelines from the Centers for Medicare & Medicaid Services
- \$160.7 million** - Cover the State's share of the base Medicaid program - including Mental Health and Substance Abuse

The number of Medicaid beneficiaries has been growing since FY2000, with the growth projected to continue into FY2002 and slowly decline in FY2003 as the economy recovers. The actual for FY2000 and FY2001 and projected average for FY2002 number of Medicaid beneficiaries is as follows:

FISCAL YEAR	CHILDREN (Under 21)	ADULTS	TOTAL
FY2000	589,214	465,782	1,054,996
FY2001	623,095	485,736	1,108,831
FY2002	685,090	522,770	1,207,860

MIFamily - The Health Insurance Flexibility and Accountability (HIFA) Demonstration Initiative allowed under the Center for Medicare and Medicaid Services (CMS) provides states with the opportunity to expand health coverage to additional persons utilizing existing unspent federal fund allocations. The HIFA waiver is not a super waiver and does not affect any other Medicaid waiver currently in existence. The department submitted the required waiver application to the Center for Medicare and Medicaid Services in **March 2002**. To assist in the development of the waiver the department held a public forum for all interested advocate and provider groups on Monday, February 4, 2002. Participation at the forum exceeded expectations with over 300 persons in attendance. All questions and answers that resulted from the forum and submitted since are posted on the department's web site along with the waiver application.

Under HIFA, states have the ability to create limited Medicaid benefits to various beneficiary groups at a lower cost than the traditional full Medicaid coverage. **Under MIFamily, health care coverage will be expanded to pregnant women with incomes between 185% and 200% of poverty, children in the Healthy Kids Program will have 12 months of continuous coverage and caretaker relatives will now be able to earn up to 100% of federal poverty level. In addition, parents of children in the Healthy Kids Program with incomes up to 100% of the federal poverty level will be available for health coverage.**

In addition to these groups the **current State Medical program** and county programs populations will have a standard benefit. Individual counties will be able to expand on this base coverage and the state will seek federal matching dollars. The final group to receive health coverage under HIFA is **persons with disabilities** who receive SSI cash assistance. These persons will now be able to earn **up to 350% of the federal poverty level** and retain a Medicaid health benefit. In addition to allowable earnings of up to \$31,188 discussions in the forum pointed out the need for persons with disabilities to have a financial set aside for such things as home remodeling, vehicle accommodations and retirement accounts.

Senior Prescription Drug Programs - President Bush has proposed two new programs which would provide prescription drug coverage to **low income seniors below 200% of the federal poverty level**. This would allow use of the State's tobacco settlement funds to expand coverage to eligible seniors for prescription drug coverage. The States current Elder Prescription Insurance Coverage (EPIC) program has over **14,600 seniors enrolled and can support up to 23,000 enrollees** at the current expenditure levels. These new programs would enable the State to expand prescription insurance coverage to an additional **50,000 seniors**.

The Medicare Low-Income Drug Assistance program would provide prescription drug coverage for Medicare beneficiaries at **100 to 150% of the federal poverty level** at a 90% federal match rate. This program will require a federal law change which has not yet been introduced. The Medicaid Pharmacy Plus Waiver program would provide prescription drug coverage for low-income seniors from **151 to 200% of the federal poverty level** (\$17,180 for an individual and \$23,220 for a couple) at the regular federal Medicaid match rate. These two programs will allow the program to **increase to \$145 million**. Michigan will need to apply for a federal waiver single benefit program. The Pharmacy Plus Program has been placed into operation in Illinois.

Bioterrorism - Health & Human Services has awarded Michigan with **\$31.2 million** in funding for bioterrorism preparedness. A portion of the funding is from the Centers for Disease Control and prevention to support bioterrorism, infectious diseases, and public health emergency preparedness activities stateside. A second portion of the funding is from the Health Resources and Services Administration to create regional hospital plans to respond in the event of a bioterrorism attack. The third portion of the funding is from the Office of Emergency Preparedness to support the Metropolitan Medical Response System aimed at improving local jurisdictions ability to respond to the possible release of a chemical or biological disease agent or any event involving mass casualties. States have been authorized to **immediately begin spending 20% of their award - \$6,158,200 for Michigan. The Department plans to submit their State Plan to Health & Human Services in April 2002.** Health & Human Services has agreed to review and approve State Plans within 30 days. Of the \$31.2 million award, **\$4.1 is designated to assist hospitals** in their bioterrorism preparations.

Federal requirements included designating an Executive Director for the State Bioterrorism Preparedness and Response Program and a Coordinator for Hospital Preparedness Planning, establishing an Advisory Committee and establishing a Hospital Bio-preparedness Planning Committee.

School Health - The FY03 Executive Recommendation includes **transfer of the responsibility and funding** for the School Health program to the School Aid Fund reducing the Department's budget by **\$3.3 million**. The department will continue to participate on the Michigan Model for Comprehensive School Health Education State Steering Committee.

FY03 Personnel Economics - The FY2003 Executive Recommendation included the 2% economic increase to all state employees effective October 1, 2002. However, staff reduction savings were also included to fund the economic increases. As a result, **reductions of approximately 24 positions are needed to pay for the economic increases**. With the proposed early retirement and hiring freeze, it is anticipated that the savings will come from staff vacancies. The Department will be evaluating current workload requirements and work processes to help streamline administrative efficiencies while ensuring that critical functions be maintained.

Healthy Michigan Fund - The FY2003 Executive Recommendation includes funding for the following Healthy Michigan Fund Projects:

PROJECT	FY2003 EXECUTIVE BUDGET
African American Male Health Initiative	320,000
Alzheimer's Information Network	290,000
Cancer Prevention and Control	4,919,900
Children's Arthritis	50,000
Community Health Assessment	2,000,000
Dental Health	150,000
Diabetes-Wayne State	500,000
Diabetes Local Agreements	2,652,200
Fetal Alcohol Syndrome	200,000
Immunization Registry	1,750,000
Immunization Registry - Administration	274,100
Maternal Outpatient Medical Services (MOMS)	6,000,000
Michigan Essential Health Care Provider	500,000
Obesity	200,000
Osteoporosis	400,000
Physical Fitness, Nutrition & Health	1,250,000
Poison Control	300,000
Pregnancy Prevention	3,500,000
Prenatal Care	250,000
Respite Care	3,000,000
Safe Kids	500,000
Senior Nutrition Services	500,000
Smoking Prevention	3,806,200
Tobacco Tax Collection & Enforcement	810,000
Training & Evaluation - LPHO	243,500
Total	34,365,900

Critical Health Indicators

The Department of Community Health tracks a set of critical health indicators which are used to review trends and improvements in the health of Michigan's population. Funding for these prevention/reduction programs comes from a variety of sources, including various federal grant awards and the Michigan's Health Initiative and the Healthy Michigan Fund.

CRITICAL HEALTH INDICATORS	
Abortions	Homicides
Adequacy of Prenatal Care	Infant Mortality
Adolescent Use of Alcohol, Tobacco and Other Drugs	Kidney Disease Deaths
AIDS Deaths	Mammography
Alcohol - Induced Deaths	Medicaid Managed Care Quality Assurance
Cancer Deaths	MIChild and Healthy Kids Enrollment
Chlamydia	Overweight
Childhood Immunizations	Pneumonia and Influenza Deaths
Chronic Liver Disease and Cirrhosis Deaths	Stroke Deaths
Chronic Lower Respiratory Disease Deaths	Suicides
Cigarette Smoking	Teen Pregnancy
Diabetes Related Deaths	Tuberculosis
Heart Disease Deaths	Unintentional Injury Deaths

The latest Critical Health Indicators report can be accessed at the Department's web site:
www.mdch.state.mi.us

MEDICAL SERVICES

Medicaid is a health coverage program for certain low income and medically needy individuals. At the federal level, the Center for Medicare and Medicaid (CMS), located in the Department of Health and Human Services, is responsible for administration of the program. Federal and state laws provide the framework for the Medicaid Program. **Title XIX of the Social Security Act, as amended, and related federal regulations advise states on how they must administer the Medicaid Program** so that they can receive federal funding, known as federal financial participation. Specified provisions regarding eligible groups, benefits, reimbursement, and administrative requirements are mandated at the federal level; other provisions are left at the state's option to include in the program. At the state level, Public Act 280, as amended, sets forth additional framework within which Medicaid policy is developed.

Each state must maintain a Medicaid state plan. This plan is a comprehensive statement submitted to the Center for Medicare and Medicaid Services describing the nature and scope of the program. Plans must be amended as changes in the program occur. The Center for Medicare and Medicaid Services conducts program reviews based on the state plan to determine whether the state is complying with federal requirements and whether Medicaid funds are being properly and efficiently spent.

In Michigan **1.2 million** Michigan residents receive Medicaid health care benefits. Individuals qualifying for Medicaid services include:

- C Family Independence Program (formerly Aid to Families with Dependent Children) participants
- C Persons with disabilities and older adults receiving Supplemental Security Income
- C Pregnant women and newborn children at or below 185 percent of the federal poverty level
- C Children over age 1 and under age 19 whose family income is at or below 150 percent of the federal poverty level
- C Persons with disabilities and older adults with incomes up to 100 percent of the federal poverty level
- C Former Family Independence Program participants whose cases were closed due to employment but who do not have health insurance coverage (Transitional Medical Assistance)
- C Medically needy persons with income/resources above regular financial eligibility levels if their medical expenses reduce them to assistance levels (spend down)

The Michigan Medicaid Program includes all federally mandated services as well as most non-mandatory services provided directly and through the qualified health plans. Although some medical services are not routinely covered, e.g., services by Christian Science Nurses, prior authorization is available for any service that is deemed medically necessary.

The services provided are as follows:

Federally Mandated Services

- C Medical/Surgical and Psychiatric Inpatient Hospital Services
- C Federally Designated Clinic Services
- C Outpatient Hospital Services
- C Laboratory and X-ray Services
- C Certified Family and Pediatric Nurse Practitioner Services
- C Nursing Facility Services and Home Health Services for Persons age 21 and Older
- C Nurse Midwife Services
- C Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) for Persons Under 21 (well child exams)
- C Family Planning Services and Supplies
- C Medical Transportation
- C Physician Services and Medical/Surgical Services of a Dentist

Non-Mandatory Services Provided by the Michigan Medicaid Program

- | | |
|--|--|
| C Prescribed Drugs | C Speech, Hearing, Language Disorder Services |
| C Nurse Anesthetist Services | C Hospice Care Services |
| C Intermediate Care Services for the Mentally Retarded | C Christian Science Sanatorium Services |
| C Podiatrist Services | C Rehabilitative Services |
| C Clinic Services | C Dental Services and Dentures |
| C Chiropractor Services | C Personal Care Services |
| C Smoking Cessation | C Respiratory Care Services |
| C Physical and Occupational Therapy Services | C Nursing Facility and Home Health Services for Persons Under 21 |
| C Prosthetic and Orthotic Services | C Medical Supplies and Durable Medical Equipment |
| C Optometrist Services and Eyeglasses | C School Based Services |
| C Case Management Services | |
| C Substance Abuse Services | |
| C Emergency Transportation | |

**FY2003 DEPARTMENT OF COMMUNITY HEALTH
MEDICAL SERVICES**

Medicaid Expenditures Fiscal Years 1998 - 2001 (accrual basis), FY 2002 Appropriated (as adjusted), and FY 2003 Executive Recommendation

APPROPRIATION	FY1998	FY1999	FY2000	FY2001	Executive Adjusted FY2002	Executive Recommendation FY2003
HOSPITAL	\$926,246,222	\$674,229,052	\$573,981,133	\$736,292,430	\$681,557,300	\$708,300,200
DISPROPORTIONATE SHARE *	\$45,000,000	\$45,000,000	\$45,000,000	\$45,000,000	\$45,000,000	\$45,000,000
LONG TERM CARE SVC.	\$0	\$1,000,984,470	\$1,080,261,150	\$1,218,343,521	\$1,174,454,400	\$1,368,444,900
NURSING HOMES	\$742,165,391	(incl. LTC Svc)	(incl. LTC Svc)	(incl. LTC Svc)	(incl. LTC Svc)	(incl. LTC Svc)
MED. CARE FAC./CHRONIC CARE UNIT	\$190,070,221	(incl. LTC Svc)	(incl. LTC Svc)	(incl. LTC Svc)	(incl. LTC Svc)	(incl. LTC Svc)
PHYSICIANS	\$198,770,787	\$132,906,742	\$127,503,976	\$150,795,286	\$144,916,000	\$147,397,900
HOME HEALTH	\$33,637,116	\$22,882,230	\$28,903,456	\$26,606,235	\$27,108,000	\$28,734,500
PHARMACEUTICAL	\$317,691,889	\$264,889,601	\$320,129,190	\$465,539,022	\$530,170,300	\$593,178,300
HEALTH PLAN SERV.	\$845,824,405	\$1,131,814,408	\$1,244,935,937	\$1,273,489,251	\$1,277,637,000	\$1,353,831,800
TRANSPORTATION	\$7,557,383	\$6,464,510	\$6,712,169	\$7,535,939	\$6,553,000	\$7,634,200
AUXILIARY MEDICAL	\$59,562,369	\$55,230,642	\$65,982,924	\$84,009,545	\$82,008,000	\$89,618,200
AMBULANCE	incl. in Aux. Med.	incl. in Aux. Med.	incl. in Aux. Med.	incl. in Aux. Med.	\$5,000,000	incl. in Aux. Med.
MEDICARE PREMIUMS	\$99,130,588	\$119,124,619	\$127,159,827	\$137,040,541	\$139,506,000	\$153,456,600
SUBTOTAL BASE PROGRAM	\$3,465,656,372	\$3,453,526,274	\$3,620,569,762	\$4,144,651,770	\$4,113,910,000	\$4,495,596,600
% CHANGE FROM PRIOR YEAR	-0.48%	-0.35%	4.84%	14.48%	-0.74%	9.28%
LONG TERM CARE INNOVATION GRANTS	\$0	\$0	\$261,513	\$1,123,887	\$0	\$0
ELDER PRESCRIPTION INSURANCE COVERAGE	\$0	\$0	\$0	\$844,956	\$50,000,700	\$145,000,000
EPSDT & MATERNAL AND INFANT SUPPORT	\$0	\$0	\$8,423,697	\$0	\$0	\$0
MEDICAID OUTREACH	\$549,635	\$17,822,000	\$0	\$0	\$0	\$0
MICHILD OUTREACH	\$901,765	\$2,242,218	\$0	\$0	\$3,327,800	\$0
MICHILD PROGRAM	\$30,924	\$8,450,007	\$13,472,004	\$22,427,771	\$57,067,100	\$57,067,100
CARING PROG	\$1,500,000	\$0	\$0	\$0	\$0	\$0
SUBSTANCE ABUSE SERVICES	\$15,047,553	\$0	\$0	\$0	\$0	\$0
MATERNAL & CHILD HEALTH	\$11,173,881	\$6,432,476	\$8,961,926	\$11,568,261	\$9,234,500	\$9,234,500
ADULT HOME HELP	\$138,942,995	\$143,886,679	\$148,758,623	\$158,275,016	\$158,781,400	(incl. LTC Svc)
SOCIAL SERV. TO PHYS. DISABLED	\$1,266,468	\$1,169,876	\$1,344,816	\$1,318,985	\$1,344,900	\$1,344,900
PERSONAL CARE SERVICES	\$0	\$23,628,588	\$26,444,459	\$27,030,445	\$30,329,400	\$20,816,200
PERS. CARE - ADULT FOSTER CARE	\$17,421,023	(incl Pers Care Svc)	(incl Pers Care Svc)	(incl Pers Care Svc)	(incl Pers Care Svc)	(incl Pers Care Svc)
PERSONAL CARE - IN HOME	\$6,348,191	(incl Pers Care Svc)	(incl Pers Care Svc)	(incl Pers Care Svc)	(incl Pers Care Svc)	(incl. LTC Svc)
MIFAMILY PLAN	\$0	\$0	\$0	\$0	\$0	\$191,091,900
SUBTOTAL BASE PROG + OTHER	\$3,658,838,807	\$3,657,158,118	\$3,828,236,799	\$4,367,241,091	\$4,423,995,800	\$4,920,151,200
Percent Change Prior Yr	3.97%	-0.05%	4.68%	14.08%	1.30%	11.22%
SPECIAL MEDICAID PAYMENTS	\$1,071,123,070	\$1,142,351,548	\$1,456,156,410	\$1,400,464,004	\$1,274,023,800	\$1,079,095,100
TOTAL	\$4,729,961,877	\$4,799,509,666	\$5,284,393,209	\$5,767,705,095	\$5,698,019,600	\$5,999,246,300

/2 FY1998 expenditures are net of one time accrual adjustments.

/3 FY1999 expenditures as of 1/31/2000

/4 FY2000 expenditures as of 2/11/2002

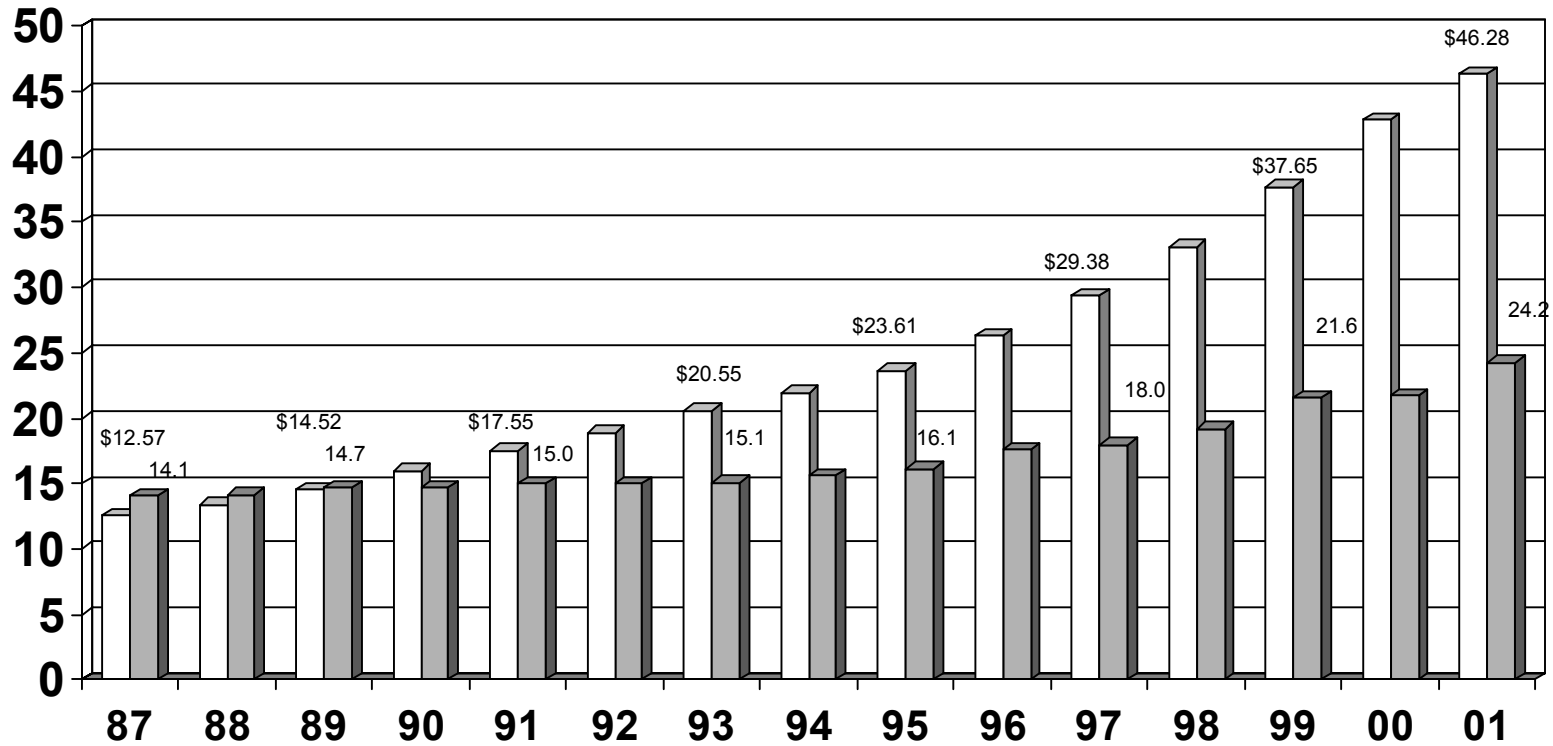
/5 FY2001 expenditures as of 2/11/2002

/6 FY2002 Appropriation adjusted to reflect budgetary savings; executive order; SBO requested supplemental (11/6/01)

DEPARTMENT OF COMMUNITY HEALTH

Average Prescription Price Compared to Average Annual Prescriptions per Beneficiary

1987-2001



□ Average Price per Prescription ■ Average Annual Prescriptions per Beneficiary

Comprehensive Health Plan - Most Medicaid beneficiaries are provided services through qualified health plans. Medicaid beneficiaries choose the plan they wish to enroll in through an enrollment counseling service called MICHIGAN ENROLLS. If a beneficiary does not choose a plan, MICHIGAN ENROLLS will select a health plan based on a formula provided by the department. Medicaid beneficiaries may switch plans during the annual open enrollment period. Currently there are **nearly 780,000 beneficiaries** enrolled in one of the **19 contracting health plans**.

