Michigan Department of Human Services

Articles in Today's Clips

Wednesday, November 5, 2008

(Be sure to maximize your screen to read your clips)

Prepared by the DHS Office of Communications (517) 373-7394

***DHS cited in stories**

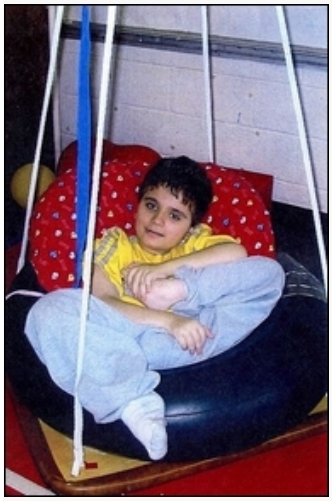
Subject	Page
Abuse-neglect*	2-6
Child welfare*	7-10
Homelessness	11-12
Interstate compact	13-14
Medicaid	15-18

The Detroit News detnews.com

Tuesday, November 4, 2008

$30M suit filed in death of boy

Legal action claims 9-year old was starved to death while in custody of state foster care home.



Doug Guthrie / The Detroit News

Johnny Dragomir, 9, went from 5 feet tall and 80 pounds to 40 pounds while in foster care. (Family photo)

DETROIT -- A quadriplegic 9-year-old, turned over to the state by a Dearborn mother who said she could no longer afford to care for him after losing her job, starved to death while in a Department of Human Services supervised care facility, according to a $30 million lawsuit filed Monday in Wayne Circuit Court.

Johnny Dragomir was found dead on March 9, 2007, beside his bed in the Monroe Foster Home, 20600 Orangelawn, according to the lawsuit. An autopsy found no food or liquid in the boy's stomach and the Wayne County Medical Examiner's report listed malnutrition as the cause of his death.

The boy had withered from 5 feet tall and 80 pounds to 40 pounds while in the foster home, according to Arnold Reed, the lawyer who filed the lawsuit against operators of the home and numerous others, including a registered nurse, dietician and the company contracted by Wayne County to oversee foster placements. Reed said state officials also will be sued next week in a companion complaint in federal district court.

"I wouldn't stop complaining and I got barred from seeing him, because I was irrational," said the boy's mother, Elena Andron, 32. "I thought I was doing what I had to do. I didn't see him for four or five months. When I identified him in the morgue, it didn't look like my son any more."

Dragomir was born with cerebral palsy. Andron placed him in the care of the state two years ago after she lost her job. She said she continued to visit her son after he was placed at the Monroe Foster Home by Community Living Services Inc., which is funded by the Detroit-Wayne County Community Mental Health Agency to provide services to almost 3,000 adults and children. "She might not have been able to care for him on her own, but at least she cared about him and when she started calling four times a day because he was losing so much weight," Reed said. "They prevented her from seeing her son ... Meanwhile, he's dying a slow, steady death."

Reed said those entrusted with planning and overseeing the boy's care failed to make certain he was fed. Documents show that between Jan. 29, 2006, and March 9, 2007, the boy's feeding chart had 500 blank entries indicating his caregivers were aware he wasn't eating, Reed said. Other documents cited in the lawsuit indicate concerns about the youth's plummeting weight, but Reed claims no one acted on those concerns.

Gisgie Davila Gendreau, spokeswoman for the state Department of Human Services, said there is an open investigation of the incident, but added she was prevented from saying anything more because of laws that guard against the release of information about children in foster care.

Although Reed said the foster home closed shorty after Dragomir's death, the state continues to show an active license that was authorized in December 2002. The News was unable to reach representatives of the foster home or Community Living Services for comment.

The state's child and protective care services were placed last month under the supervision of a court-appointed monitor to settle a class-action lawsuit brought in 2006 by a national children's advocacy group that complained Michigan's foster care system was broken and harming kids.

Find this article at:
http://www.detnews.com/apps/pbcs.dll/article?AID=/20081104/METRO/811040368

November 5, 2008

Mom sues over 9-year-old's death in foster care in Wayne County court

$30-million suit claims her son starved

BY TAMMY STABLES BATTAGLIA
FREE PRESS STAFF WRITER

After she lost her job as a factory worker, a Dearborn mother asked for help from the state to care for her quadriplegic son. But a year later, the 9-year-old boy was dead, and a $30-million lawsuit claims he starved to death while in supervised foster care.

