



Policy and Planning Fiscal Year 2014

Presentation to House Appropriations Subcommittee on Community Health
February 27, 2013

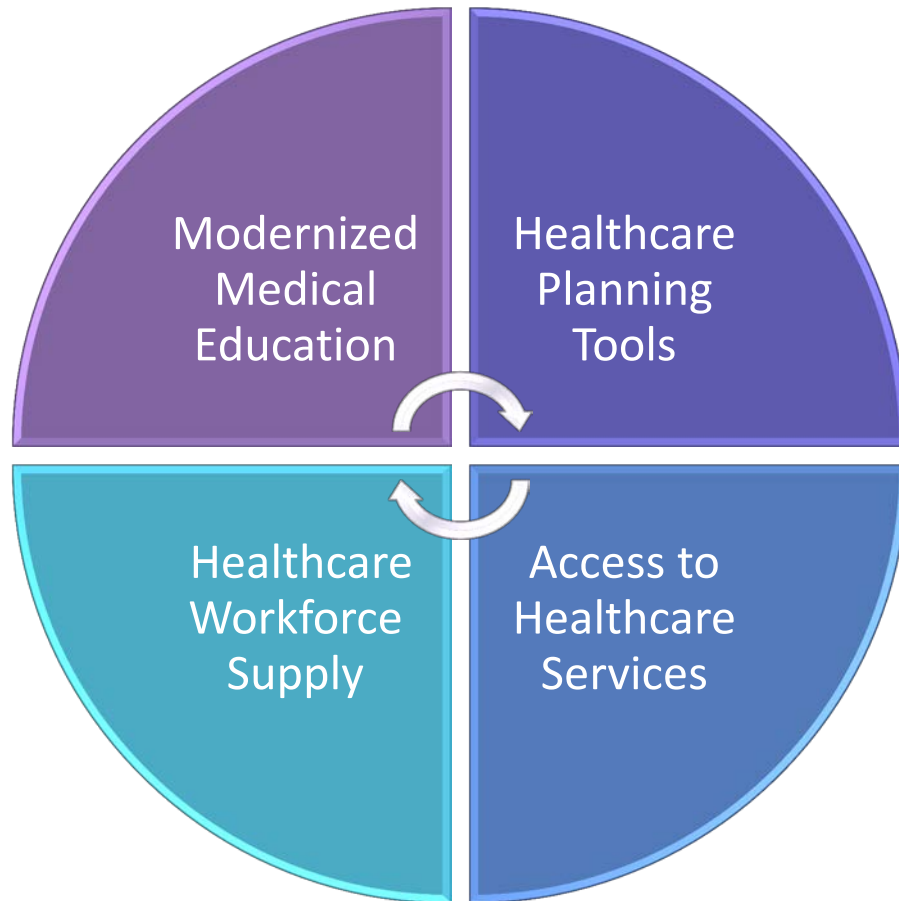
James K. Haveman, MDCH Director
Melanie Brim, Senior Deputy, Policy and Planning
Tim Becker, Senior Deputy, Operations

Core Functions



Planning & Access to Care

Four Goals Focused on Strengthening Michigan's Healthcare Safety net



Planning & Access to Care

Core Activities Aligned with Goals

- **Increasing the Healthcare Workforce**
 - Provides student loan repayment for primary care providers located in underserved areas of Michigan
 - Disseminates best practice in provider recruitment & retention strategies
 - Supports the retention of international medical graduates
 - Performs studies to assess the supply and demand of the healthcare workforce
 - Markets federal and state recruitment and retention programs
- **Modernizing Health Education**
 - Supports “interprofessional medical education” models with multiple pilots throughout the state

