

REPORT ON ALL POLICY CHANGES IMPLEMENTED

(FY2009 Appropriation Bill - Public Act 246 of 2008)

April 1, 2009

Section 215: (1) The department shall report to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies by no later than April 1, 2009 on each specific policy change made by the department to implement a public act affecting that department that took effect during the preceding calendar year. (2) Funds appropriated in part 1 shall not be used by the department to adopt a rule that will apply to a small business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240. (3) As used in this section: (a) "Rule" means that term as defined under section 7 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207. (b) "Small business" means that term as defined under section 7a of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207a.

*Michigan Department
of Community Health*



Jennifer M. Granholm, Governor
Janet Olszewski, Director

**MDCH REPORT TO THE LEGISLATURE
PURSUANT TO SECTION 215 OF P.A. 246 OF 2008
April 1, 2009**

Accordingly, DCH policy changes undertaken to implement 2008 Public Acts include the following:

A. Quality Assurance Assessment Program (QAAP):

Background:

In recent years, Michigan established the Quality Assurance Assessment Program (QAAP) as a mechanism to leverage additional Medicaid matching funds. By doing so, it allowed the state to implement a Medicaid rate increase to hospitals, nursing homes, and managed care organizations. Implemented in 2002, this type of assessment to health care providers was able to finance an increase in the amount paid to Medicaid providers, while at the same time offsetting the state GF/GP revenues necessary to support the program.

The following Public Acts relate to QAAP revenue:

(1) **P.A. 283** of 2008 (HB 5249) Medicaid HMO & Specialty Plans
Amend section 224b of the Insurance Code to revise the fee collection for the quality assurance assessment program. NO POLICY CHANGE REQUIRED BY THE DEPARTMENT

(2) **P.A. 277** of 2008 (HB 5834) extended the sunset on the hospital QAAP from September 30, 2009, to September 30, 2010, and increased the amount of hospital QAAP revenue retained by the state from \$66.4 million in FY 2007-08 to \$81.4 million, to reflect the FY 2007-08 expansion of the pass-through via HMOs to the hospitals. NO POLICY CHANGE REQUIRED BY THE DEPARTMENT

B. P.A. 47 of 2008 (SB 0667) Clerk Marriage Authority
Amend Chapter 51 Marriage (R.S. of 1846 - chapter 83 "of marriage and the solemnization of "(MCL 551.7) to allow county clerks to perform marriages in other counties. NO POLICY CHANGE REQUIRED BY THE DEPARTMENT

C. P.A. 43 of 2008 (SB 0082) Child Car Seats
Amend the Michigan Vehicle Code to require use of child safety restraint system or booster seats for children under age 8. NO POLICY CHANGE REQUIRED BY THE DEPARTMENT

D. P.A. 331 of 2008 (HB 5828) Posthumous Adoptions
This Act added Sec. 56a, Chapter X to the Probate Code and repeals the section after an order for adoption is issued under the section. Policy change prohibited Medicaid payments for the adoption under the social welfare act, effective December 18, 2008. However, as the section was repealed immediately after an order for adoption was issued, NO POLICY CHANGE REQUIRED BY THE DEPARTMENT.

E. P.A. 124 of 2008 (SB 0716) Medical Records

This Act amended section 3 of the Medical Records Access Act (333.26263) to revise medical records access. The Act affects health care providers and hospital/health care facility policies that govern access to medical records. A health facility or agency must comply with the Medical Records Access Act. This code allows the Department of Community Health to investigate activities related to the practice of a health profession by a licensee, registrant, or an applicant for licensure or registration. Findings are reported to an appropriate disciplinary subcommittee. The disciplinary subcommittee must impose sanctions for specified violations. A violation of the Medical Records Access Act would be grounds for a reprimand; license or registration probation, denial, suspension, revocation, or limitation; restitution; community service; or a fine. NO POLICY CHANGE REQUIRED BY THE DEPARTMENT.

F. P.A. 294 of 2008 (SB 1304) Hospital Funding

This Act amended 331.33(Hospitals) to allow public hospital funding under hospital finance authority act, but not to include any facility owned by Corrections, federal VA, or DCH. The Act amended the Hospital Financing Authority Act to include public facilities along with nonpublic corporations in the definition of “hospital”, and exclude specific facilities from the definition that are those owned by the Department of Corrections, the Department of Community Health, or by the federal Veterans Administration. Addition of public hospitals to the Hospital Finance Authority Act codifies how the Authority administers the distribution of funding, and permits public hospitals to receive this funding. NO POLICY CHANGE REQUIRED BY THE DEPARTMENT.