A suit filed in Wayne County Circuit Court by Elena Andron alleges that workers at the Monroe Foster Home in Detroit -- including owner Mildred Monroe, a home manager, a registered nurse and a dietician -- failed to feed her son, Johnny Dragomir. The boy died in March 2007 of malnutrition, according to a county medical examiner's autopsy report.

Andron also alleges in the suit that the foster care home denied her contact with her son when she became insistent that he wasn't being cared for properly. "I would never ever want to see another child go through what my son went through," Andron, 32, told the Free Press on Tuesday.

"I feel guilty and responsible that if I didn't put him in there, he'd still be alive," she said.

A message left at Monroe Foster Home seeking comment was not returned.

Johnny couldn't talk or walk and was completely dependent on others, Andron said. The boy was 4 feet 11 and weighed 80 pounds when he moved to the home in February 2006, according to a report prepared after his death by the Detroit-Wayne County Community Mental Health Agency. Just before he died, he weighed 48 pounds, the report said.

But his teacher at Keidan School said that she didn't notice any "red flags" about his health, according to the report.

Michigan Department of Human Services spokeswoman Gisgie Davila Gendreau said Tuesday that the agency is investigating the case and the facility has an active foster-care license.

*Contact **TAMMY STABLES BATTAGLIA** at 313-223-4456.*

LSJ.com

Family sues home in death of boy, 9

DETROIT - The family of a 9-year-old boy with cerebral palsy who starved to death while in a Detroit foster home has sued its operators.

Elena Andron says she placed Johnny Dragomir in foster care because she lost her job and couldn't afford to care for her quadriplegic son.

Johnny died in bed March 9, 2007 at Monroe Foster Home. Family lawyer Arnold Reed says the 5-foot boy's weight dropped from 80 to 40 pounds while there.

Monday's suit Wayne County Circuit Court names several individuals and the foster care contractor Community Living Services Inc. Company spokeswoman Tiffany Devon declined comment Tuesday.

State Department of Human Services spokeswoman Davila Gendreau tells The Detroit News the death is under investigation.

Newsday.com

Michigan foster home sued over malnutrition death of 9-year-old cerebral palsy patient

dtnfonnet-dng

3:35 PM EST, November 4, 2008

DETROIT (AP) _ The family of a 9-year-old boy with cerebral palsy is suing the operators of a Detroit foster home where they say their son starved to death.

Elena Andron says she placed her son Johnny Dragomir in foster care because she had lost her job and couldn't afford to care for him.

Johnny died March 9, 2007 at Monroe Foster Home. Family lawyer Arnold Reed says the 5-foot boy's weight had dropped from 80 to 40 pounds.

The suit filed Monday names several individuals and foster care contractor Community Living Services Inc.

Company spokeswoman Tiffany Devon declined to comment Tuesday.

State Department of Human Services spokeswoman Davila Gendreau tells The Detroit News the boy's death is under investigation.

Copyright 2008 Associated Press. All rights reserved. This material may not be published, broadcast, rewritten, or redistributed.

Children's Home to close its residential doors

By Amy Salvagno
C & G Staff Writer

GROSSE POINTE WOODS — For 172 years, it has provided residential and respite care to children in and around the community, thanks to the generosity and support of donors, volunteers and a dedicated staff.

But now, the doors of the Children's Home of Detroit Cook Road campus are closing, a result of the current economic downturn, according to officials.

The CHD Board of Trustees made the decision Oct. 30 to close the residential program, which has provided multidisciplinary mental health services designed to address a child's emotional and behavioral problems.

"Times are difficult, but this is not a decision the board took lightly. We have a long history of providing services to children and families," said Lisa Mower Gandelot, director of development. "It's just a very profoundly sad situation."

CHD receives a per diem rate per child from the state, and also counts on grants, foundations and donations from individuals.

For the past year, the residential program has had a very low occupancy rate.

"While the Board has been dedicated to changing the lives of children, it recognizes that our residential program cannot be viable with a 30 percent occupancy rate indefinitely. Also, the current economic downturn has had a detrimental effect on the operating budget's funding our under-capacity residential program," wrote Executive Director William Steele in a letter that went out to CHD supporters.