Some Medicaid beneficiaries are exempt from enrollment in the Comprehensive Health Care Program, such as persons receiving long term care or the medically needy with income/resources above financial eligibility levels (these are typically referred to as "spenddown" beneficiaries). Additionally, some persons may voluntarily enroll into managed care but cannot be mandated to enroll. Persons choosing not to enroll or who are exempt from enrollment receive services under the Medicaid Fee For Service Plan unless they are eligible for another managed care program offered by the department.

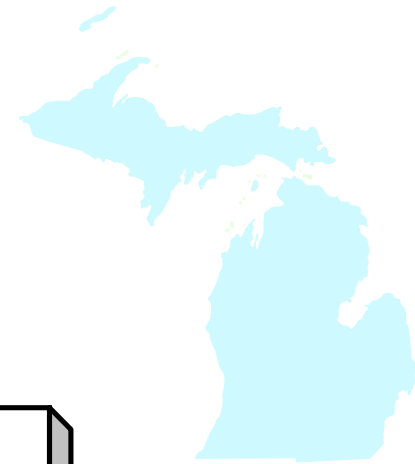
All qualified health plans will be held accountable for the delivery of quality services and measurable outcomes. Quality of care is paramount. **The quality oversight system for the Comprehensive Health Plans contain the following components:**

1. **Reporting:** Plans are required to submit regular reports of service and administrative activity, as outlined in their contract with the state. Required reports include: 1) Health Employer Data Information Set (HEDIS) reports; 2) complaint and grievance activity reports; 3) internal quality improvement activity reports; and, 4) provider network activity and financial reports.
2. **Accreditation:** Qualified health plans are required to be accredited as managed care organizations.
3. **Structured On-Site Reviews:** The state performs semi-annual contract oversight and on-site reviews of health plan operations in conjunction with licensure activities.
4. **Consumer Surveys:** The state contracts for an independent consumer survey using the Consumer Assessment of Health Plan Survey, a nationally recognized survey tool. Health plans are expected to use the results of the survey in their quality improvement efforts.
5. **Disease Management:** The qualified health plans have developed key measures that represent quality care for the prevention, diagnosis and treatment of diabetes. The qualified health plans collect data to determine how much of the care provided to enrollees with diabetes adhere to professionally recognized standards of care. Plans then target provider education and quality improvement efforts on areas requiring improvement.
6. **Dissemination of Results of Monitoring Activities:** The department has a consumer guide that discloses information from the quality oversight activities to beneficiaries to improve their ability to make informed choices. The department used the Foundation for Accountability (FACCT) model to develop this guide, which is a nationally recognized and well-tested model.
7. **External Quality Reviews:** The state conducts external reviews of quality of care and access for the qualified health plans. The reviews included prenatal care, well-child care 0<2, pediatric asthma, immunizations status of 2-year-olds, children with special health care needs, and care of persons with HIV/AIDS.

Hospital Rebasing - The FY2003 Executive Recommendation annualized the \$13.3 million FY2002 Executive Order to rebase hospital rates for the fee-for-service population with the recognition of an additional **\$4.4 million in savings** on a full-year basis. The FY2003 Executive Recommendation also includes a savings of **\$16.9 million** by incorporating these savings into the Health Maintenance Organization rates, since HMO reimbursement to hospitals is based upon the fee-for-service hospital rates.

Long-Term Care Initiatives - The FY2003 Executive Recommendation provides the Department with needed flexibility to manage the long-term care needs of seniors and persons with disabilities by creating a single budgeted line item for nursing facilities, home and community based waiver programs and adult home help. During FY2002 the Department will be piloting use of revised medical eligibility criteria for nursing facility level of care. This process begins implementation of the recommendations of the Long-Term Care Workgroup. This will ensure consistency in the determination of medical and functional necessity for placement in a nursing facility or the Home and Community Based Waiver program. Spending for long-term care services will be guided by the individual needs, the revised medical eligibility criteria and the total long-term care budget rather than separate budgets for nursing facilities, home and community based waiver programs and adult home help. The Executive Recommendation includes an **increase of \$21.0 million** to recognize an increase in caseload and utilization for the Adult Home Help program and includes a **savings of \$22.4 million** to recognize a shift in utilization of nursing facilities to community and in-home long-term care programs.

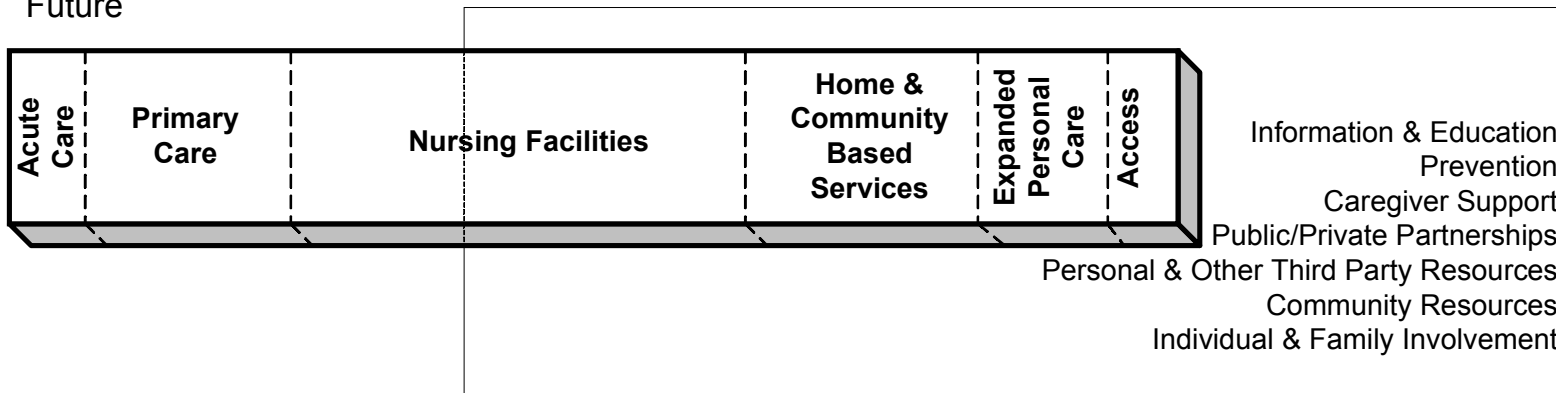
Changing Utilization Patterns



Current



Future



DEPARTMENT OF COMMUNITY HEALTH

Long-Term Care Facilities - Per Diem Rates

FISCAL YEAR	MEDICAID PATIENT DAYS	TOTAL MEDICAID PER DIEM RATE	NET MEDICAID PER DIEM RATE	MEDICAID PERCENT INCREASE - PRIOR YEAR
1990	10,993,966	\$55.21	\$40.73	10.21%
1991	11,370,701	\$61.79	\$46.32	13.72%
1992	11,318,423	\$68.15	\$51.87	11.99%
1993	11,354,051	\$71.00	\$54.33	4.74%
1994	11,245,580	\$75.15	\$58.20	7.12%
1995	11,319,809	\$78.15	\$60.64	4.19%
1996	11,035,421	\$83.48	\$65.08	7.34%
1997	11,521,158	\$88.85	\$69.54	6.85%
1998	10,921,645	\$96.05	\$75.75	8.92%
1999	11,070,227	\$99.91	\$78.85	4.10%
2000	10,880,256	\$103.79	\$82.98	5.23%
2001	10,652,547	\$115.12	\$92.99	12.07%

Children with Special Health Care Needs - The FY2003 Executive Recommendation includes a base funding increase of \$21.0 million for mandatory inflationary increases, increased utilization of services and projected increase in caseloads. The actual for FY2000 and FY2001 and projected average for FY2002 number of Children with Special Health Care Needs beneficiaries is as follows:

FISCAL YEAR	MEDICAID/TITLE V	TITLE V ONLY	TOTAL
FY2000	11,357	13,197	24,554
FY2001	13,582	14,466	28,048
FY2002	15,802	14,981	30,783

The state has managed care contracts with two Special Health Plans to provide quality family-centered managed care specifically designed for children in the special health care needs population. **"Kids Care of Michigan"** is a joint venture between the University of Michigan Health System and the Henry Ford Health System which serves over 3,900 children in 37 counties in Michigan. The **"Children's Choice of Michigan"**, is a Detroit Medical Center Plan and currently serves over 1,700 in Wayne, Oakland and Macomb counties. Both plans include a comprehensive network of pediatric specialists and pediatric primary care physicians to provide high quality, accessible, family-centered, culturally competent and coordinated health care to this population. A key administrative role of **"Family-Centered Care Coordinator"** is filled by a consumer or parent of a child in the Children's Special Health Care Services Program who is enrolled in the Special Health Plan. **Enrollment into a Special Health Plan is voluntary.** Contracted Special Health Plans will be held accountable for the delivery of quality services and measurable outcomes as our comprehensive health plans.

Children in the Children's Special Health Care Services (CSHCS) Program and the MICHild Program can receive both services through a CSHCS Special Health Plan, or if the child lives in a county without a Special Health Plan, MICHild benefits through the Blue Cross/Blue Shield MICHild contractor are coordinated with CSHCS specialty services.

Children's Health Insurance Program - MICHild/Healthy Kids Expansion - MICHild and the expansion of Healthy Kids continues to further reduce the number of uninsured children in the state. Outreach for MICHild and Healthy Kids continues through the media, school outreach and through local outreach conducted by local health departments and their community partners. The department provides local health departments with \$25 for each person assisted in completing the application process in MICHild or Medicaid. The Family Independence Agency staff have been relocated at the MICHild administrative contractor's office to ensure a swift and flawless transition of children found eligible for Healthy Kids.

MICHILD AVERAGE BENEFICIARIES					
FY1999	FY2000	% Increase - from Prior Year	FY2001	% Increase - from Prior Year	As of March FY2002
8,568	12,697	55.8%	19,778	28.8%	26,776

MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

The Department of Community Health is responsible for administering mental health and substance abuse services. **These services are delivered through partnerships with 49 Community Mental Health Services Programs (CMHSPs) and 15 local Substance Abuse Coordinating Agencies.** The department also operates state psychiatric hospitals for persons with mental illness and state centers for persons with developmental disabilities for persons who need this level of care.

The department has **established outcomes** relating to mental health and substance abuse services to monitor the effectiveness, efficiency and accountability of services which are to:

- C Assure successful implementation of the Managed Specialty Supports and Services Program through Community Mental Health Services Program Affiliations.
- C Achieve a cohesive direction for state health policy and consistency between the implementation of programs, policy, and health care financing.
- C Assure persons with the most severe forms of mental illness and developmental disabilities as well as persons with substance abuse problems have access to services.
- C Make mental health services available through the **49 local CMHSPs** and shall include services at state hospitals or centers.
- C Make substance abuse services available through **15 coordinating agencies.**
- C Assure that systems of service are accountable as demonstrated by accreditation, certification and outcome measures.
- C Assure that a **person centered planning process** is used in developing a plan of mental health services in partnership with the recipient as required by the Mental Health Code.

Medicaid Specialty Prepaid Health Plans for Mental Health Services and Services to Persons with Developmental Disabilities - The Department of Community Health issued the Application For Participation to all Community Mental Health Services Programs (CMHSP) on January 2, 2002. The 1915(b) Specialty Services and Supports Waiver from the Centers for Medicare and Medicaid Services is based upon providing CMHSPs with a first opportunity to provide Mental Health and Substance Abuse services. CMHSPs have the experience and expertise, strong coordination linkages with other community agencies, and have made a local investment in providing specialized care services and supports. Only CMHSPs or affiliations, where all affiliate members are CMHSPs, with more than 20,000 Medicaid covered lives in their service area will be qualified. Attached are the anticipated CMHSP affiliations.

The FY03 Executive Recommendation includes **\$25.3 million** to support the projected increased Medicaid caseload and case mix.

The **MIFamily** program will allow CMHSPs to receive federal funding to serve single adults and parents currently funded with funding formula dollars. HIFA will allow a Medicaid mental health and pharmacy benefit for this group of recipients. Funding currently being spent on these groups will be used to draw down federal dollars and costs will be moved to the Medicaid program. As part of the HIFA waiver, the CMHSPs will receive an **economic increase of approximately 4% or \$50 million.**

DEPARTMENT OF COMMUNITY HEALTH
COMMUNITY MENTAL HEALTH SERVICES PROGRAM AFFILIATIONS

Upper -Peninsula Mental Health Alliance

- C Copper Country
- C Gogebic
- C Hiawatha
- C Northpointe
- C Pathways

Northern Affiliation

- C Antrim-Kalkaska
- C AuSable Valley
- C Northeast Michigan
- C Northern Michigan

Great Lakes/West Michigan/North Central Affiliation

- C North Central Michigan
- C West Michigan

Access Alliance of Michigan

- C Bay Arenac
- C Huron
- C Montcalm
- C Shiawassee
- C Tuscola

Thumb Mental Health Alliance

- C Lapeer
- C St. Clair
- C Sanilac

Affiliation of Mid-Michigan

- C Clinton-Eaton-Ingham
- C Gration
- C Ionia
- C Newygo

Southwest Alliance

- C Allegan
- C Cass
- C Kalamazoo
- C St. Joseph

Venture Behavioral Health

- C Barry
- C Berrien
- C Branch
- C Summit Pointe
- C Van Buren

CMH Partnership of Southeast Michigan

- C Lenawee
- C Livingston
- C Washtenaw

Lakeshore Behavioral Health Alliance

- C Muskegon
- C Ottawa

Unaffiliated Under 20,000

- C Monroe

Unaffiliated Over 20,000

- C CMH for Central Michigan
- C Detroit/Wayne
- C Genesee
- C Kent
- C Lifeways
- C Macomb
- C Oakland
- C Saginaw

COMMUNITY MENTAL HEALTH SERVICES

Community Mental Health Services Programs provide services and supports to persons with mental illness and developmental disabilities. Services and supports are also provided to **children with serious emotional disturbances**. In addition, Community Mental Health Services Programs provide gatekeeping functions and alternative services to persons who would otherwise be admitted to community inpatient psychiatric programs, state psychiatric hospitals and state centers for persons with developmental disabilities. The Mental Health Code establishes community mental health services programs to provide mental health services and supports.

Community Mental Health Services Programs are responsible to provide a **comprehensive array of mental health services** appropriate to conditions of individuals who are located within the geographical service area. Services for individual recipients are expected to be person centered. This means a process for planning and supporting the individual in receiving services that builds upon the individual's capacity to engage in activities that promote community life and honor the individual's preferences, choices and abilities. The person centered planning process also requires the involvement of families and professionals as the individual chooses or requires.

All Community Mental Health Services Programs maintain the following **required services** and supports:

- C All supports and services as described in the Medical Services policy for Community Mental Health Services Programs must be provided if in the individual's person-centered plan.
- C Home-based services for children.
- C At least one consumer delivered or operated system.
- C If the service population is over 150,000, have at least one Assertive Community Treatment (ACT) program and at least one Psychosocial rehabilitation clubhouse.
- C If the service population is under 150,000, have either an assertive community treatment program or a psychosocial rehabilitation clubhouse.
- C Crisis stabilization and response including a 24-hour, 7-day per week crises emergency service which include inpatient or other protective environments for treatment.
- C Pre-admission screening with 24-hour availability to provide assessment and screening for individuals being considered for admission into hospitals or alternative treatment programs.

Essential services for persons with mental illness:

- emergency services in addition to the above--crises lines and children's diagnostic and treatment services for persons with mental illness
- inpatient and outpatient hospital services
- housing and residential support

- community support services including intensive support and outreach, ACT, case management, prevocational and integrated employment services
- mental health clinics and rehabilitation services
- prevention
- personal care and transportation

Essential services for persons with developmental disabilities:

- support and services coordination
- prevention and consultation
- community living supports
- housing and residential support
- skill building
- family support services
- enhanced health care services
- applied behavioral services
- integrated employment services

All Community Mental Health Services Programs are **required to maintain and implement quality improvement systems** both to monitor and continuously improve the quality of services. This quality management system is implemented through the contracts between the department and each Community Mental Health Services Programs.

1. **Prospective Assurances of Quality** - Prior to the provision of public funds, they must demonstrate quality by achieving certification as required by section 232a of the Michigan Mental Health Code; and provide information which demonstrates sufficient capacity to manage and/or provide quality services and supports.
2. **On-site Visitation** - The department conducts on-site visitation to Community Mental Health Services Programs to verify prospective assurances of quality; conduct interviews with consumers of the public mental health system to determine their experiences and satisfaction with access to services, the availability and implementation of person centered planning, and general satisfaction with services; and conduct a medical records review to determine that health and safety concerns are being addressed in the individual's service plan
3. **Submission of Aggregate Performance Indicator Data (Michigan's Mission Based Performance Indicator System)**. The department has established **31 uniform performance indicators** against which each of the CMHSPs performance levels are compared. **Indicators are collected in three domains:**

C Access

- C Ratios of children, older adults, Medicaid eligibles and persons of ethnic minorities served
- C Timeliness of assessments and on-going services
- C The percentage of requests for second opinions for reconsideration of denial for admission to a Community Mental Health Services Program which result in services being delivered

C **Efficiency**

- C Utilization rates of high cost services
- C Costs per case by service populations

C **Outcomes**

- C Percentage of persons with developmental disabilities in day program or work services who are working in community based, integrated settings.
- C Percentage of persons working in supported employment working 10 or more hours per week, making at least minimum wage, and working continuously for six months or longer.
- C Percentage of adults living in their own homes and children living with their families
- C Rates per thousand persons served who experience adverse consumer outcomes
- C Consumer satisfaction

4. **Statewide Review Efforts** -The department **monitors the appropriateness of care and consumer satisfaction** through its contract for an external evaluation of the quality of its efforts in managed care service delivery. In addition, statewide samples of persons with mental illness and developmental disabilities will participate in a Quality of Life Interview.
5. **Client Characteristic and Service Utilization Data** - The department receives individual demographic and service encounter data for every person served in the public mental health system. Service use data must be reported by service type and quantity specific to each recipient. Aggregate cost information by service and support category as well as units for the service category are also required.

CMHSPs provide a wide variety of innovative **consumer-oriented programs**.

Consumer Run Drop In Centers provides a safe supportive environment where primary consumers can go and voluntarily participate in non-structured social, recreational and personal development activities. These activities are planned and developed by the consumer themselves. Activities within the drop-in setting are intended to assist consumers to better develop and learn coping skills and strategies to build or enhance self-esteem and self-confidence.