G. P.A. 421 of 2008 (SB 1622) Medicaid Fraud

This Act amended the Medicaid False Claims Act at 400.607 and 400.612 to revise liability and penalties for Medicaid fraud. NO POLICY CHANGE REQUIRED BY THE DEPARTMENT.

H. H.P.V. Information

(1) P.A. 120 of 2008 (SB 0415)

This Act added section 9205b to the public health code to require the Department of Education to provide information regarding risks and availability to schools of human papillomavirus immunization. NO POLICY CHANGE REQUIRED BY THE DEPARTMENT.

(2) P.A. 121 of 2008 (HB 5322)

This Act amended the Revised School code at 380.1177a to require the Departments of Education and Community Health to provide information to those school boards that disseminate school health information materials concerning human papillomavirus and HPV immunization. NO POLICY CHANGE REQUIRED BY THE DEPARTMENT. Since the DOE website may be utilized

for this effort, the Department *implemented this requirement* when the Bureau of Epidemiology supplied appropriate information for inclusion on its website:

http://www.michigan.gov/documents/mdch/HPV_MCV_SchoolLaw08.v.3_238866_7.pdf

I. Funds

(1) P.A. 396 of 2008 (HB 5355) Crime Victim Fund

This Act amended the Crime Victim Rights Services Act (PA 196 of 1989) to expand the statutory funding responsibilities of the Crime Victim Rights Fund beyond crime victim rights. Until October 1, 2009, any additional excess revenue not used for victim compensation may be used to provide expanded services provided by the Departments of Human Services and State Police through administration of the fund by the State Treasury. **NO POLICY CHANGE REQUIRED BY THE DEPARTMENT.**

(2) P.A. 134 of 2007 (SB 0348) and **P.A. 135** of 2007 (SB 16) created the Amanda's Fund for Breast Cancer Research and the Prostate Cancer Research Fund respectively in the department. Both P.A. 134 and P.A. 135 are contingent upon revenue generated by the 2008 income tax check-off enacted with P.A. 133 of 2007. As tax revenue for 2008 has not been fully credited to these funds by Treasury, program status of the funds is not yet available. **NO POLICY CHANGE REQUIRED BY THE DEPARTMENT.**

(3) P.A. 282 of 2008 (HB 6059) Compulsive Gaming Prevention Fund

Background: The Compulsive Gaming Prevention Act established a fund in the Department of Treasury, administered by DCH for pathological gamblers treatment, prevention purposes, and to fund the toll-free hotline. Under, MCL 432.212a, each Detroit casino licensee is required to pay an annual assessment fee for which, \$2,000,000 must be deposited in the state's Compulsive Gaming Prevention Fund to be used exclusively for the treatment, prevention, education, training, research, and evaluation of pathological gamblers and their families, as determined by the director of the Michigan Department of Community Health.

Formerly, \$40,000 of the fund disbursements were directed to the domestic abuse council through administration of the fund by the State Treasury. Fund revenues have exceeded expenditures in the last fiscal year by approximately \$1.3 and have allowed for a carry-forward balance of the fund to \$3.56 million. Revenue also exceeded expenditures in earlier fiscal years.

P.A. 282 increased disbursements to \$1 M and directs them instead to the Domestic Violence & Treatment Board within DHS through administration of the fund by the State Treasury. Remainder of the funds will continue to be distributed by DCH for gamblers treatment and prevention purposes. **NO POLICY CHANGE REQUIRED BY THE DEPARTMENT.**

J. Licensing

P.A. 368 of 2008 (HB 4146) Tanning Facilities

This Act added part 134 and repeals section 333.13407 to the public health code to require tanning facilities to provide information about safe tanning practices to its patrons, and obtain a signed statement from the patrons of the risks associated with tanning.

Monitoring for compliance and injury reports will be undertaken by local health departments. NO POLICY CHANGE REQUIRED BY THE DEPARTMENT.