The decision came within a year of closing a residential program in Warren. The five-acre site at Van Dyke and Chicago is for sale; however the board has not made a decision about the 13-acre Grosse Pointe Woods campus. The National Center for Trauma and Loss will continue to operate there. TLC has helped thousands of children and families through the work of teachers, social workers, firemen, doctors and countless others who have been trained to counsel and provide resource materials after a traumatic incident. Over the years, TLC has assisted in national tragedies, including Sept. 11 and Hurricane Katrina counseling.

Gandelot said CHD is currently working with the Michigan Department of Health and Human Services to safely relocate the children to other state-designated settings. Four left Nov. 3, following a banquet for the kids. Officials have until the end of the month to move the other 24 residents, whose ages range from 5-17.

"The overriding factor is to get them placed as soon as possible in the most appropriate and safe place. It's in

the children's best interest," she said.

The board will spend the following few months determining its next steps. Several staff members will likely be laid off.

"We have some staff that have been very dedicated to the children," said Gandelot. "It is very difficult."

You can reach Staff Writer Amy Salvagno at asalvagno@candgnews.com or at (586) 498-1037.

NCCPR Child Welfare Blog

UPDATED NOV. 5: Kinship care and the making of a President

http://nccpr.blogspot.com/2008/11/no-matter-who-wins-today.html

No matter who we voted for Tuesday, we all should be grateful for two things: First, let us be grateful that, when Barack Obama's mother decided she couldn't raise him for a while, no Child Protective Services agency ever got involved. And second, we should be glad that Marcia Lowry, founder and leader of the group that arrogantly calls itself "Children's Rights" (CR) was not suing the State of Hawaii from 1971 through 1979.

This was the time when Barack Obama was being raised by his grandmother who, so sadly, died Monday. Obama has said a great deal about how important Madelyn Payne Dunham was to him. On Tuesday, Obama made history – and odds are that wouldn't have happened had he not spent eight years living with Dunham in what now we would call informal kinship care.

But in those cases where, unlike Obama's, child protective services is involved, CR is trying to curb informal kinship care drastically. The group has decided that the magic bullet for foster care is *licensing*. So the group's latest crusade is trying to strong-arm states into requiring that every grandmother, grandfather, aunt, uncle or other relative who steps forward to care for a loved one whose parents are accused of maltreatment jumps through all the same hoops and meets all the same hypertechnical licensing requirements imposed on total strangers. With only limited exceptions, the CR rule would be: No license, no grandchild.

One laboratory for this awful experiment is Michigan, where CR won a consent decree requiring that all grandparents be licensed or obtain a waiver or "variance" from licensing requirements in order to be allowed to take in relatives placed by the state child welfare agency.

Of course there are certain bare minimum standards, directly related to health and safety, that every foster home should meet. But that's not what we're talking about here. Michigan's foster care licensing requirements run to ten single-spaced pages. They seem to assume that every foster parent owns her or his own home. Virtually everything under sections called "Maintenance," "Heat light and ventilation," "Flame and heat producing equipment," and "Bathrooms" would be out of the control of a renter. Are grandchildren going to be denied the right to live with grandparents because a landlord doesn't keep the bathroom hot water temperature under 120 degrees or put screens on every window?

There are 41 separate requirements just for bedrooms and their contents. There's also a requirement that every dwelling unit on a floor higher than the second have at least two means of egress. I don't know for sure, but odds are the 954-square-foot tenth floor apartment where Madelyn Payne Dunham raised her grandson wouldn't qualify.

In Michigan, grandparents like Dunham who want to take in a grandchild placed by the state child welfare agency must either move or obtain a waiver or variance. The consent decree has no language emphasizing that waivers and variances should be easy to get; and, given how bureaucracies work, odds are it's going to be a very difficult process, with workers fearful of making any exceptions lest they incur CRs wrath should something go wrong. And there's another problem: Especially in poor, minority communities where CPS agencies are viewed, often rightly, with suspicion, there are plenty of grandparents who simply are too scared to allow that agency to micromanage their lives.

Worse, these new requirements are retroactive. Grandparents who already are doing a wonderful job caring for their grandchildren, sometimes for many years, are going to have to get licensed. Michigan has a typically lousy child welfare system overall. But one area where the state shines is in placing an unusually large proportion of foster children with relatives. Now the state faces the very real prospect of a mass expulsion of children from the homes of loving grandparents.