Clubhouse Programs are psychosocial rehabilitation centers that provide a place where persons with mental illness can seek meaningful relationships, work and support. Clubhouse programs are consumer centered and involve professional staff who work side by side with consumer members to accomplish the activities/tasks of the program. Through this rehabilitative environment members find support and an opportunity to regain confidence and skills. A key philosophy of the program is the creation of a supportive community to provide long term social. Program components include vocational services and social/recreational activities.

Assertive Community Treatment Program (ACT) is a comprehensive model of services provided by a multi disciplinary team which includes both psychiatric and skilled medical staff. ACT services are targeted for persons with a history of persistent mental illness who may require or benefit from continuing psychiatric rehabilitation. The Team provides acute, emergency and long term psychiatric rehabilitation services as well as

case management and care coordination. Services are individually tailored and may include multiple daily contacts in the individual's residence or other community settings. ACT is increasingly being used for persons with mental illness, who in addition may have other complex co-existing diagnoses or conditions such as dual diagnosis, as an alternative to jail/prison or a condition of probation, and persons with chronic complex medical conditions.

Jail and Diversion Services are provided to persons with serious mental illness who reside in county jails, detention facilities, are under court supervision and parole. Services include consultation; emergency services, assessment, inpatient screening; substance abuse services; suicide risk assessment; and, individual, group and family therapy.

Fairweather Consumer Run Businesses are based on the Fairweather model of a group-owned consumer run business. The group usually consists of 5 to 8 consumers with a history of mental illness. The original model also involved a group living situation. Currently, Fairweather programs focus only on the business aspect which allows individuals to participate and move to a more independent living setting if desired. The model provides strong peer support and the group business concept is very tolerant of the episodic nature of mental illness. Fairweather programs join together to create a larger workforce to enhance business opportunities.

Home-Based Services are provided to children and families with multiple service needs who require access to a continuum of mental health services. Mental health home based services intervention combines the use of individual therapy, family therapy, case management and family collateral contacts as an approach to reducing reliance on placement in substitute care settings such as hospitals or residential treatment centers.

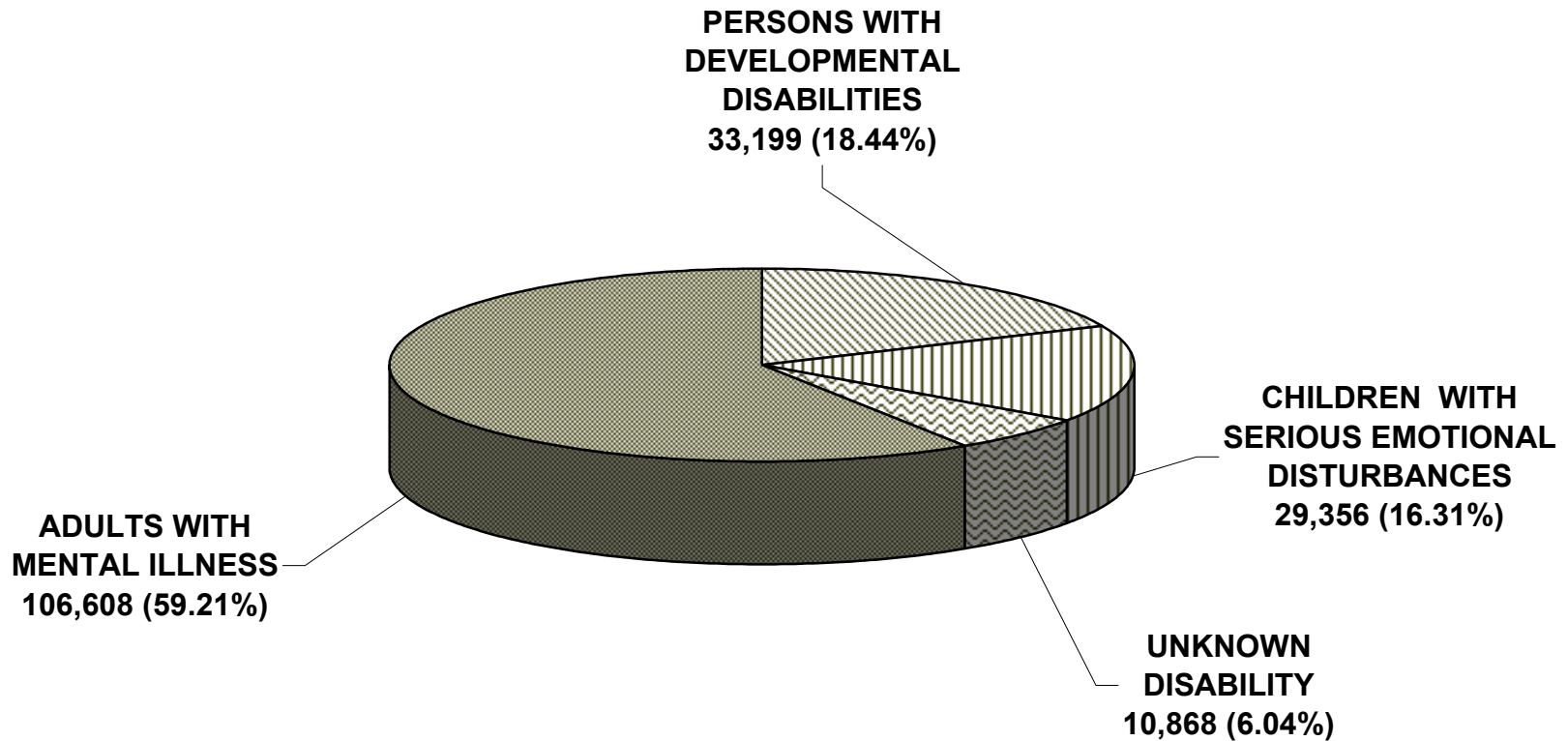
WrapAround Services refers to an individually designed set treatment and personal support of services provided to minors with serious emotional disturbance or serious mental illness and their families to maintain the child in the home. Wraparound services are developed through an interagency collaborative approach and are effective in servicing children served by multiple systems.

Respite Care Services are provided for children with serious emotional disturbance. These services provide short term intermittent care and supervision to children and adolescents in their own home or in out-of-home settings to provide short-term relief to their families. All services are expected to include parent and family involvement; to provide for both regular, planned respite and crises respite; to assure training to respite providers and staff as well as incorporate the use of existing community support services and resources.

Gambling Addiction Services is provided through a contract with the Neighborhood Service Organization (NSO) to answer our 24-hour toll-free Helpline with a live answer, to coordinate free initial assessment consultations for compulsive gamblers and their families and to provide outpatient treatment programs. Neighborhood Service Organization has members of their in-house suicide prevention team on call during all shifts. NSO coordinates their consultation and treatment efforts with groups such as Gamblers Anonymous and the Salvation Army to better meet the needs of compulsive gamblers.

DEPARTMENT OF COMMUNITY HEALTH COMMUNITY MENTAL HEALTH SERVICES

FY2001 Persons Served



SUBSTANCE ABUSE SERVICES

Prevalence data indicates that approximately **12 percent** of the population of the State of Michigan has a substance abuse problem. There are currently approximately **400 different organizations** which receive substance funding from the department. These funds are administered through a network of **15 regional coordinating agencies**.

C The majority of admissions (**57 percent**) were admitted on an outpatient basis, while nearly one in every four (**28 percent**) entered residential services for detoxification or treatment. Admissions to intensive outpatient services made up **15 percent** of total admissions.

C Alcohol was the most common primary drug of abuse (**49 percent**) among admissions, followed by cocaine/crack (**17 percent**) and marijuana (**14 percent**). Admissions for heroin made up **13 percent** of admissions, followed by those involving several categories of other drugs (**7 percent**).

The 15 regional coordinating agencies are responsible for comprehensive planning, review, data collection and contracting with licensed substance abuse providers. Each coordinating agency must ensure a continuum of substance abuse prevention, assessment, and treatment services based on a local determination of need.

Medicaid substance abuse treatment services are administered under contract with Community Mental Health Services Programs as part of the Managed Specialty Supports and Services Program.

Substance Abuse Services for Pregnant Women and Women with Dependent Children

Pregnant women, including those who are injecting drugs, receive the highest priority for admission into substance abuse services. The substance abuse system has designed treatment services specifically for pregnant women and women with dependent children that make available ancillary support services, including prenatal care and child care. The department has over 60 programs designed for pregnant chemically dependent women. Women and family case managers coordinate ancillary services, outreach services, and provide case management services in the central diagnostic and referral programs within each coordinating agency jurisdiction. Some of the model women's treatment programs are: Eleanor Hutzler Recovery Center, Salvation Army Evangeline Center, Self-Help Addiction Recovery (SHAR) Women and Children's Program all located in Detroit; Flint Odyssey House, Inc., in Flint and Project Rehab in Grand Rapids.

Community Substance Abuse Prevention, Assessment and Treatment Programs

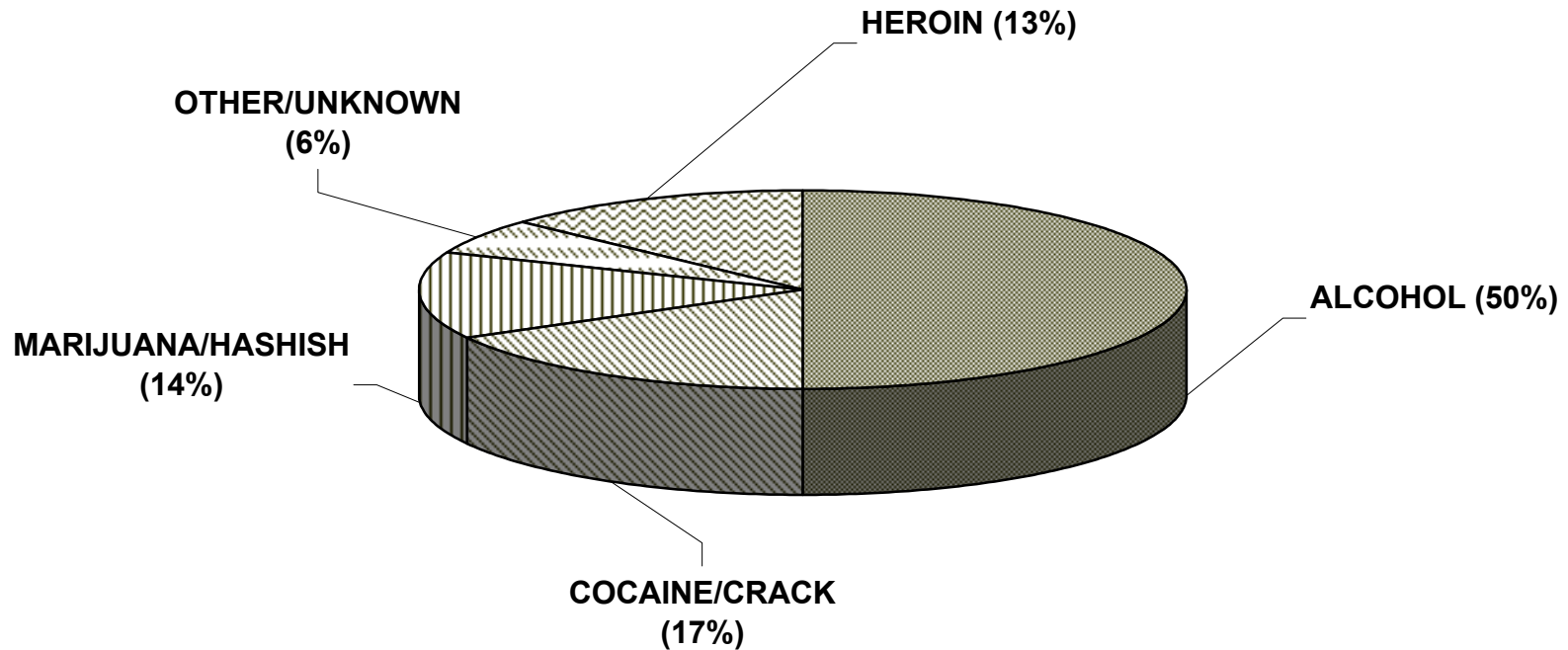
The regional substance abuse coordinating agencies provide substance abuse prevention, assessment, and treatment services. The major objective of prevention services is to reduce or eliminate the percentage of Michigan residents becoming involved in substance abuse. Prevention services must be based on sound scientific research.

Research-based prevention services are targeted to all ages, genders, and cultures in a variety of settings including families, workplace and communities. Standardized assessment is provided to persons seeking care, to provide an objective determination of level of care, and to facilitate access to treatment services. Treatment programs include outpatient, intensive outpatient, residential and detoxification services, and specialty programs for chemically dependent pregnant women and their children.

Highway Safety Projects are carried out in partnership with the Department of State Police, Office of Highway Safety Planning to provide public information including the provision of pamphlets, brochures, videos, and public service announcements to promote substance abuse prevention and traffic safety. Joint prevention efforts have continued to address impaired driving through three initiatives: community environmental change, underage alcohol use including college initiatives and worksite alcohol use projects.

DEPARTMENT OF COMMUNITY HEALTH SUBSTANCE ABUSE SERVICES

FY2001 Admission Services by Substance Abuse Types



STATE PSYCHIATRIC HOSPITALS AND CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

There are **five psychiatric hospitals, four are for adults**--Caro Center, Kalamazoo Psychiatric Hospital, Northville Psychiatric Hospital and Walter P. Reuther Psychiatric Hospital and **one for children and adolescents**--Hawthorn Center. Each psychiatric hospital is accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) and certified by the Center for Medicare and Medicaid (CMS). Accreditation and certification status provides assurance that services delivered to persons with serious mental illness or emotional disturbance meet the quality of care standards specified by the accrediting and certifying bodies.

The Mt. Pleasant Center serves persons with developmental disabilities. The center is certified under the Center for Medicare and Medicaid Intermediate Care Facility for the Mentally Retarded program which provides assurance that services delivered to persons with a serious developmental disability meet the quality of care standards specified by the certifying body.

The **Center for Forensic Psychiatry** provides diagnostic and treatment services to persons under diagnostic and treatment orders pertaining to competency to stand trial, and persons under diagnostic and treatment orders pertaining to criminal responsibility (Not Guilty By Reason of Insanity).

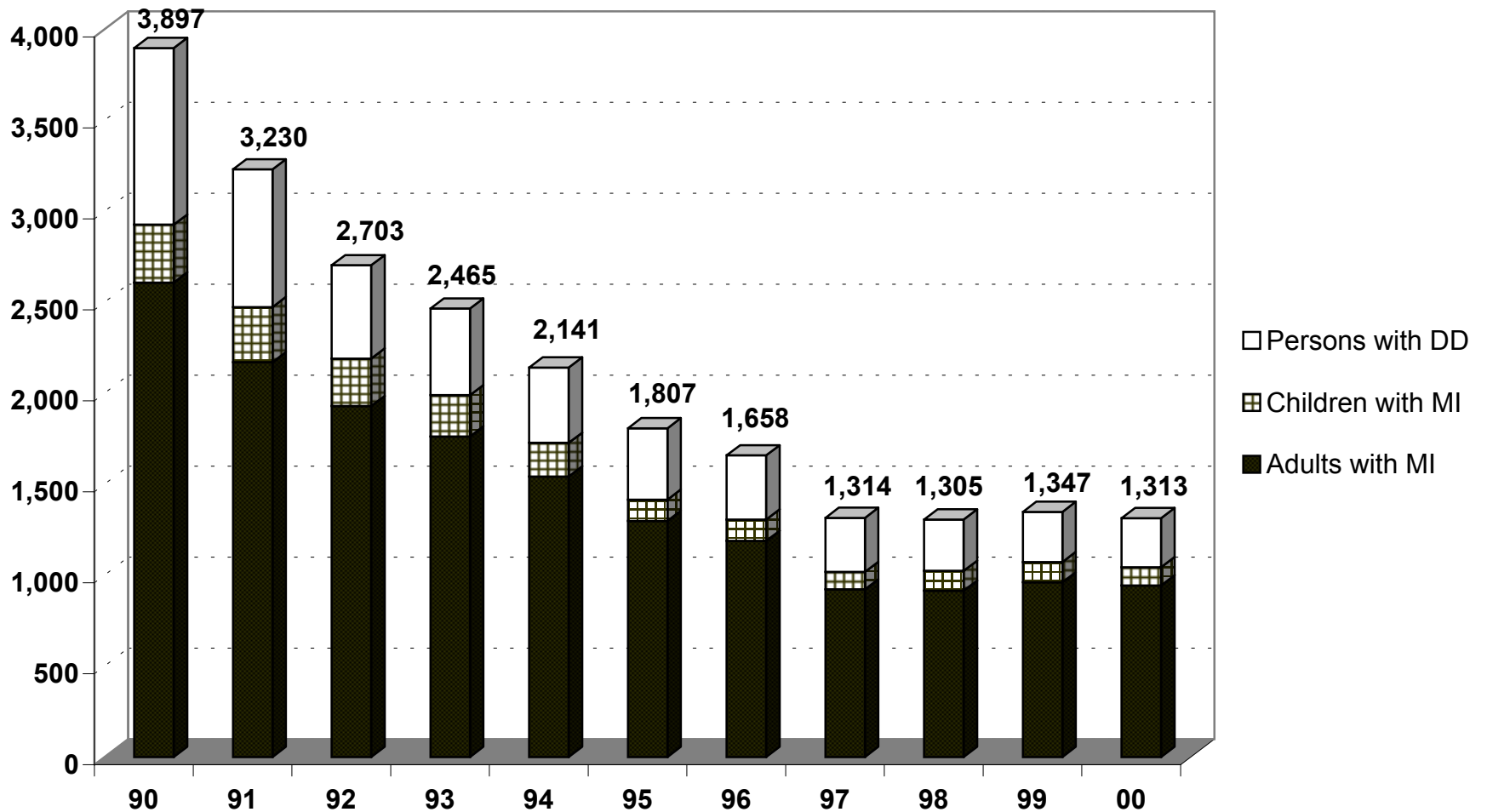
AVERAGE CENSUS - FORENSIC		
FY 1999	FY 2000	FY2001
211	217	209

Department of Corrections Mental Health Program - The Department of Community Health provides mental health services to prisoners. The Department of Corrections retains responsibility for ensuring that mental health services are provided and the Department of Community Health is the provider agent through contract with the Department of Corrections. The department currently operates the Huron Valley Center, a JCAHO accredited psychiatric hospital, a Crisis Stabilization Program, a residential treatment program, and an outpatient mental health program. Crisis Stabilization Programs help reduce the number of admissions to acute inpatient hospital care.

AVERAGE CENSUS/CASELOAD - CORRECTIONS			
Program	FY 1999	FY2000	FY2001
Huron Valley Center	281	269	251
Residential Treatment	593	605	605
Outpatient Team	1723	1825	1907
Total	2597	2699	2763

DEPARTMENT OF COMMUNITY HEALTH MENTAL HEALTH SERVICES

State Hospital/Center Census*



* EXCLUDES HURON VALLEY CENTER & FORENSIC CENTER

HEALTH SERVICES

The mission for the Health Services Administration is to protect and improve the health of Michigan's citizens.

Services provided by this administration impact a large percentage of our population. During 2001, nearly four million health service encounters were provided to Michigan citizens. These health services are provided to Michigan residents directly from the Department and through the **45** local health departments, in partnership with public and private agencies.