K. Lead

Three public acts took effect on March 20, 2008 to prohibit the sale and manufacture of toys and child care articles containing more than 0.06 percent lead by weight, prohibit the sale of most lunchboxes containing lead, and create penalties:

- (1) **P.A. 159 of 2007** (SB 174) prohibits the manufacture, sale or exchange of toys with lead content in excess of federal regulation.
- (2) **P.A. 160 of 2007** (HB 4399) prohibits the sale of lead-based lunch boxes, and
- (3) **P.A. 161 of 2007** (HB 4132) prohibits a person from using or applying any such lead bearing substance in or on children's jewelry.

NO POLICY CHANGE REQUIRED BY THE DEPARTMENT. The Department has continued current activities of educating the public along with a greater emphasis of the need to include screening for lead in toys, jewelry, etc. Information on lead contaminated items, including recalls has also been included on the Department's web site by staff from the Bureaus of Epidemiology and of Family, Maternal and Child Health.

L. P.A. 45 of 2008 (HB 4763) Volunteer Painting

Background:

The Lead Abatement Act (Part 54A of the Public Health Code) was amended by the act to exclude from the definition of "abatement" certain activities performed by volunteers neighborhood groups and other non profits that do certain lead remediation work. The Department will recognize the distinction recognized in the Act, but NO POLICY CHANGE REQUIRED BY THE DEPARTMENT.

M. Uniform Anatomical Gift

Background:

The original Uniform Anatomical Gift Law was written by the National Conference of Commissioners on Uniform State Laws (NCCUSL) in 1968 and adopted by all 50 states. The model act was revised and updated over twenty years ago, but only 26 states adopted the new version. In 2006, further changes were instituted with the Revised Uniform Anatomical Gift Law. As a result, **P.A. 39** of 2008 (HB 4940) replaced provisions of the earlier Michigan law to create the Uniform Anatomical Gift Act. Other Public Acts made technical changes to conform current statutes to revisions made with P.A. 39:

(1) **P.A. 40** of 2008 (HB 4941) provided amendments regarding the revised uniform anatomical gift act in the personal identification card law (MCL 28.292).

(2) **P.A. 41** of 2008 (HB 4945) provided amendments regarding revised uniform anatomical gift act in estates and protected individual's code.

(3) **P.A. 36** of 2008 (SB 0712) provided for amendments regarding revised uniform anatomical gift act in vehicle code (MCL257.307 and 257.310).

(4) **P.A. 37** of 2008 (SB 0713) enacted sentencing guidelines in the penal code at CL 777.13n for certain violations of the revised uniform anatomical gift act.

(5) **P.A. 38** of 2008 (SB 0714) provided for amendments regarding revised uniform anatomical gift act in the county medical examiner law in Chapter 52.

NO POLICY CHANGE REQUIRED BY THE DEPARTMENT. The Michigan Organ & Tissue Donation Program is administered by *Gift of Life*.

N. Background Checks

Background:

The health facility criminal background check program was established under Public Act 28 of 2006. Background checks for employees at health facilities are presently paid for by the state using a combination of a federal grant and restricted dollars to cover the costs of these checks. As a result, the Office of State Budget proposed, and the Senate and House Appropriations Committees approved, transfers in excess restricted revenue to support the program.

(1) **P.A. 173** of 2008 (HB 4840) permitted the department to use unreserved balances from licensing fees and assessments of health facilities to support the background check program. The Act freed up revenue necessary to implement the May 2008 transfer.

(2) **P.A. 277** of 2008 (HB 5834) allowed the department to retain the unreserved fund balance in fees and assessments to support the nursing home background check program, and allowed the May 2008 transfer of \$1.8 million to support the program to take effect.

NO POLICY CHANGES WERE REQUIRED BY THE DEPARTMENT.

(3) **P.A. 123** of 2008 (SB 1161) eliminated references to the pilot project, delayed the deadline by which employees of specified types of health facilities and agencies must submit fingerprints to the Michigan State Police (MSP) for a background check to April 1, 2009, and provided for maintenance of the web site by both DCH and MSP.

(4) Public Acts 443 and 445 of 2008 ((HB 6056 & HB 6057) further extended the deadline for exempt employee fingerprinting to April 1, 2011.

POLICY CHANGE: The April 1, 2009 date (now extended to April of 2011) is so indicated on the Michigan Long Term Care Partnership Workforce Background Check web site found at <http://www.miltcpartnership.org/>. This web site is currently maintained by both DCH and MSP.