On one level, when you look at all those regulations one at a time, many of them make sense. Odds are they were added, one by one, in response to one horror story or another. But, like so much else in child welfare, the licensing requirement for grandparents flunks the "balance of harms" test. Yes, it would be better if every apartment had two exits and the temperature of the hot water never reached 121 degrees. But that risk has to be balanced against the risks to children's emotional well-being – and, for that matter, physical safety – when they are deprived of the love of someone like Dunham and consigned to the care of total strangers instead.

These restrictions are particularly ironic in Michigan which has been rocked with one high-profile foster care death after another - Joshua Causey, Ricky Holland, Isaac Lethbridge, Allison Newman and now, in a case that just came to light Monday, Johnny Dragomir. These cases all have one thing in common: The children died in the licensed care of strangers. (In the latest case, there were no criminal charges, though a county medical examiner said the boy died of malnutrition).

Indeed, CRs primary justification for its war against grandparents isn't safety, it's money. Under federal regulations, unless a foster home is licensed, the state can't receive federal reimbursement for the case. And if it *is* licensed, the state must pay the grandparents as much as it does strangers, something most states don't do now. So CR would argue they're only trying to help.

That is in keeping with the way CR seems to see children: as numbers on a spreadsheet or files on a shelf. Those who see children as flesh-and-blood human beings, for whom the love of a grandparent is more important than meeting all 41 requirements for the bedroom in which they sleep, can think of other solutions – such as pressing to change the federal regulations or demanding that states simply reimburse grandparents the same way they reimburse strangers using state funds.

CRs licensing obsession makes so little sense that I have to wonder if deep down it's not motivated by the same suspicion of extended families that permeates less enlightened child welfare agencies – you know, "the apple doesn't fall far from the tree" and all that. In fact, the research is overwhelming that kinship care is not only more stable and better for children's well-being than what should properly be called "stranger care," it's also safer. Or, as one of the leading researchers in the field likes to put it: "Fortunately, trees have many branches."

So I hope making it easier for grandparents to take in their grandchildren is high on the agenda of the President-elect.

Posted by NATIONAL COALITION FOR CHILD PROTECTION REFORM at 6:43 AM

About NCCPR

The members of the National Coalition for Child Protection Reform have encountered the child welfare system in their professional capacities. Through NCCPR, we work to make that system better serve America's most vulnerable children by trying to change policies concerning child abuse, foster care and family preservation. NCCPR advocates for systemic reform. We regret that we cannot provide advice in dealing with individual cases. Unless other wise noted, posts to this blog are by Richard Wexler, NCCPR's Executive Director. For more about NCCPR, please visit our website, www.nccpr.org

GRAND TRAVERSE HERALD
http://www.gtherald.com/local/local_story_310081216.html

Homelessness is brought into focus

By LISA PERKINS
lperkins@record-eagle.com

November 05, 2008 08:35 am

TRAVERSE CITY -- There is no question that homelessness is on the rise in Grand Traverse County -- if the waiting lists for services at the Goodwill Inn are any indication.

Ken Homa, Goodwill director of housing services, will provide some answers to who, where and why, when the Goodwill Inn hosts two community information sessions on homelessness from 4 to 5 p.m. and 6 to 7 p.m. Monday at the Traverse Area District Library.

"We are the last place that anyone wants to be," said Homa, who has seen a significant increase in the number of people who come to the largest homeless shelter in northern Michigan seeking assistance.

In the past three months, The Goodwill Inn has reached an all-time high of 94 residents -- full capacity -- with waiting lists for families and single men still in need of temporary housing. In the same time period, a 285 percent increase in requests for assistance in other essential needs stretches the limits of the Goodwill Inn's ability to provide critical services.

This year the Inn will provide shelter, food and basic necessities to more than 760 children, families, men and women and more than 45,000 meals to shelter residents as well as assist an additional 2,300 community members in need of food and basic necessities.

"There has also been a significant increase in people coming to us who have lost their job, and many with more than one issue confronting them -- their job, health issues, transportation and affordable housing," Homa said.

"They have a lot facing them," said Homa, who hopes to confront some of the issues that contribute to homelessness in Grand Traverse County during the community information sessions.

In addition to an overview of homelessness in the Grand Traverse Area, the sessions will focus on chronic homelessness and identifying what is behind it and look at the increase in the number of families in need of temporary housing solutions.