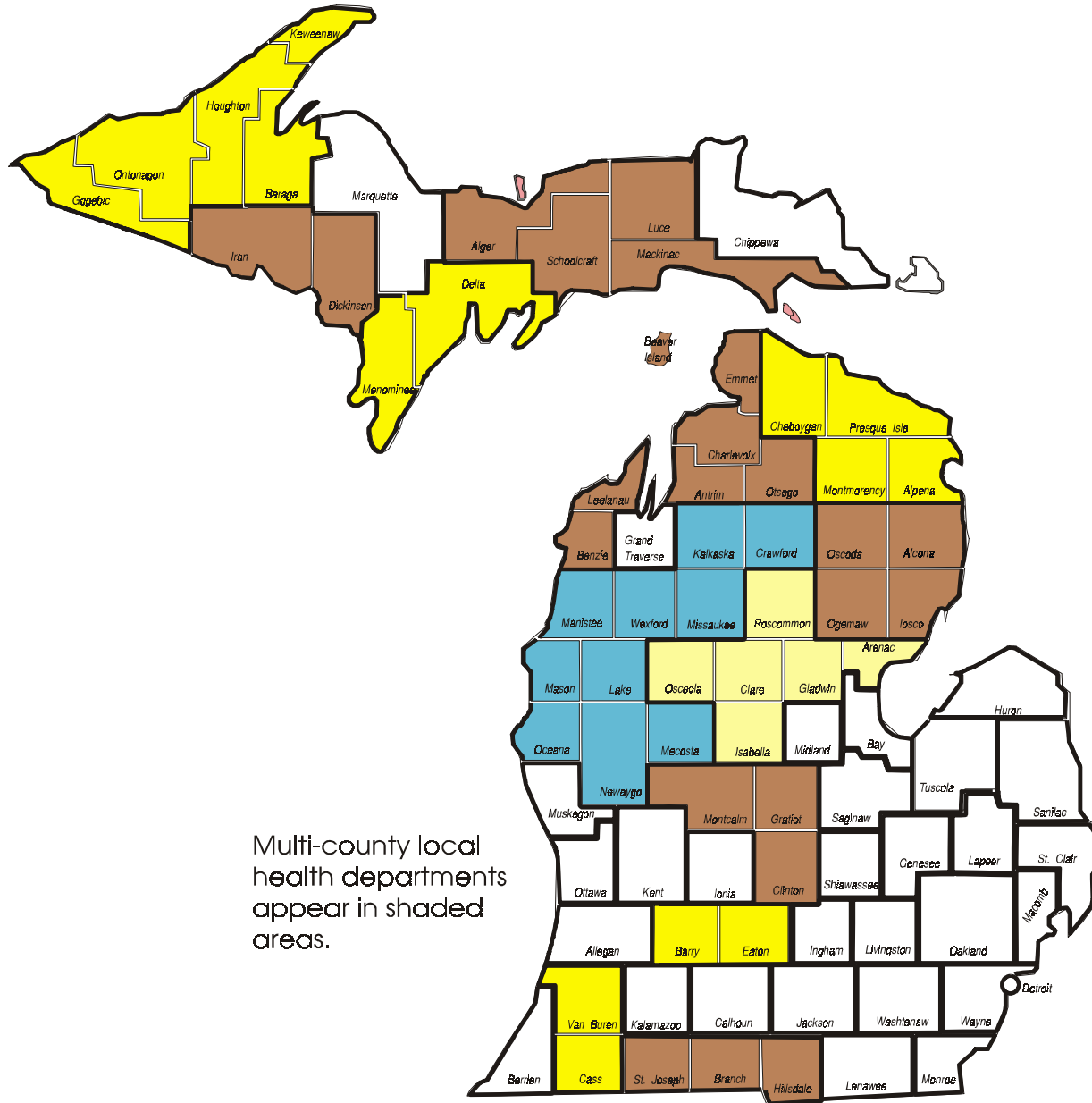
Key service units provided in FY2001 through the Health Administration and the local health departments are as follows:

- C AIDS Services - 230,600 persons served.
- C Laboratory Testing - over 421,600 specimens tested.
- C Lead Testing - 27,600 children tested; 1,654 with elevated blood lead referred for follow-up.
- C Newborn Screening - 133,100 newborns were screened for seven very serious disorders. The 242 children who screened positive will be able to lead healthy and normal lives, but otherwise would have died or required long-term care.
- C Immunizations - over 2,194,000 doses distributed to primarily children through local health departments.
- C Breast and Cervical Cancer Services - 18,200 women were served; 104 breast cancers were diagnosed; 25 cervical cancers were diagnosed; and 22 pre-cervical cancers were diagnosed.
- C Diabetes - About 30,000 patients received services through the Diabetes Outreach Network; 25,000 persons received education services; and 10,800 health professionals received educational services.
- C Unintentional Injuries - 3,750 child safety seats distributed to low-income families by SAFE KIDS Coalition; 10,441 were checked for recalls and correct installation; over 47,000 booklets on preventing sport injuries were supplied to parents, coaches and young athletes.
- C Health Promotion Clearinghouse/Michigan Resource Center - Handled almost 33,000 calls and distributed over 5,300,000 pieces of health prevention educational material in response to the Department's media campaign on various health issues such as tobacco cessation and prevention, immunizations, HIV/AIDS, early detection of breast and cervical cancer, diabetes, and healthy lifestyles (physical activity & nutrition).

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

Health Administration

MICHIGAN LOCAL HEALTH DEPARTMENTS 2001



Multi-county local health departments appear in shaded areas.

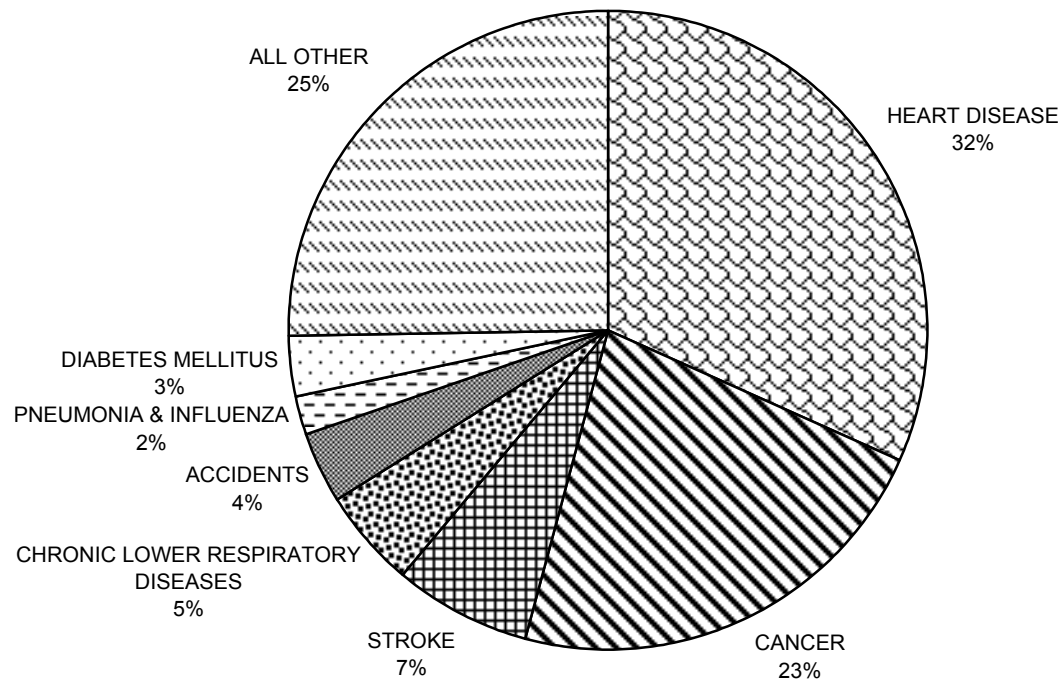
The Department conducts a **Behavioral Risk Factor Survey (BRFS)** on an annual basis to monitor state-level prevalence estimates of risk factors and healthful behaviors related to the leading causes of death, chronic illness and disability. The indicators are established by the Centers for Disease Control. The survey is conducted on adults 18 years of age & older.

2000 Michigan Behavioral Risk Factor Survey		
Prevalence of Selected Indicators from the 2000 Michigan Behavioral Risk Factor Survey Compared with Medians from the National BRFSS		
Indicator	MI Prevalence	US Median
Currently Smoke Cigarettes	24.0%	23.2%
Told by physician they have Diabetes	7.1%	6.1%
Body Mass Index (calculated by weight & height) greater than 24 - Overweight	61.1%	57.7%
No leisure-time physical activity (LTPA) in past month	23.3%	26.9%
Engaged in LTPA less than 30 minutes and/or fewer than 5 times/wk	74.6%	78.2%
Consumed fruits and vegetables fewer than 5 times/day	77.2%	76.9%
No health insurance (among adults 18 years and older)	8.5%	11.8%
Never had Pap test (among women 18 years and older)	5.2%	5.1%
Never had mammogram (among women 40 years and older)	8.8%	12.0%

The Department also tracks a set of critical health indicators which are used to review trends and improvements in the health of Michigan's population.

DEPARTMENT OF COMMUNITY HEALTH

Seven Leading Causes of Death in Michigan, 2000



SOURCE: 2000 Michigan Resident Death File, Vital Records and Health Data Development Section, Michigan Department of Community Health

Cancer Prevention and Control - Federal grant funds and Healthy Michigan Funds support the Michigan's Breast and Cervical Cancer Control Program which provides **access to annual screening and follow-up care** and activities related to the Michigan Cancer Consortium. The department's cancer program also funds community research and demonstration projects at Michigan State University's Institute of Managed Care, and at the cancer centers of the University of Michigan and Wayne State University. The number of female breast cancer cases diagnosed in early stage between 1985-1987 was 52.0% and between 1995-1997 increased to 67.5 due to increased awareness and access to annual screening. The department is in its second year of receiving an enhanced federal match rate to provide full Medicaid benefits for uninsured women under age 65 who are identified through the Centers for Disease Control and the National Breast & Cervical Cancer Early Detection Program in need of treatment for breast or cervical cancer.

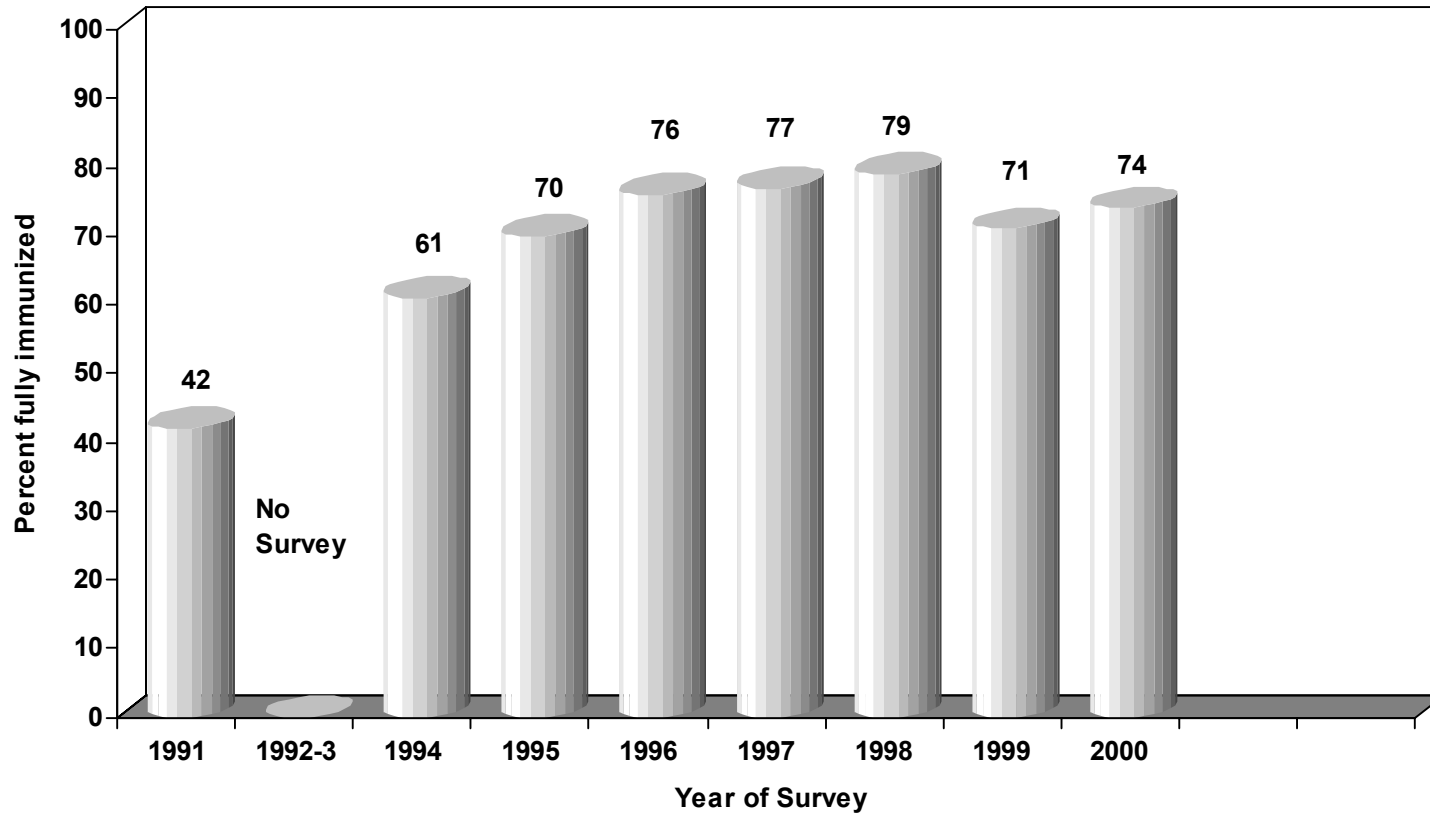
Diabetes Program - Funds are authorized to reduce morbidity and mortality due to diabetes and its complications. The Diabetes Control Program strives to improve diabetes health care in Michigan through projects that emphasize the use of data to promote changes in agency policies and utilize education of patients and professionals to prevent the complications of diabetes and improve access to high quality health care, education and support services. These are accomplished through grants to a statewide system of six regional diabetes outreach networks, the National Kidney Foundation of Michigan, several local health departments and numerous other agencies, as well as through collaborative partnerships with Health Maintenance Organizations and other entities. Services target high risk and underserved populations. The goals of the Wayne State University, Morris Hood, Jr., Comprehensive Diabetes Center are to improve the health of the state's citizens through programs in prevention, screening, early detection, disease management, education for public and health care professionals and research on causes, treatments, and diabetes management. All major clinical specialties within the university that treat diabetes, are making a concerted effort to work together in understanding and treating the diseases.

Immunizations - Over 2,194,000 doses of vaccines were distributed to protect children and adults in Michigan from 14 serious infectious diseases. Immunization is one of the most cost-effective measures available to protect the health of the people of Michigan. Each year in Michigan over 130,000 babies are born all of whom need to receive vaccines against such deadly diseases as measles, meningitis and diphtheria. The fact that diseases such as polio and measles are no longer common is a direct result of vaccination programs. Both the public and private sectors work together to educate, encourage and implement community and clinic efforts to assure that all children in the state have ready access to immunization services. The state and local health departments play a key role in the distribution of vaccines and to facilitate local assessments of immunization levels among the children in their community. The Michigan Childhood Immunization Registry (MCIR) provides a statewide registry of children that allows a physician to review and update a child's immunization history. Parents are informed about the MCIR every time their child receives a vaccine through the Vaccine Information Statement which given to parents prior to any dose.

The Michigan Asthma Initiative goals are to reduce the burden of asthma in Michigan; continue statewide surveillance of asthma; and provide support to the state's 11 local asthma coalitions to provide locally-based asthma services and programs to Michigan residents. Additional efforts include promoting asthma education programs for health professionals and people with asthma to ensure utilization of the most accurate and highest quality care and self-management strategies; developing partnerships with managed care organizations to enhance asthma care and education services; and working with Michigan communities to increase access to materials and resources for effective asthma control. The Michigan Asthma Communication Network provides consumers and professionals current information on asthma and a forum for people involved in asthma to share information on asthma resources, activities and events. The Network can be reached by phone or internet at 1-866-EZ LUNGS or www.GetAsthmaHelp.org or www.GetAsthmaHelp.com.

DEPARTMENT OF COMMUNITY HEALTH

Immunization Levels for Michigan Children Ages 19 – 35 months



1991-1998 4 doses DTP, 3 doses of polio, 1 dose of MMR

1999-2002 4 doses DTP, 3 doses of polio, 1 dose of MMR, 3 doses of Hib, 3 doses of hepatitis B

Lead Hazard Remediation Program - The primary mission of this program is to protect children from the dangers of lead-based paint exposure. Funds from the U.S. Department of Housing and Urban Development and Clean Michigan Initiative are used to perform lead hazard control activities in Michigan housing. The department has abated or began the process of abating a total of 448 homes with Housing and Urban Development funding and 106 homes with Clean Michigan Initiative funding as of September 30, 2001. The department plans to abate over 400 homes in FY2002.

HIV/AIDS - Approximately 40 community-based agencies provide health education and risk reduction activities targeting at-risk and minority communities. The Department promotes early identification of HIV infection and access to prevention and treatment services that are culturally competent and sensitive to diverse populations. Interventions range from individual-level prevention counseling, small group counseling, outreach and community-level mobilization. HIV counseling, testing and referral services are provided at over 400 sites through local public health departments, community-based organizations, hospitals, universities, and prisons. The **Michigan HIV/AIDS hotline number (1-800-872-AIDS)** provides general information on HIV and AIDS, and responds to questions and concerns from the general public.

Approximately 65 service providers serve between 6,000 and 7,000 persons living with HIV disease. The department funds the following HIV care services statewide: medical care/outpatient primary care, dental care, mental health counseling, case management/care coordination, buddy-companion services, emergency financial assistance, transportation, substance abuse counseling and treatment, client advocacy, day/respice/child care, housing assistance, food banks, support groups, health education and risk reduction, outreach, emergency medication, lab work, health insurance, home health care, and other counseling and support services. HIV/AIDS Drug Assistance Program provides certain FDA-approved drugs (including protease inhibitors and other HIV/AIDS therapies) free of charge to uninsured and under insured eligible individuals living with HIV.

Sexually Transmitted Diseases - Sexually Transmitted Diseases (STDs), such as gonorrhea, syphilis, chlamydia, and hepatitis B cause excessive morbidity, mortality, and health care costs among women, adolescents, and newborns. The goals of the Sexually Transmitted Disease Program are: 1) prompt reporting of cases, 2) the provision of screening and treatment services for Michigan's citizens, and 3) the application of interviewing and case finding activities to reduce complications and intervene in the spread of disease.

New Diagnoses of AIDS and AIDS Deaths in Michigan

	Michigan	
End of Year:	AIDS Diagnosed	AIDS Deaths
1995	965	795
1996	855	510
1997	718	317
1998	610	270
1999	540	237
2000	567	246

Deaths and Diagnoses

The number of HIV related deaths declined by 2/3 between 1995 and 2000 in Michigan and Nationwide.

The decline in deaths is attributed to effective treatments that prolong life but do not eliminate HIV infection.