The Goodwill Inn, providing services since 1986, supplies emergency housing, food, clothing and basic necessities to fill immediate needs. Through Goodwill Industries' Community Support Services, a variety of specialized programs and assistance help get residents back on their feet.

The Goodwill Inn's annual food and essentials drive is planned for 8 a.m. to 6 p.m. Nov. 13 through Nov. 15 and from 11 a.m. to 5 p.m. Nov. 16 at Brown Lumber, 1701 S. Airport Road in Traverse City. Donations of non-perishable food and essentials will benefit area individuals in need. Meijer gift cards will be matched by Meijer up to $1,000.

For details, visit www.goodwillinn.org or call 995-7737.

Copyright © 1999-2008 cnhi, inc.

Photos

An increase in homelessness has stetched the limits of the Goodwill Inn's ability to provide critical services. Record-Eagle

The Detroit News detnews.com

PRINT THIS

Wednesday, November 5, 2008

Commentary

Reform state compact to reunite families

Vivek Sankaran

Today, Ann Arbor's Kali Vickery lives happily with her 13-year-old son who, for five months, remained captive in a Florida group home due to the application of an obscure agreement governing the placement of foster children across state lines. Although the nightmare is over for Vickery, for thousands of other parents and relatives around Michigan and throughout the country, there's no end in sight.

In July, Vickery picked up her teenage son from a group home in Florida. He had been in foster care ever since his father, with whom he'd been living, was arrested in Florida last February.

A court quickly found Kali Vickery to be a "nonoffending parent," which would have been enough to award her immediate custody and spare her son a foster care nightmare -- provided she, like her son, was a resident of Florida.

But because she lives in Ann Arbor, the provisions of the Interstate Compact on the Placement of Children took over while her son languished almost half a year in a home full of strangers.

Vickery and her son are only the latest illustration of the compact's many shortcomings. Enacted in the 1950s by every state -- and with the best of intentions -- the compact prohibits a state from sending a foster child to live with a family member in a different state without first obtaining approval from the second state's child welfare agency.

But before that approval can be granted, the second state must assess whether the placement is contrary to the child's interest. If the agency in the second state denies approval, the compact also prohibits judges from overriding that decision.

The compact has sown enormous confusion and lengthy delays. Desperate parents and relatives -- like Kali Vickery -- are forced to wait for months and sometimes longer for the receiving state to complete home studies and rescue their children from foster care, emergency shelters, or group homes.

Meanwhile, the trauma already suffered by the children is magnified, and the meter keeps on spinning for taxpayers who fund emergency placements.

Even when the compact is functioning as it should, subjectivity pervades decisions on whether to approve an interstate home study. Case workers determine whether a placement would be contrary to the child's interests, an inherently subjective standard. What one person considers an appropriate home, another may find objectionable. Shockingly, in 2007, more than 50 percent of the 359 home studies requested by the state of Michigan were rejected.

Often, mere suspicions, allegations and rumors constitute the sole reason for a denial. And because courts

are explicitly prohibited from reviewing decisions by state agencies to deny a home study, and because the overwhelming majority of states have failed to establish any administrative review processes, families end up completely deprived of due process while their children remain with strangers.

Immediate, drastic reform is necessary -- and Michigan should lead the way.

To its credit, the American Public Human Services Association, which administers the compact on behalf of the states, recognizes problems with the agreement and has proposed changes, which it is actively lobbying state legislatures to enact.

But the changes do nothing to address the primary flaws noted above -- lengthy delays in the home study process, subjective decision-making and the absence of due process.

Successful reform must include two major components.

First, juvenile court judges, at all times, must retain the authority to make interstate placement decisions based on applicable legal standards, regardless of whether the home study has been completed or has been denied. That authority will improve decision-making by ensuring that decisions are informed and individualized to the unique considerations of a specific case.

Second, the compact must contain enforceable time limits for the completion of interstate home studies. At a minimum, that should be the 60-day deadline mandated by federal law, but if the potential placement is with a birth parent, much more expedited time frames are constitutionally required.

Vickery's son is home, finally, with his mother. But not all children are as lucky. The state of Michigan must demonstrate the leadership necessary to prevent the needless separation of children in foster care from their families.

Our children are waiting.

Vivek Sankaran is a clinical assistant professor of law at the University of Michigan Law School and a national expert on foster care issues. E-mail comments to letters@detnews.com.