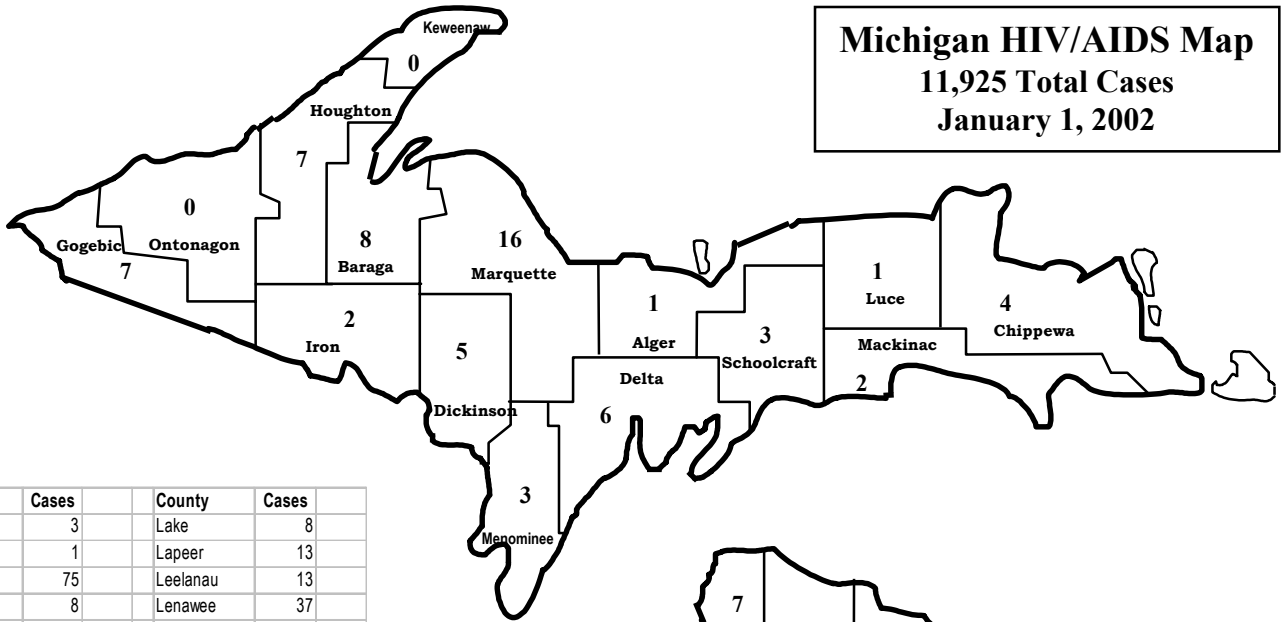
The number of AIDS cases newly diagnosed each year began to decline in 1996, and this was also due, in large part, to effective treatments.



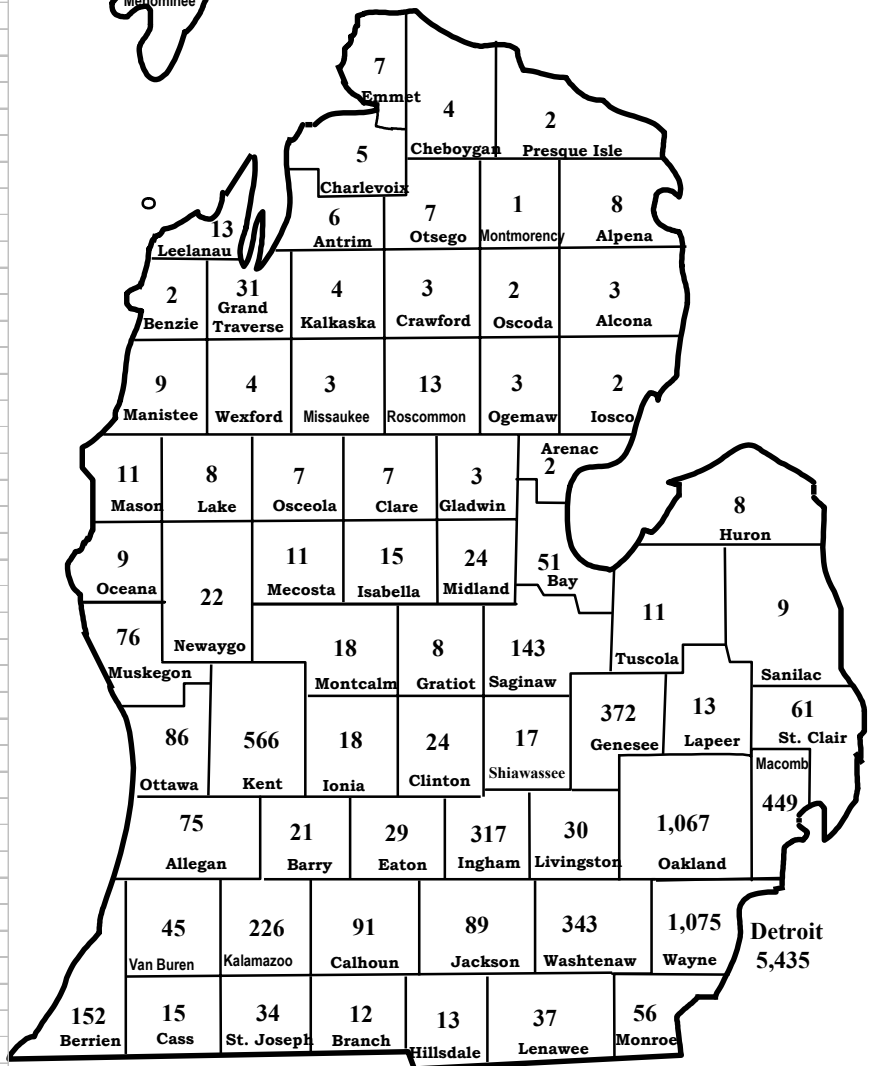
DEPARTMENT OF COMMUNITY HEALTH

Cumulative Persons Reported with AIDS, by Residence when First Diagnosed

Michigan HIV/AIDS Map
11,925 Total Cases
January 1, 2002

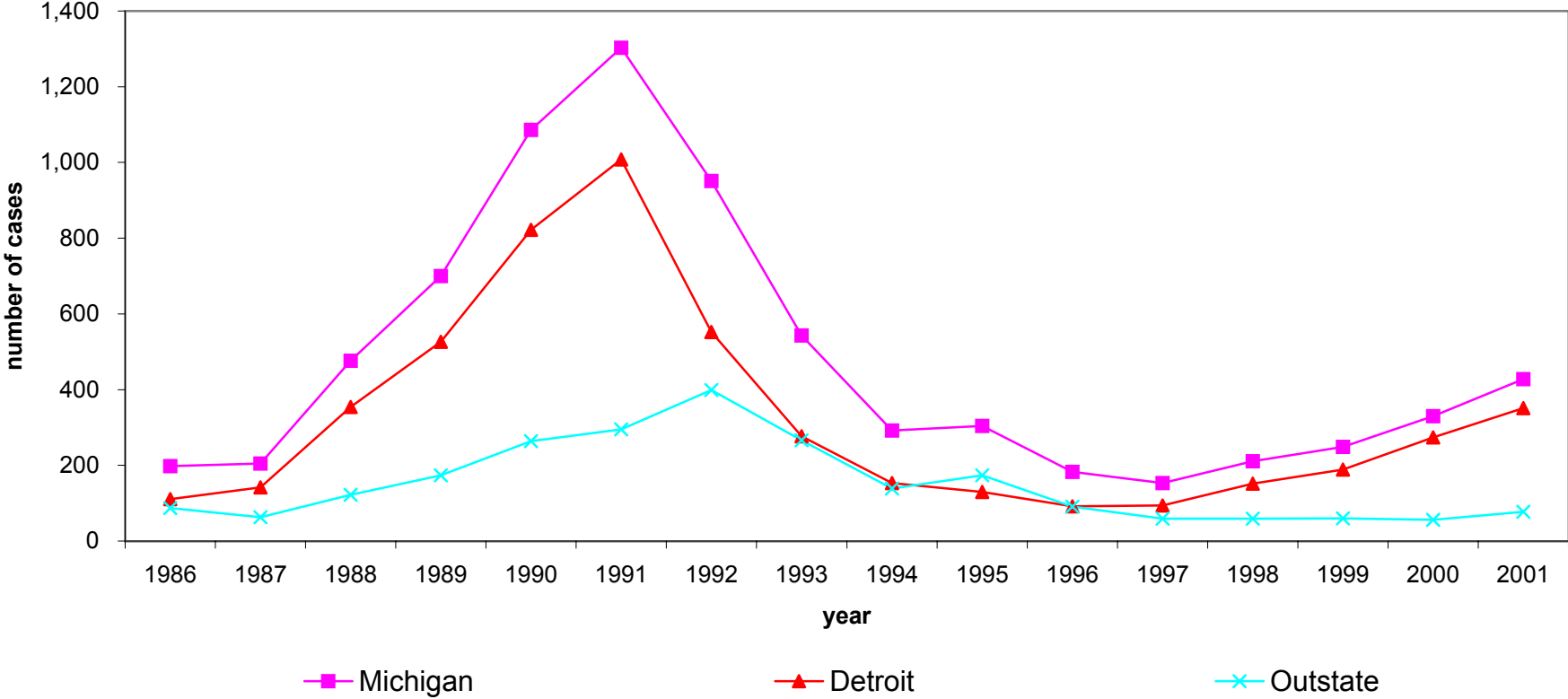


County	Cases	County	Cases
Alcona	3	Lake	8
Alger	1	Lapeer	13
Allegan	75	Leelanau	13
Alpena	8	Lenawee	37
Antrim	6	Livingston	30
Arenac	2	Luce	1
Baraga	8	Mackinac	2
Barry	21	Macomb	449
Bay	51	Manistee	9
Benzie	2	Marquette	16
Berrien	152	Mason	11
Branch	12	Mecosta	11
Calhoun	91	Menominee	3
Cass	15	Midland	24
Charlevoix	5	Missaukee	3
Cheboygan	4	Monroe	56
Chippewa	4	Montcalm	18
Clare	7	Montmorency	1
Clinton	24	Muskegon	76
Crawford	3	Newaygo	22
Delta	6	Oakland	1,067
Dickinson	5	Oceana	9
Eaton	29	Ogemaw	3
Emmet	7	Ontonagon	0
Genesee	372	Osceola	7
Gladwin	3	Oscoda Co.	2
Gogebic	7	Otsego	7
Grand Traverse	31	Ottawa	86
Gratiot	8	Presque Isle	2
Hillsdale	13	Roscommon	13
Houghton	7	Saginaw	143
Huron	8	Sanilac	9
Ingham	317	Schoolcraft	3
Ionia	18	Shiawassee	17
Iosco	2	St. Clair	61
Isabella	15	St. Joseph	34
Jackson	89	Tuscola	11
Kalamazoo	226	Van Buren	45
Kalkaska	4	Washtenaw	343
Kent	566	Wayne	1,075
Keweenaw	0	Wexford	4
		Total	11,925



The 442 prison cases excluded from the map and the table were housed in prisons at the time of AIDS diagnosis.

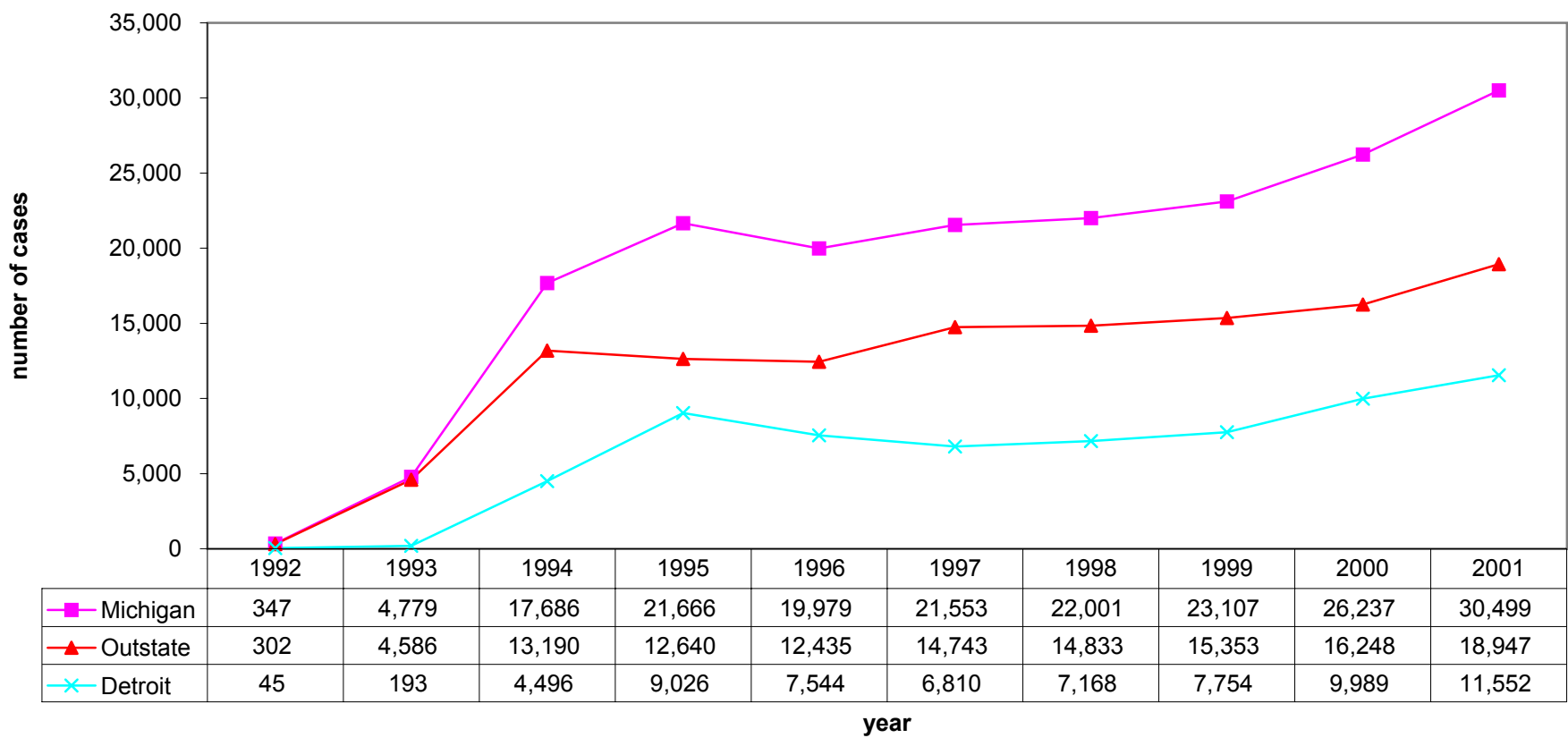
**DEPARTMENT OF COMMUNITY HEALTH
PRIMARY & SECONDARY SYPHILIS
Michigan, 1986 to 2001, by Region**



DEPARTMENT OF COMMUNITY HEALTH

CHLAMYDIA

Michigan, 1992 to 2001, by Region

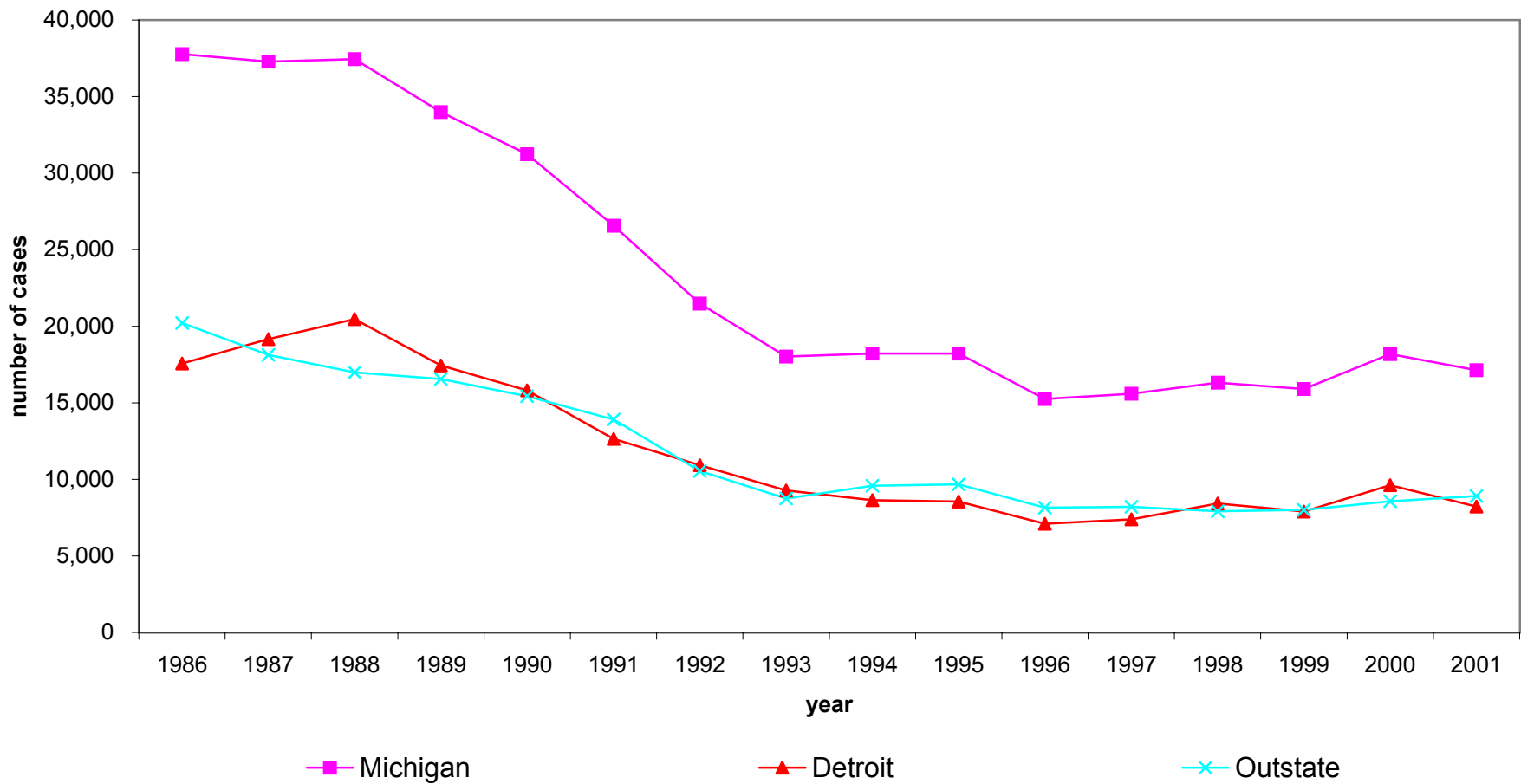


—■— Michigan

—▲— Outstate

—×— Detroit

DEPARTMENT OF COMMUNITY HEALTH GONORRHEA Michigan, 1986 to 2001, by Region



CHILDREN & FAMILY SERVICES

Children and Family Services Programs assess need, recommend policy, and promote the development of capacity within communities to provide quality, accessible, culturally competent services. These services address conditions focused on improving the health, well-being, functioning and/or quality of life for those infants, children, adolescents, and adults who are at risk of or have physical, emotional or mental disabilities, and for their families. Funding is provided for prenatal care clinics, maternal and infant health advocacy services, hearing and vision screening, dental health, lead poisoning prevention and testing, abstinence programming and child health.

Highlights of Services Provided

- C Family Planning Pregnancy Prevention Services - 167,414 women and 4,355 men received services in CY2000.
- C Family Support Subsidy - An average of 5,263 participants were served in FY2001.
- C Fetal Infant Mortality Review - 8 counties and city of Detroit have active team reviews. Seven counties and a Native American team are developing review teams. There were 142 infant deaths reviewed in 2001.
- C Health Systems Development in Child Care - 22,000 licensed day care providers received health prevention newsletters and 60,000 children and families received information regarding MIChild and Healthy Kids.
- C Maternal & Infant Health Advocacy Services - 4,754 moms and babies served in FY2001. This program promotes the health and well being of women and infants to reduce infant mortality and morbidity.
- C Hereditary Disorders Program - genetic diagnosis and counseling provided to approximately 2,000 patients and their families annually.
- C Sudden Infant Death Syndrome Program - There were 99 SIDS deaths in 2000; 94 infant autopsies and death scene investigations, and 126 support visits to families.
- C Maternal and Child HIV/AIDS - 912 families with women or children infected with HIV were enrolled in 1999.
- C Hearing Program - About 690,000 children were screened and more than 28,000 were referred for further evaluation and follow-up in FY2000

- C Dental Health - More than 6.5 million citizens served by fluoridated water supplies; 32,000 children received school mouth rinse and 264 persons were served through donated dental services and 85 persons with developmental disabilities received services through the dental treatment fund.
- € Prenatal Smoking Cessation - 63 agencies had their staff trained in smoking intervention; over 7,000 women provided smoking intervention services in CY2000.
- € Childhood Lead Poisoning Prevention - 87,875 unduplicated children under age six were reported tested and their results reported to the state **Childhood Lead Poisoning Prevention Program**.
- € Women, Infants and Children (WIC) Special Supplemental Nutrition Program - On average, 213,000 participants were provided with nutrition services and food coupons monthly as an augment to prenatal and pediatric health care. **Nutrition Program called Project Fresh**. Project Fresh provides additional coupons to buy fresh fruits and vegetables from Michigan farmers' markets.
- C Vision Program - 840,128 preschool and school-age vision screenings were completed and more than 69,000 were referred to **eye doctors** for further evaluation.
- C Fetal Alcohol Syndrome - 11 community outreach and education programs and 5 multidisciplinary diagnostic teams funded serve as resource centers for practitioners to obtain advise and consultation on how to treat infants with fetal alcohol syndrome.