Find this article at:
http://www.detnews.com/apps/pbcs.dll/article?AID=/20081105/OPINION01/811050309

Check the box to include the list of links referenced in the article.

© Copyright 2008 The Detroit News. All rights reserved.

November 4, 2008

Pontiac hospital is reopened

Medicaid budget bailout angers St. Joseph's CEO

BY PATRICIA ANSTETT
FREE PRESS MEDICAL WRITER

North Oakland Medical Centers, a 336-bed Pontiac hospital that closed last week, has reopened for business, with last-minute promises of a $5.7-million bailout from Michigan's Medicaid budget.

The bailout angered a nearby Pontiac hospital chief.

"Unbelievable," said Jack Weiner, president and CEO of St. Joseph Mercy Oakland, also in Pontiac. Hospital administrators "all are sitting here saying that the amount of money Medicaid gives to hospitals is less than our costs. I find it amazing they'd give that money away to a brand-new entity, especially a for-profit physicians group."

A large group of doctors, the Oakland Physicians Medical Center LLC, hopes to complete purchase of the hospital Thursday for $9 million. The hospital reopened Saturday and plans to call back some of its 800 workers as needed.

The money would include $5 million from McLaren Health Care of Flint; $2.5 million from the doctors and the rest from the state of Michigan, said Mike DeRubeis, interim CEO of North Oakland.

Michigan's Medicaid chief Paul Reinhart took issue with the characterization that the state money will be used to buy a hospital.

The money to North Oakland will "keep the doors open," save jobs and serve patients, Reinhart said.

There are no state or federal rules that prohibit giving the money to a for-profit entity, added James McCurtis, spokesman for the Michigan Department of Community Health. He also said the state Monday assigned a staffer to analyze the hospital's finances to ensure "things are running properly."

The money comes from a $440-million Medicaid fund that helps hospitals that serve poor people offset losses from that care.

McLaren Health Care spokesman Kevin Tompkins said the health system, which last year bought POH Regional Medical Center, another large Pontiac hospital, is investing in North Oakland because "we live in that community" and wants to save many of the hospital's 800 jobs. McLaren remains open to entering into a contractual agreement with North Oakland to help it manage care, Tompkins said.

He denied that McLaren's motive is to keep North Oakland open long enough to convince the state Legislature to approve an exception to the state Certificate of Need regulations prohibiting McLaren from moving the 338-bed POH hospital to Clarkston, where it is building a state-of-the-art medical campus.

But Weiner said McLaren has lobbyists trying to win legislative votes to move POH. He called the McLaren investment in North Oakland "a game to do something else."

McLaren has been stalled on its hopes of building a 100- to 200-bed hospital in Clarkston because of CON rules that prohibit moving a hospital to another urban location more than two miles away.

In the last five years, both St. John Health and the Henry Ford Health System went directly to the

Legislature for approval of new hospitals in Oakland County, after failing to convince the CON commission to allow them to build the hospitals by transferring beds from their other facilities.

St. John's Novi hospital opened in August; Ford's West Bloomfield facility is scheduled to open in the spring.

Weiner said that if POH moves and NOMC eventually closes, as it could, given its financial problems, "the real problem for us is if both hospitals go away, I won't have enough capacity to ... take care of all the people in Pontiac."

Weiner also questioned whether many of North Oakland's 800 jobs will be saved. He and a labor union for North Oakland workers say fewer than half of the jobs will be saved.

North Oakland, which opened in 1910, is Oakland County's oldest hospital. It has been losing money in recent years as its patient volume dropped significantly, while those numbers increased at Pontiac's two other hospitals. It received $288,000 from the special Medicaid fund last year and will get $1.9 million a month for three months toward the care of indigent patients.

St. Joseph, which also serves a large number of uninsured and underinsured patients, received $1.03 million in disproportionate share funds in fiscal 2008. Last year, it spent $3.6 million on free care; wrote off $14.4 million in bad debt and incurred $8.9 million in Medicaid losses.

*Contact **PATRICIA ANSTETT** at 313-222-5021 or panstett@freepress.com.*

---

mlive.com
Everything Michigan

The Saginaw News

Health tax defeat to hit poor hard

Wednesday, November 05, 2008

JILL ARMENTROUT

THE SAGINAW NEWS

Poor cancer patients and those with heart disease will clog hospital emergency rooms for treatment after Saginaw County voters nixed a tax to provide them with health care, supporters say.