The Childhood Lead Poisoning Prevention Program focuses on statewide screening and laboratory testing, appropriate health and environmental follow-up of children with elevated blood lead levels and outreach and education to local health care providers and communities.

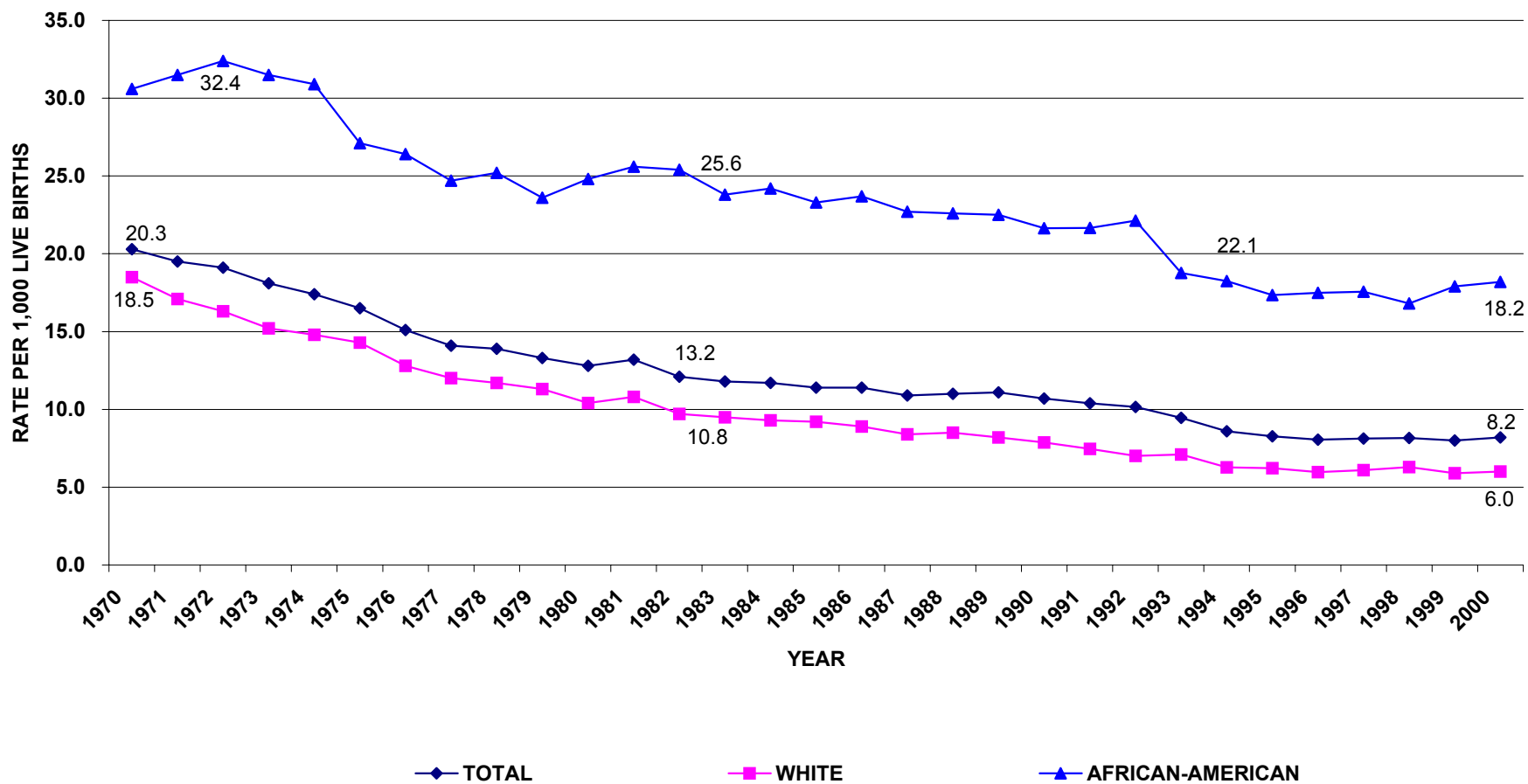
The Newborn Screening Program screens all Michigan infants for seven disorders: phenylketonuria, congenital hypothyroidism, galactosemia, biotinidase deficiency, maple syrup urine disease, congenital adrenal hyperplasia, and sickle cell anemia. The Newborn Screening Unit provides follow-up for all positive and unsatisfactory test results. In addition, infants suspected of having a disorder are referred to the appropriate medical management center for diagnosis and treatment.

Infant Mortality - The department aims to reduce infant mortality through a variety of programs including family planning, pre-natal care including pre-natal smoking cessation, Medicaid outreach, maternal and infant health support advocacy services, the Maternal Outpatient Medical Services (MOMS) program, Pregnancy Risk Assessment and Monitoring System (PRAMS), the Infant Mortality Network, Sudden Infant Death Syndrome (SIDS), and support for local Fetal/Infant Mortality Reviews and Child Death Teams.

- C **Infant Mortality Summit** - In December 2001, the department convened a statewide summit at the University of Detroit Mercy bringing together over 400 participants throughout the state to address infant mortality issues with emphasis on the disparity between infant mortality rates for white, black and native American Indians. The solution to addressing infant mortality cannot be found in a single approach or strategy. Efforts to reduce infant mortality must be tailored to the needs of the community. Recommendations from the Infant Mortality Summit will be released by the department in April 2002.
- C The **Infant Mortality Network** is comprised of community representatives, university researchers, neonatologists, obstetricians/gynecologists, and epidemiologists to evaluate issues; provide recommendations, program strategies, and research opportunities; review findings and recommendations from the Fetal/Infant Mortality Review program; and serve as resource to communities addressing infant mortality.
- C The local **Fetal/Infant Mortality Review process (FIMR)** identifies and examines the factors that contribute to fetal and infant death through a systematic evaluation of individual cases. Case reviews are done by a team of local providers, consumers, advocates and leaders to analyze and make recommendations for change to prevent future deaths.
- C The **Child Death Review** teams operate in 80 counties and review the circumstances behind sudden and unexpected death of any child. Local Child Death Review teams provide their findings and recommendations to the State Child Death Review team, which the department is a member.
- C The **Sudden Infant Death Program (SIDS)** informs the public about measures to reduce the risk of sudden infant death, educates the professional community about sudden infant death, supports families who have experienced a sudden infant death, and improve the use of death scene investigation, health history and autopsy findings in the diagnosis of sudden infant death syndrome.

DEPARTMENT OF COMMUNITY HEALTH

Infant Death Rates by Race Michigan Residents, 1970 - 2000



Note: Races other than white and African-American are included only in the total.

Source: 1970 - 1998 Michigan Resident Birth and Death Files, Division for Vital Records and Health Statistics
Michigan Department of Community Health

The Maternal Outpatient Medical Services (MOMS) Program ensures that pregnant women have immediate access to prenatal care. The Executive Recommendation includes an increase of \$6.0 million to cover the costs of the MOMS program. A pregnant woman who visits a Local Health Department, local Family Independence Agency office or a Federally Qualified Health Center is screened for eligibility and is provided a Guarantee Letter if she appears to meet the income guidelines for Medicaid or MOMS (at or below 185% of the federal poverty level). The woman is also assisted in the completion of a Medicaid application. The Guarantee Letter allows a pregnant woman to make an appointment with their doctor as soon as they become pregnant and should reduce the number of pregnancies that result in a low birth weight baby. The majority of pregnant women that receive a Guarantee Letter become Medicaid beneficiaries.

FISCAL YEAR	MOMS EXPENDITURES	COST/PER MOMS ENROLLEE	MOMS ENROLLEES	MEDICAID ENROLLEES	TOTAL ENROLLEES
1999	1,410,800	\$438.27	3,219	341	3,560
2000	2,703,600	\$803.45	3,365	368	3,733
2001	4,400,200	\$736.26	5,765	2,839	14,239

The Michigan Family Planning Program provides general reproductive health assessment services; advice on methods of contraception; contraceptive supplies and devices; related health education and counseling; and referrals for follow up care as indicated and needed. The program's strong educational and counseling component helps to reduce health risks and promote healthy behaviors. Education and counseling services include specific messages on abstinence as the most effective contraceptive method and counseling and voluntary testing for HIV. Teens are encouraged to discuss their sexuality and sexual behaviors with their parents and persons having sex with multiple partners and outside of monogamous relationships are counseled on the dangers of their behaviors.

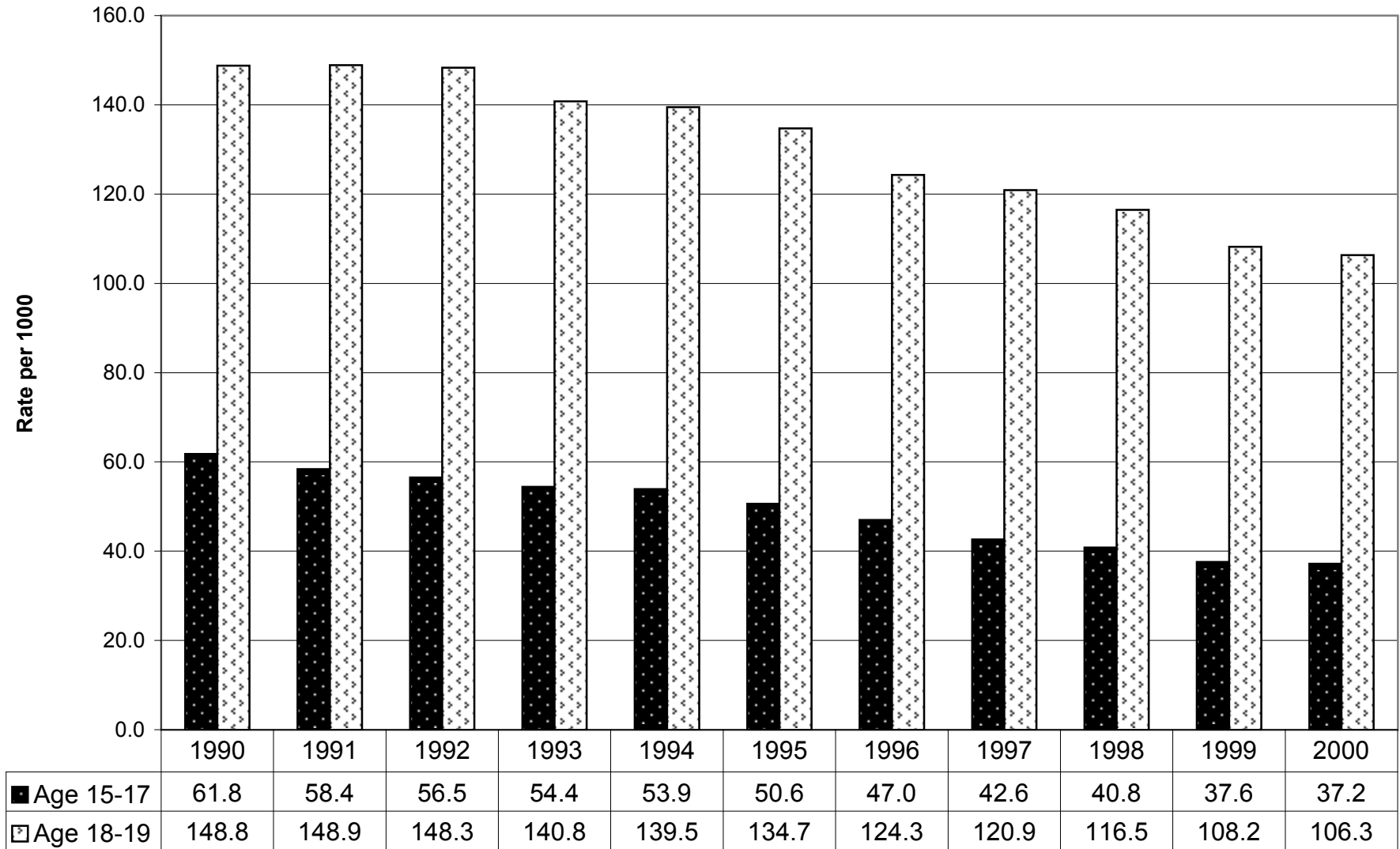
The primary target population is people with limited income. Individuals with income at or below the federal poverty level can receive a full array of services at no cost.

The Michigan Abstinence Program (MAP) aims to positively impact adolescent health problems by promoting abstinence from sexual activity and related risky behaviors such as the use of alcohol, tobacco, and other drugs. A comprehensive approach targeting 9-17 year old youth and their parents/guardians is used and includes activities that are designed to meet the unique needs of the community. These activities are developed and implemented by local coalitions that are made up of members that reflect the diversity of the community and target population.

Teen Pregnancy Rates

Ages 15-17 and 18-19

Michigan Residents, 1990 to 2000



The Special Supplemental Nutrition Program for Women, Infants and Children (WIC) is a supplemental food and nutrition program that operates as an adjunct to prenatal and pediatric health care, thereby improving health outcomes and the prospects for appropriate growth and development during infancy and childhood to age 5 years. Participation in WIC by pregnant women provides a cost-effective intervention for preventing low birth weight deliveries and reducing deliveries of infants which are small for their gestational-age among low-income women. Services include nutrition education, food coupons, coupons for fresh fruits and vegetables, encouragement to breastfeed, referrals to other appropriate health and social services such as Medicaid, MI Child, prenatal care, immunizations, smoking cessation programs, and substance abuse programs.

To maximize opportunities for service coordination and delivery, WIC services are co-located with the Family Independence Agencies in southeast Michigan and is also co-located with several managed care organizations. WIC is a valuable partner in identifying infants and young children in need of immunizations by virtue of the program's access to "hard-to-reach" children and many of the WIC clinics have immunization providers on site. WIC clinic staff assess and document participants' immunization status through access to the State's immunization registry, make appropriate referrals to related maternal and child health programs, and educate parents on the importance of having their children fully immunized.

The Farmers' Market Nutrition Program, **Project FRESH**, provides WIC participants with coupons to purchase fresh, locally grown fruits and vegetables at local farmers' markets. WIC participants receive Project FRESH in addition to the regular WIC food package. The Project FRESH program complements the 5 A Day for Better Health program sponsored by the National Cancer Institute. It encourages eating five or more servings of fruits and vegetables daily. Fruits and vegetables are low in fat and calories and good sources of Vitamin A, Vitamin C, Folic Acid and fiber.

The Family Support Subsidy Program helps to keep families together and to reduce the demand for state-provided out-of-home services. The program provides for a **monthly payment of \$222.11** to families with children living at home who are less than 18 years of age and recommended by a public school's multidisciplinary team as severely mentally impaired, severely multiply impaired, or autistic impaired. Children with autistic impairments must be receiving special education services in a program designed for the autistic impaired or in a program designed for the severely mentally impaired or severely multiply impaired. The payment is to defray the special costs of care for the family member who is developmentally disabled.

The Children's Waiver Home Care Program provides services for children with developmental disabilities who have high health needs and severe behavior challenges. This program is operated through Community Mental Health outside of the Managed Specialty Supports and Services Program. The Children's Waiver enables Medicaid to fund necessary home and community-based services for children with developmental disabilities, who live in the homes of their birth or adoptive parents regardless of their parent's income. Medicaid Home and Community-Based Services waivers allow states to provide services to individuals, who without such services, require or are at risk of institutionalization.

Supportive Housing Program Partnership - This program is in its 5th year of existence and has facilitated nearly 600 units of housing with another 240+ in the pipeline. A minimum of 1,500 units of housing will have been generated by the MSHDA/Coalition for Supportive Housing/DCH partnership by 2004. Community coalitions exist in Allegan, Kent, Genesee, Washtenaw, Livingston, Traverse City-Benzie, Out-Wayne and Kalamazoo counties. Additional efforts have been initiated in Detroit, Ottawa County and Sault Ste Marie as the result of training and technical assistance through the partnership.

Homeless Programs - These programs consist largely of the PATH, Shelter Plus Care, and Supportive housing grant programs in addition to a program of training and technical assistance made available to sub-grantees and other requesting parties, including Housing and Urban Development, Community Mental Health, and MSHDA. A total of 540 rental housing options are generated through these programs. The Department participates on the Michigan Interagency Committee on Homelessness.

Home Ownership - The department co-chairs a homeownership coalition for persons with disabilities. The goal is to enable persons with disabilities or families with a member(s) with disabilities (typically low income) to qualify for a mortgage and ultimately purchase a permanent home of their own. Mortgage products pursued are those through community lenders willing to absorb the higher than ordinary risk, MSHDA loans, Rural Development loans, and Fannie Mae HomeChoice program, which Michigan helped to pilot. Coalition members/partners assist potential borrowers, lenders, MSHDA, Rural Development, Fannie Mae, person with disabilities advocates and department supportive housing staff. Down payment assistance is available through MSHDA. Approximately 80 families have achieved homeownership over the last eight years with total home values approaching \$4 million.

OFFICE OF DRUG CONTROL POLICY

The mission of the Office of Drug Control Policy is to reduce and prevent drug use and crime through prevention, treatment/rehabilitation and incarceration. The Office works with local criminal justice agencies, education providers, faith-based and grassroots organizations and other state agencies to reduce and prevent substance abuse, adult and juvenile crime and violence, to reclaim and restore neighborhoods, and to educate the children of Michigan about the dangers of substance abuse.

Federal funding is received each year from the Department of Justice and the Department of Education. Grants are awarded for community policing strategies, juvenile intervention, domestic and family violence, gang task forces, Drug Abuse Resistance Education, treatment/rehabilitation for juveniles and adults, multi jurisdictional task forces and prosecutors, and education programs carried out by the school districts and grassroots organizations.

Safe and Drug Free Schools and Communities funds are allocated to local school districts based on the number of enrolled students in each district. Supplemental grants are also awarded to "high needs" districts. These funds are used for effective drug and violence prevention programs and strategies. The **Governor's discretionary grants** are for drug and violence prevention programs with a focus on law enforcement partnerships, high risk and out of school youth, summer youth programs, and statewide drug and violence prevention activities. Eligibility is open to juvenile courts, probation departments, schools, detention centers, community-based organizations, and private non-profit entities.