With defeat of an eight-year, 1-mill levy to support the Saginaw Health Plan in Tuesday's general election, plan leaders said 2,500 people now covered will lose basic health care at a rate of 60 per day.

Enrollment will drop to about 850 adults with the lowest income levels, said Linda Hamacher, executive director of the Saginaw Health Plan.

"Getting down to that level will be very painful," she said. "It will be heart-wrenching."

The defeat also cancels the county's Tri-Share Program, which helps small businesses and employees share the cost of a basic health care plan with the county.

The final vote totals: 49,821(53 percent) no and 44,482 (47 percent) yes.

The health plan covers adult county residents who can't afford to buy private health insurance but don't qualify for Medicaid.

"We will do our best to find medical homes for these people," Hamacher said. "We have cancer patients, heart failure patients, but we will do our best. The bottom line is they will end up in the county's emergency rooms."

Steve D. Walters, president of the health plan board of directors and executive director of the primary care network for St. Mary's of Michigan, said he was disappointed.

"There is a huge need in the community we were hoping to meet," he said.

Curtis D. Hall, 43, of Chesaning provides in-home care for a disabled friend, but doesn't make enough to pay for his own health care, he said. He's been on the health plan since 2003.

"I don't go to the doctor on a regular basis, but now that I'm in my 40s I should worry more about screenings," he said.

The tax would have generated about $5 million and brought in $1.2 million in federal matching funds in its first year, while costing the owner of a $100,000 home about $50 a year.

The health plan had generated more than $1 million a year in federal matching funds based on about $1 million the county spends on services at the Saginaw County Department of Public Health, which contracts with the health plan.

But the plan will receive about a $500,000 match next year, Hamacher said, because the services eligible for federal matching have changed.

"We were using our reserves, but as costs have gone up and demand increased, we are maxing out. We used $2.3 million in reserves this year," she said.

"We will keep fighting for this and for affordable health care. ... These people need help now."

Health Delivery Inc., 501 Lapeer in Saginaw, is a federally subsidized medical agency that services residents with little or no insurance. President and Chief Executive Officer David R. Gamez said he is disappointed.

"We are gearing up because we know we will have more patients come to us," said Gamez whose organization has about 300 employees and treats 45,000 patients at its eight locations, drawing residents from 14 counties.

"But our doors are still open."

The Michigan Health & Hospital Association of Lansing represents and serves all types of hospitals, health care networks, and their patients and communities.

Spokesman Kevin Downey said it never bodes well for needy medical patients when taxes of this sort fail.

"When these types of measures aren't passed it certainly reduces access to health care and that is never good," he said.

The Saginaw County Board of Commissioners voted 9-6 to put the proposal on the November ballot.

During the health plan's campaign, Commissioner Patrick A. Wurtzel, a Thomas Township Republican voted against the tax saying he was "far from being convinced" it would "help the poorest of the poor. You cannot fix an issue by throwing money at it."

Since 2001, the plan has helped 18,000 low-income residents find basic health care.

In January, income eligibility dropped from $15,200 a year for an individual to $9,800 a year. Leaders already were turning away hundreds of current members and new applicants each month, Hamacher said.

With the tax, eligibility could have increased to individuals with incomes up to $17,500.

The tax was to fund current services -- including doctor visits, prescriptions, lab tests and X-rays -- for 7,200 legal Saginaw County residents 19 to 64, and add more preventative care and discounted prescriptions for seniors.

But the plan is not insurance and does not pay for hospital or other inpatient services.

It can't help Hall pay $40,000 in hospital bills he racked up having surgery to remove his appendix and treat a bowel infection, he said. He is legally blind, he said, but has no coverage for glasses or for dental care.

"This issue doesn't end with a yea or nay vote on this proposal," said Robert A. Wizner, 56, of Hemlock, who turned to the health plan in 2004 after he lost a department manager job with Perfection Bakeries Inc. in Saginaw, where he'd worked for 32 years.

"This will continue until something better comes along for health care. This plan is only a short-term fix. It won't do anything for any long period of time. The doctor wanted me to have a test that isn't covered by the plan, so I live with it." v

Jill Armentrout is health reporter for The Saginaw News. You may reach her at 776-9681 or e-mail her at jarmentrout@thesaginawnews.com.

©2008

© 2008 Michigan Live. All Rights Reserved.