Byrne Memorial Formula Grant Program - These funds are used to support state and local criminal justice efforts through grant projects to state and local governmental entities. Grant projects include the following:

- Community Policing Strategies where the focus is on creative, non-traditional law enforcement efforts to solve community problems.
- Juvenile Intervention Strategies which promote problem-oriented interventions to combat juvenile violence and delinquency including after school/summer programs, Drug Abuse Resistance Education (DARE) program, and Gang Task Force Strategies.
- Family and Domestic Violence Strategies
- Drug Testing and Treatment of Juveniles and Adults projects
- Multijurisdictional Task Forces integrate federal, state, county, and local law enforcement agencies and prosecutors
- Criminal Justice Records Improvements

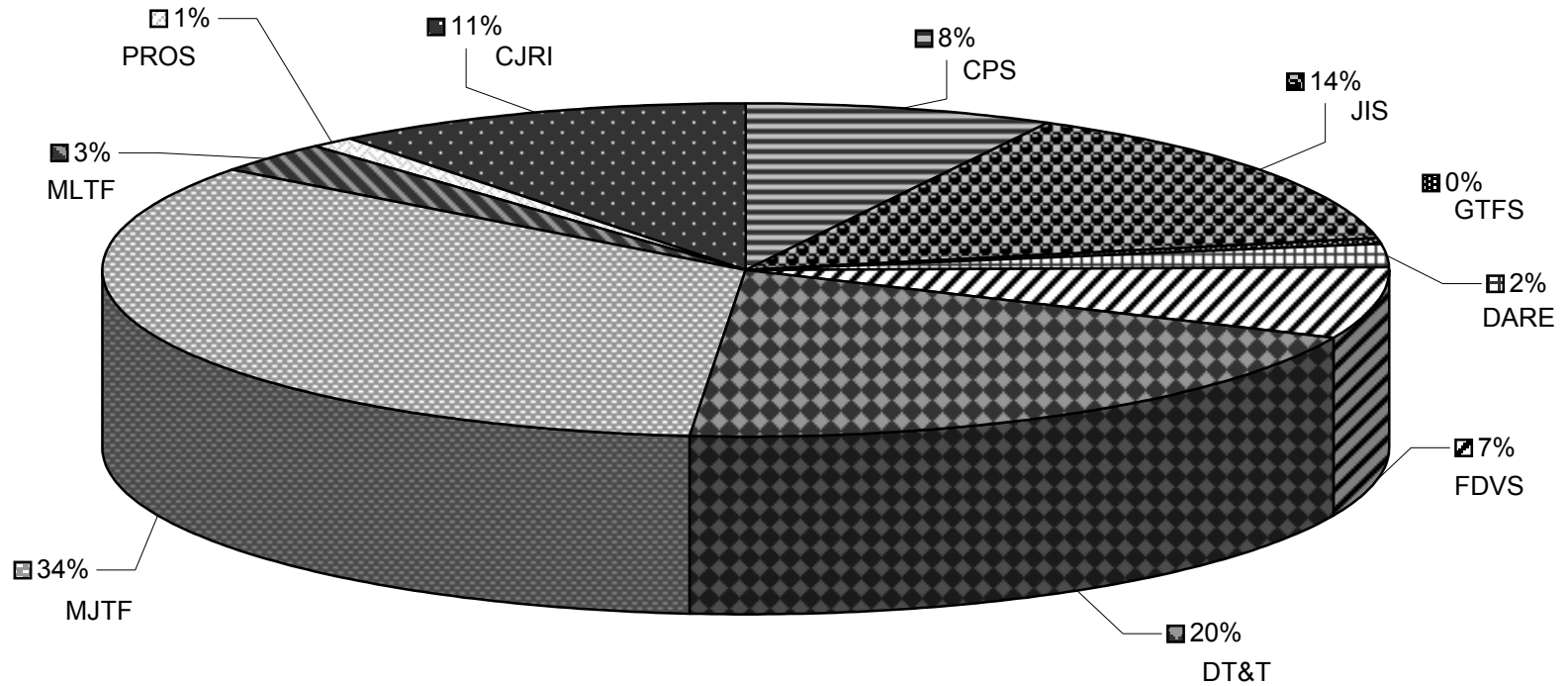
Department of Justice - Local Law Enforcement Block Grant funds are awarded to 50 counties that do not receive funding directly from the Department of Justice. Grant projects include Youth Crime Prevention and Intervention Strategies and computer technology grants.

Department of Justice - Residential Substance Abuse Treatment for State Prisoners funding provides substance abuse treatment for adult and juvenile offenders through grants to the Michigan Department of Corrections and the Family Independence Agency. Offenders must participate in treatment for not less than six months and not more than 12 months and drug testing is required of both adult and juvenile offenders.

The Department continues to support the **Campus Social Mentoring Program** in collaboration with various colleges and universities to facilitate an alcohol and drug-free transition from high school to college.

2001 Byrne Funding Distribution by Program Area

Total Amount of Funding: \$18,578,418



- | | |
|--|--|
| ■ Community Policing Strategies (CPS) | ■ Juvenile Intervention Strategies (JIS) |
| ■ Gang Task Force Strategies (GTFS) | ■ Drug Abuse Resistance Education (DARE) |
| ■ Family Domestic Violence Strategies (FDVS) | ■ Drug Testing & Treatment for Juveniles & Adults (DT&T) |
| ■ Multijurisdictional Task Forces (MJTF) | ■ Money Laundering Task Forces (MLTF) |
| ■ Prosecution (PROS) | ■ Criminal Justice Records Improvement (CJRI) |

CRIME VICTIM SERVICES COMMISSION

The Constitution of the State of Michigan provides for certain rights to victims of crime. These include: the right to be treated with fairness and respect throughout the criminal justice process; the right to timely disposition of the case following arrest of the accused; the right to be reasonably protected from the accused; the right to notification of court proceedings; the right to attend all court proceedings and the right to restitution. Public Act 87 of 1985, the Crime Victim Rights Act, provides comprehensive, mandatory rights for crime victims.

The crime victim rights and services program is a combination of services, support, and compensation for victims of crime. The program is primarily financed by assessments to crime perpetrators. The program has a **five person board Commission appointed by the Governor** with the functions of hearing appeals by claimants of the crime victim compensation program, investigating and determining revenue and assessment amounts to pay for implementing crime victim rights, and providing advice on the expenditure of crime victim assistance funding.

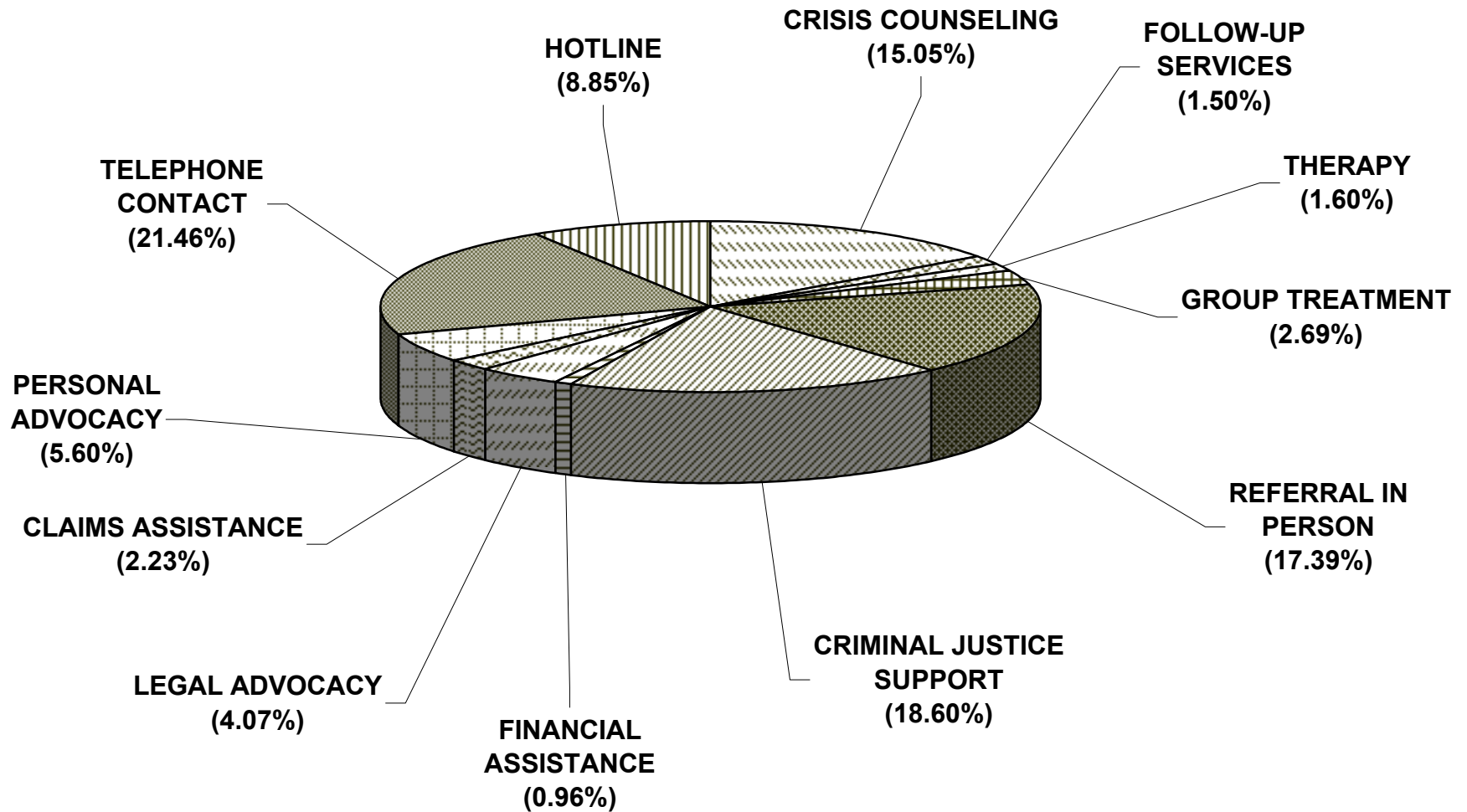
The **Crime Victim Assistance program** provides grants to local public and non-profit agencies that engage in direct services to crime victims in the community. Annual support levels are determined by U.S. Treasury receipt of federal criminal fines and forfeitures. Priority is given to projects providing services to victims of child abuse, sexual assault, domestic violence, and other victims of crime. Services provided include crisis counseling, therapy, group treatment, shelter/safehouse, emergency legal and personal advocacy, information and referral, and criminal justice support. To be eligible, an agency must promote public and private coordination, utilize volunteers, have non-federal sources of service funds, and assist victims with compensation claims.

The **Crime Victim Rights program** collects assessments from convicted defendants by circuit, district and juvenile courts. Funds are disbursed to Michigan's 83 prosecuting attorneys to support implementation of P.A. 87 of 1985, the Crime Victim Rights Act. This Act provides comprehensive, mandatory rights for crime victims to participate in, and be notified of all pertinent proceeding in the criminal justice process for their case.

The **Crime Victim Compensation Program** provides compensation to crime victims who suffer injury and may include compensation for medical expenses, loss of earnings, counseling, and burial. Compensation is one of 'payor of last resort' and claims are reviewed for program compliance. To be eligible, a victim must not have contributed to the injury and must cooperate with the criminal justice investigation.

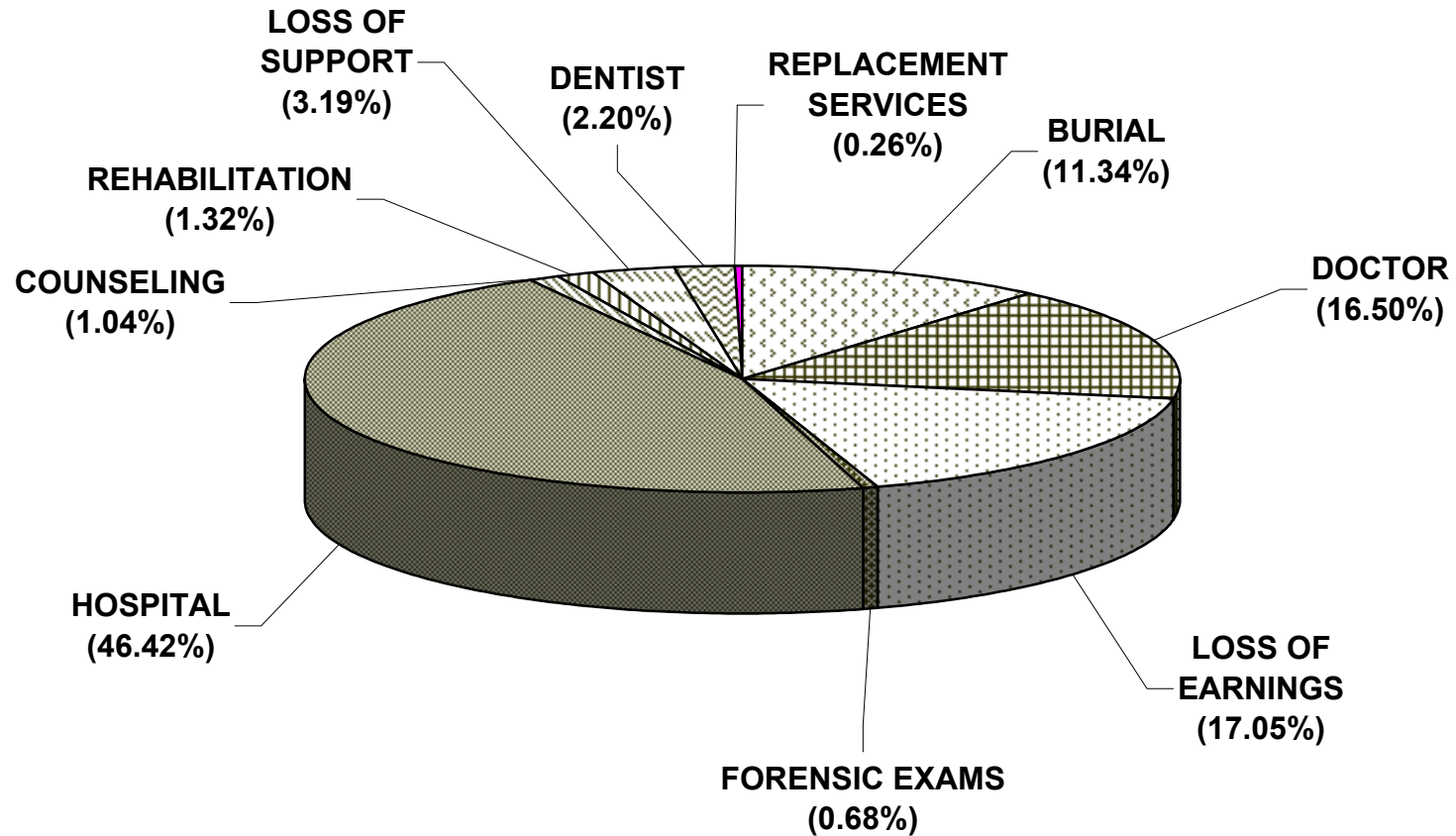
DEPARTMENT OF COMMUNITY HEALTH VICTIM ASSISTANCE GRANTS

Direct Services Provided: FY2001



DEPARTMENT OF COMMUNITY HEALTH CRIME VICTIM RIGHTS SERVICES

Compensation Claim Payments - FY2001 - \$1,954,470



OFFICE OF SERVICES TO THE AGING

The Office of Services to the Aging manages the state's aging network in accordance with the requirements of the federal Older Americans Act of 1965, as amended, and the state Older Michiganians Act of 1981. The aging network represents a state/regional/local partnership and system of delivering community-based services to older adults throughout Michigan, many of whom are frail, low income and at risk of losing their independence.

The mission of the Office of Services to the Aging is to promote independence and enhance the dignity of Michigan's older persons and their families. Duties include, but are not limited to, statewide policy development; oversight of sixteen Area Agencies on Aging and three Senior Volunteer Programs; compliance with federal and state rules and requirements; training and technical assistance; research; and serving as a focal point for matters relating to senior citizens.

A fifteen member Commission on Services to the Aging is appointed by the Governor, with the advice and consent of the Senate, to work with the Office of Services to the Aging on state aging policy. The Commission approves grants for a myriad of services offered through the aging network as well as appoints a State Advisory Council on Aging to advise on aging issues. Another of the Commission's duties is to designate planning and service areas and, in turn, appoint an Area Agency on Aging within each area to serve as a regional planning and administrative agency.

Michigan has sixteen regional Area Agencies on Aging, each governed by a board of directors comprised of members of the local community. Once approved by the Commission on Services to the Aging, the Office of Services to the Aging issues grants to Area Agencies on Aging to meet senior needs identified within each planning and service area. Area Agencies on Aging contract with a cadre of local service providers who tailor services to meet needs of a diverse senior population.

Michigan has 1.6 million older persons over age 60. While many of these older persons are active and independent members of the community, others need help to maintain their independence. Without the support services the Office of Services to the Aging administers, many of Michigan's older persons would face placement in nursing home facilities that could result in a much higher overall cost of care for the individual and the State.

Community Services

The Office of Services to the Aging provides for a variety of federal and state-funded community-based and in-home programs and services to seniors. Programs and services provided are designed to help maintain older adults in the least restrictive setting and avoid costly, premature nursing home placement.

Care Management Program - Through assessment of individual needs and the brokering of services, the Care Management Program assists frail elderly at risk of nursing facility placement. The program locates, mobilizes and manages a variety of home care and other services necessary to support individuals in their desire to maintain independence in their home. The annual allocation of \$7.3 million is used for staffing as well as services. A total of **6,476** individuals were served by the Care Management Program during FY2001, with **4,133** of those being new clients and the remainder being carry-in clients from the previous fiscal year.

Access Services - Access services are those that permit older persons and their families to gain entry into the array of services available at the local level. Programs included in this category are information and referral, outreach, escort, transportation and case coordination/support.

In-Home Services - Services provided in the home include home health aide, homemaker, personal care, chore services, respite care and telephone reassurance. Seniors served by this program have functional, physical or mental characteristics which prevent them from providing the service for themselves, and do not have available or sufficient informal support networks (ie. family, friends, neighbors) to meet their service needs. Growth of the elderly population, inflation and reductions in Medicare reimbursement for home health services have all contributed to waiting lists for in-home services.

Senior Citizen Centers - Senior centers are funded by state General Fund/General Purpose funds that supplement federal Older Americans Act funds. Local funds available through senior mileages and local governments are also an integral part of the funding mix. Senior centers serve as community focal points for seniors and provide a variety of services to help maintain senior independence and foster social interaction. Services provided by centers include information and referral, congregate meals, health promotion, exercise programs, legal services and numerous educational/enrichment programs.

Michigan Medicare/Medicaid Assistance Program (MMAP) - Health benefits counseling and assistance services are provided to older adult Medicare and Medicaid beneficiaries, and those on Medicare by way of disability. Three hundred MMAP counselors provided information and assistance on eligibility and coverage, enrollment, claims, post-enrollment issues, and grievances and appeals related to Medicare, Medicaid, managed care, medigap and long term care insurance products. Counselors handled 30,000 cases in FY2001 and the MMAP **hotline received calls from 50,000 people**. Educational presentations were provided to 49,000 people. MMAP helped Michigan seniors save \$11,707,449 in out-of-pocket costs. Future goals include maintaining service levels and implementing a new reporting system that will allow more specific analysis of problems encountered and services provided.

Elder Abuse Programs - The Office of Services to the Aging works in partnership with many organizations to provide training, technical assistance and consulting services aimed at the prevention and treatment of elder abuse, neglect and exploitation of older individuals. OSA has provided specialized training on financial exploitation of vulnerable adults to some 600 representatives from the legal, health care, law enforcement, financial and human service professions, for example. **Sixteen conferences on consumer scams have also been held for 3,000 people.** In 2002 a number of mini-conferences entitled "Seniors: Safe, Sound and Secure" took place, expanding the training focus to include abuse, neglect and exploitation. Additionally, training is provided to members of the judiciary and legal profession on elder abuse prevention and related elder law issues. OSA will continue to work with the State Bar of Michigan, FIA, and Michigan Protection and Advocacy to provide training to advocates and medical providers on available alternatives to guardianships.

Long Term Care Ombudsman Program - This is an advocacy program designed to protect the rights, health, safety and welfare of residents of Michigan's long term care facilities. Older adults and their family members are helped through services designed to assist with placement decision-making and complaint resolution. **During FY 2001 Ombudsman staff served 16,460 clients, handled 2,556 formal complaints, visited residential facilities 2260 times, and provided consultation and technical assistance to 2,308 staff and lay persons.** Program goals for FY2002 include development of a new volunteer ombudsman program and implementation of a new web-based reporting system.

Long Term Care Reform Effort - In FY 2001 the Office of Services to the Aging was responsible for carrying out a long term care information and education campaign and long term care access. During FY 2001 OSA conducted a public awareness campaign about the need to plan for future long term care needs focused on persons aged 35 - 64. This effort was accomplished through a television and radio ad campaign that aired September 24, - December 7, 2001, development of a new website, and telephone and one-on-one counseling services provided by the Medicare/Medicaid Assistance (MMAP). OSA continues to work with the Department of Community Health on access issues.

Legal Services - These programs provide information, advice/counsel, legal education and direct representation. The types of cases most frequently dealt with relate to income, health care, long term care, nutrition, housing, utilities, guardianship, abuse/neglect and age discrimination. **In FY 2001, 53,176 hours of service were provided to 9,740 clients on 13,291 legal matters.** Legal services providers also conducted 238 community education sessions for 7,812 seniors and their advocates.

Additional Community-Based Programs - Other supportive services are available to assist older adults at the community level. Programs funded in this category include adult day care, counseling, dental and vision services, guardianship, health screening, hearing impaired services, home injury control, home repair, physical fitness and wellness programs.

DEPARTMENT OF COMMUNITY HEALTH

OFFICE OF SERVICES TO THE AGING

Seniors Served in Community Services Programs in FY 2001

Access Services	Seniors Served
Case Coordination	18,544
Outreach	14,540
Transportation	5,937

In-Home Services	Seniors Served
Chore	7,153
Home Health Aide	1,356
Homemaker	13,172
Personal Care	7,172

Senior Nutrition	Seniors Served
Home Delivered Meals	55,150
Congregate Meals	53,705

Additional Programs	Seniors Served
Adult Day Care/Respite	6,785
Counseling	957
Elder Abuse Prevention	431
Guardian	15
Health Screening	964
Hearing Impaired	467
Home Repair	63
Legal Services	9,740
Physical Fitness	378
Vision Services	127

Senior Nutrition Program

The Senior Nutrition Program is the mainstay of community-based programs available to the state's elderly. The longest running program developed to meet senior's needs, the Senior Nutrition Program **annually serves over 12 million meals to over 108,000 older adults** throughout the state. The program is funded by Title III of the federal Older Americans Act, state funds, local dollars, senior contributions and a per meal supplement received from the United States Department of Agriculture. Meals are provided in two settings -- congregate and in the home.

A recent federal evaluation concluded that nutrition programs for the elderly have succeeded in improving the nutritional intake of older persons as well as in decreasing social isolation. Other research has shown that the Senior Nutrition Program has been successful in targeting the vulnerable elderly population, including the very old, individuals living alone, people below the poverty level, minority individuals and individuals with significant health conditions and/or physical or mental impairments. Nutritional risk has been found to be the most important predictor of the total number of visits to a physician, visits to the emergency room, and the occurrence of hospital episodes.

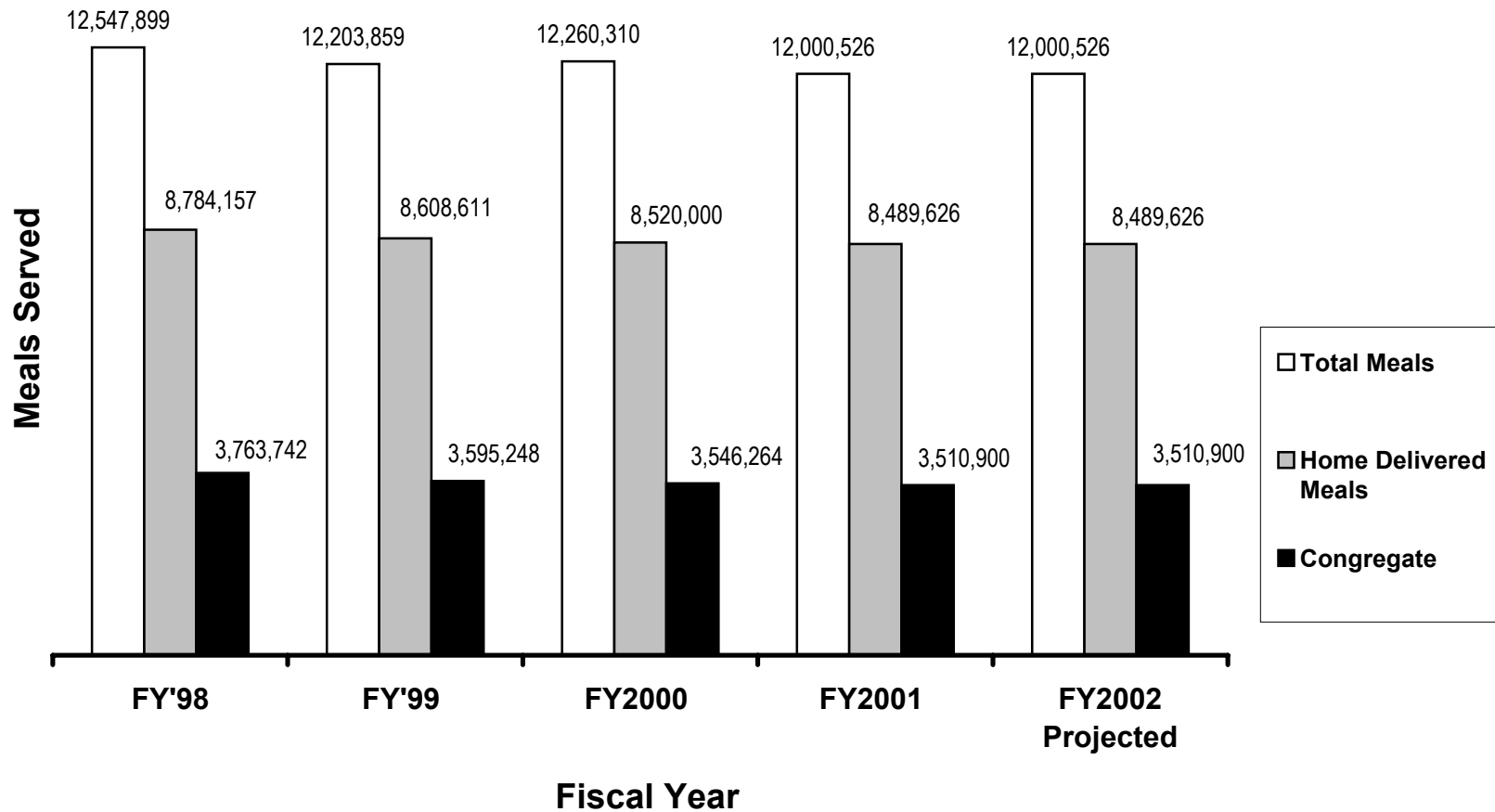
The congregate nutrition program provides nutritious meals in a variety of community settings, and helps combat social isolation by providing opportunities for interaction, access to community resources and education. **Michigan has more than 700 congregate nutrition sites.**

Home-delivered meals, often referred to as "meals on wheels," are provided to those persons who are unable, due to physical or emotional disabilities, to participate in the congregate nutrition program. These meals assist older persons to remain in their own home, thereby preventing or delaying costly institutionalization. Individual assessments of home delivered meal recipients are conducted to determine eligibility for other supportive services.

The state's contribution to the Senior Nutrition Program is used primarily to support the needs of homebound seniors. State funds make up 35 percent of the total funding available for home-delivered meals; federal funds account for an additional 38 percent. Local funds and senior contributions account for the remaining 27 percent.

DEPARTMENT OF COMMUNITY HEALTH OFFICE OF SERVICES TO THE AGING

Senior Nutrition Program



Senior Volunteer Services

Experience has shown that doing regular volunteer work, more than any other activity, dramatically increases life expectancy. At the same time, there are many areas of need in our communities where the time and talents of our growing older population are put to good use. The Office of Services to the Aging administers three older volunteer programs with state funds. It should be noted that federal dollars also flow into Michigan for volunteer programs through the federal volunteer agency, The Corporation for National Service.

The Retired and Senior Volunteer Program - This program provides opportunities for people aged 55 and older to serve their communities, explore new interests, and stay active. The Retired and Senior Volunteer Program volunteers serve without payment, but receive transportation assistance; excess auto, accident and liability insurance; training and recognition. Retired and Senior Volunteer Program services in such areas as literacy, public safety, and economic development are provided through twenty-two local projects in thirty-nine Michigan counties. State funds will support a projected **6,700 volunteers and 670,000 hours of service** through the Retired and Senior Volunteer Program in FY 2003. Nearly 30 percent of Michigan's Retired and Senior Volunteer Program volunteers will receive state-supported transportation assistance to and from their volunteer assignments.

The Senior Companion Program - This program offers low-income men and women the opportunity to provide individualized care and assistance to other adults with developmental disabilities, Alzheimer disease, mental illness and/or conditions that make them frail and at-risk. Senior Companions serve 20 hours per week and receive a **stipend of \$2.65 per hour**. **Fourteen Senior Companion Programs provide services in forty-four Michigan counties**. State funds will support approximately **420 Senior Companions and 438,480 hours of assistance to 2,100 adults** with special needs in FY 2003.

The Foster Grandparent Program - This program provides opportunities for low-income men and women 60 years of age and older to assist children and youth who need personal attention and assistance. Priorities for Foster Grandparent service include children with developmental disabilities and those negatively affected by poverty, substance abuse, and domestic violence. Foster Grandparents serve 20 hours per week and receive a **stipend of \$2.65 per hour**. **Nineteen Foster Grandparent Programs provide services in fifty-five Michigan counties**. State funds will support a projected **609 Foster Grandparents and 635,796 hours of assistance to 3,045 children with special needs** in FY 2003.

Employment Assistance

The Senior Community Service Employment Program is authorized under Title V of the federal Older Americans Act. The program provides work experience and skill enhancement through subsidized, part-time assignments at community service agencies. **Participants must be aged 55 or older and have a family income no greater than 125 percent of the established poverty guidelines.** Priority is given to those individuals over the age of 60 with the greatest economic need.

The program provides participants with the dignity of a paycheck, and the opportunity to make a contribution to the community. In addition, with the experience and confidence gained by participants, it is the intent of the program to transition 20 percent of participants into unsubsidized, private or public sector employment each year.

The Office of Services to the Aging receives program funds from the U.S. Department of Labor that are matched with state and local resources. The FY 2002 federal grant is **\$2,925,577**. The Office operates the program through grants to Area Agencies on Aging.

The FY 2001 grant **served 580 mature workers.**

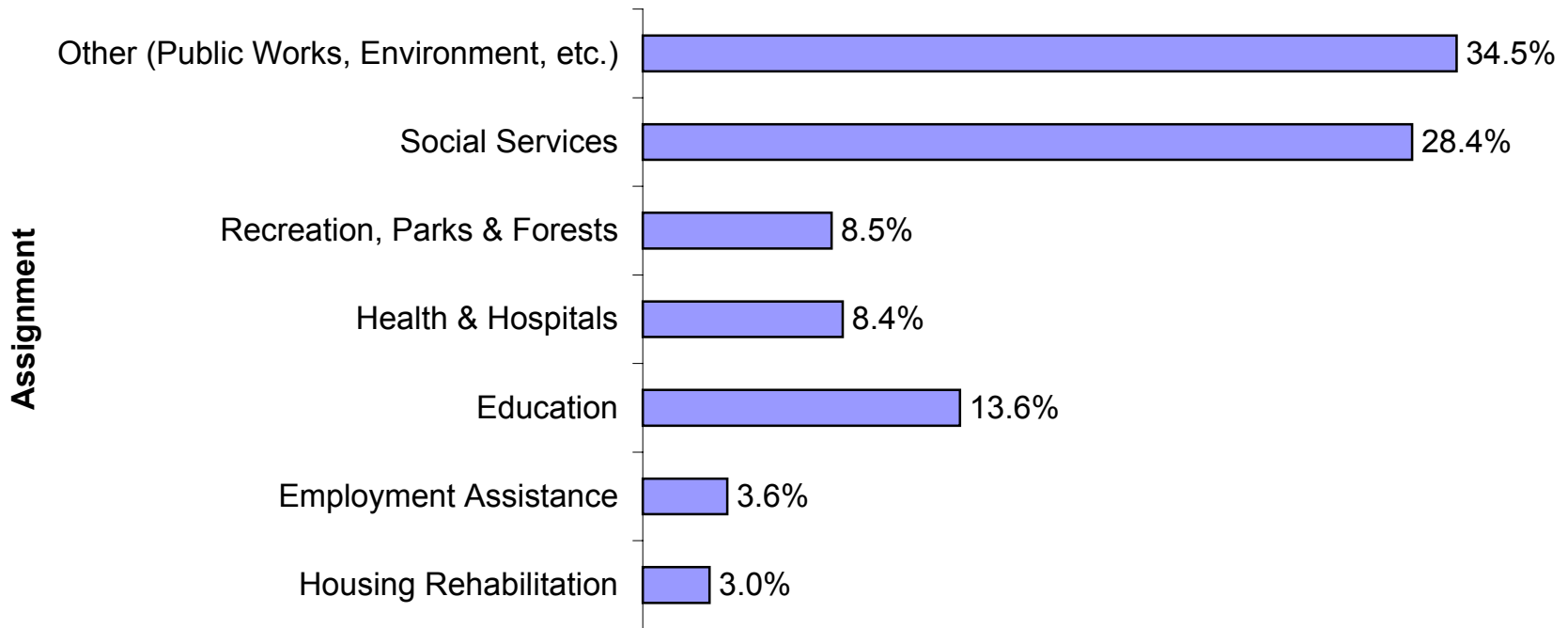
In the current year, 43 percent of program participants are placed in agencies that serve the general public such as libraries and day care centers. The remaining 57 percent work with agencies serving the older population such as senior centers and senior nutrition programs.

In FY 2001, 19 percent of program participants successfully transitioned into unsubsidized employment.

Characteristics of Program Participants				
Female	81.0%	Age:	55-59	11.3%
Income at or below poverty	71.8%		60-64	18.7%
Minorities	42.1%		65-69	22.7%
Disabled	15.6%		70-74	22.9%
Veterans	10.3%		75+	24.4%

DEPARTMENT OF COMMUNITY HEALTH OFFICE OF SERVICES TO THE AGING

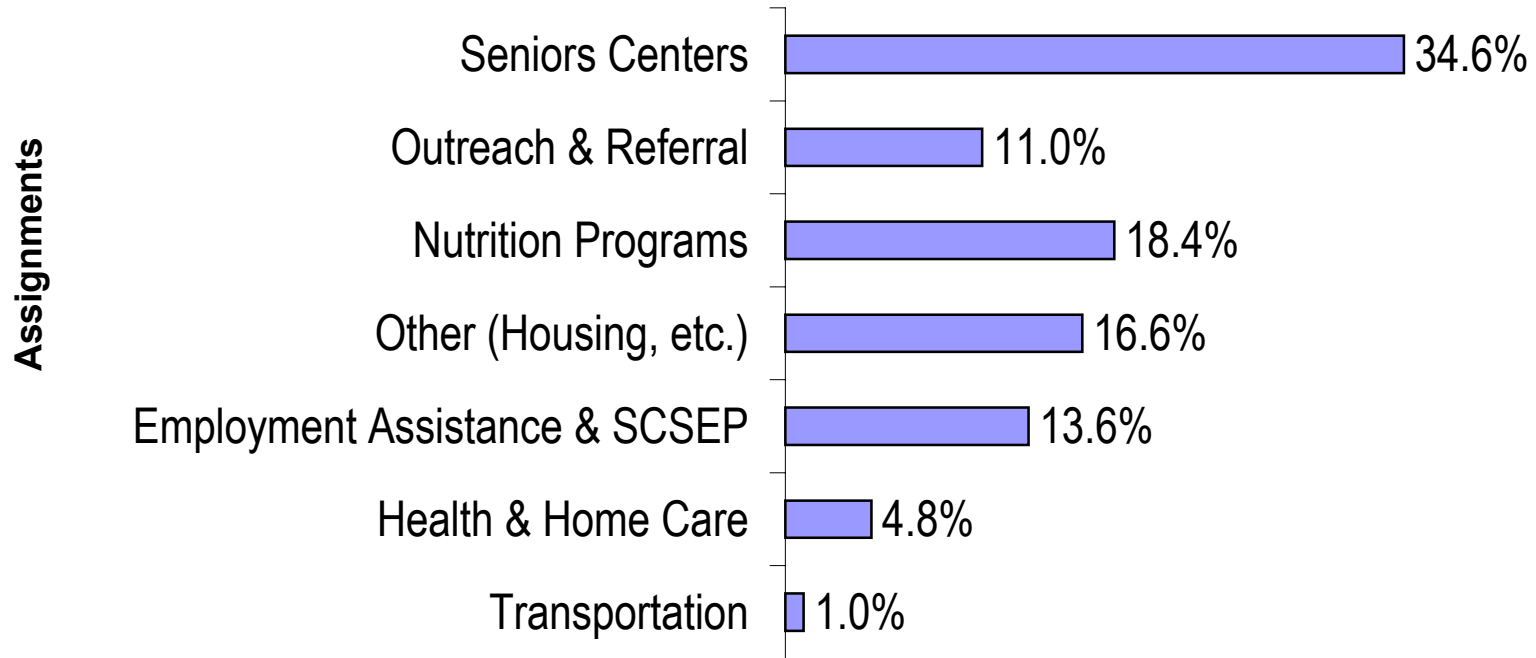
Senior Community Employment Program (Title V) 2000/2001 SCSEP Assignments Serving the General Community



Percent of Assignments in the General Community

**DEPARTMENT OF COMMUNITY HEALTH
OFFICE OF SERVICES TO THE AGING**

**Senior Community Employment Program (Title V)
2000/2001 SCSEP Assignments Serving the Elderly**



Percent of Total Assignments Serving the Elderly

Respite Care Program

The Senior Respite Care Program is created through Public Act 171 of 1990 that allows the state to receive escheat funds from Blue Cross and Blue Shield of Michigan. Funds are distributed to Area Agencies on Aging annually, each receiving a minimum of \$25,000, if available. Funds remaining over the minimum allocation are distributed by the interstate funding formula.

Senior Respite Care Programs provide supervision, socialization and assistance to persons with cognitive or physical impairments during the absence of the caregiver. Respite can be provided in-home (the provider comes to the consumer's house) or in the community (the consumer attends an adult day care program). Funds may also provide respite to grandparents raising their grandchildren. Respite services allow family caregivers a break in their caregiving responsibilities, often extending the family's ability to provide care.

While most adult day care programs have participants with dementia or cognitive impairments, most programs are not designed to support people with moderate to severe cognitive deficits. In FY 2003 OSA will continue its strong support of dementia specific day care programs. Likewise, Office of Services to the Aging will advocate more consumer friendly programs that include expanded hours of day care operation to help working caregivers; overnight respite for times when the caregiver cannot be home; weekend programs; and programs with maximum flexibility to respond to caregivers in times of crisis.

In FY 2000 the Office of Services to the Aging received \$5 million in tobacco settlement funds for caregiver respite. In keeping with the state's Long Term Care Initiative, these funds were distributed to Area Agencies on Aging and waiver agents to provide caregiving respite to families not served by other programs. **In FY 2001, 1,878 people received respite care through this program, and 228,401 units of service were provided.** Eligible recipients are individuals aged 18 and older who meet OSA's respite care service standard.

Michigan's experience parallels that of the National Long Term Care Survey (1994) that found:

- 95% of elders living in the community and needing assistance have family members involved in their care.
- 65% of the disabled older population receives assistance only from family and friends.
- Caregivers provide an average of 20 hours per week of assistance with the amount of time increasing as needs increase.
- Caregiving places an emotional strain and physical burden on the caregivers, often leading to the caregiver's functional decline.