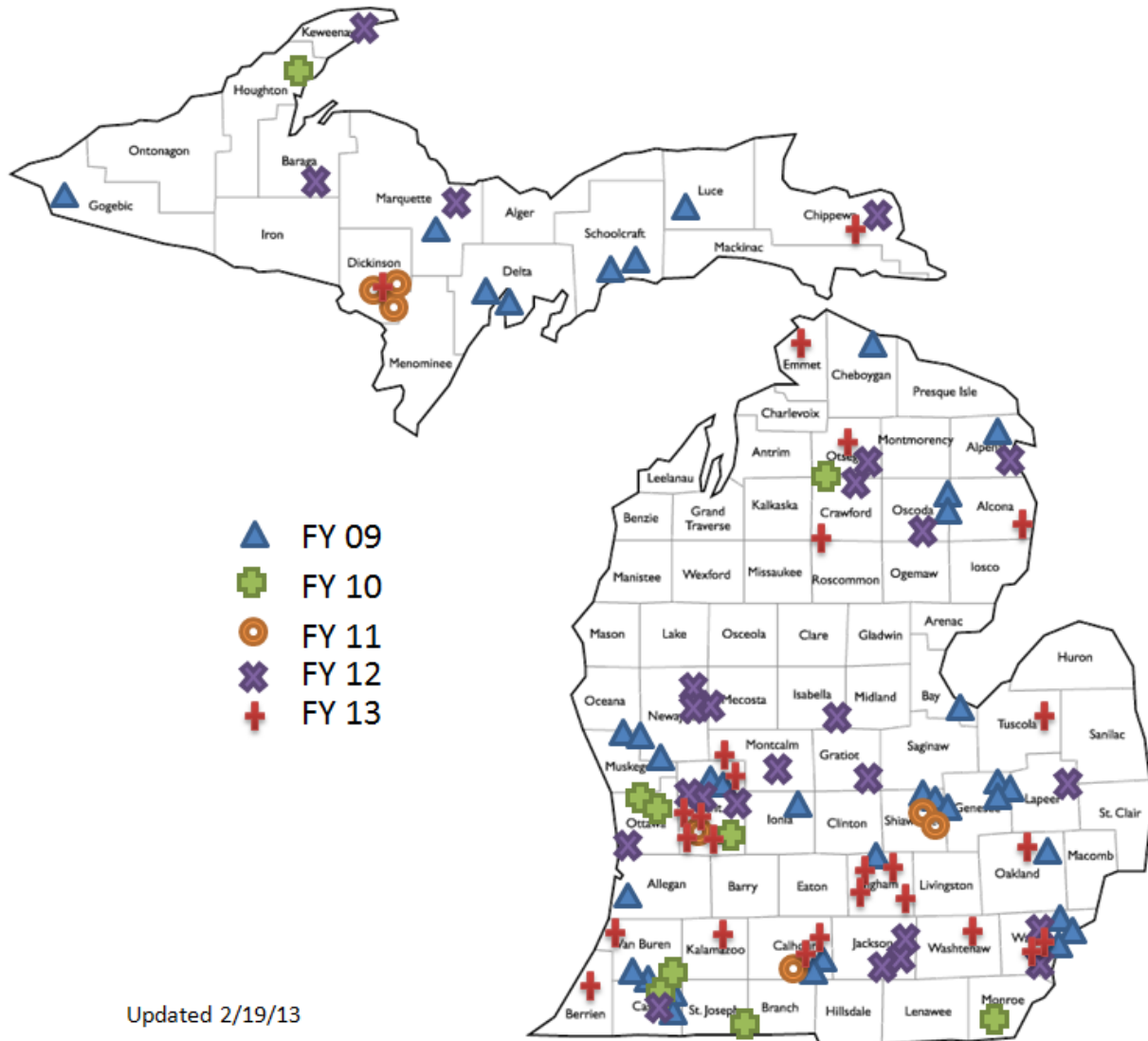
Planning & Access to Care

Core Activities Aligned with Goals

- **Ensuring Access to Services Meets Demand**
 - Supports the development of community health centers
 - Provides federal funds to Michigan's free clinics
 - Manages the State Office for Rural Health
 - Designs programs for Critical Access Hospitals
- **Creating Health Planning Tools**
 - Provides research for the designation and re-designation of healthcare shortage areas
 - Annual report on the characteristics of the uninsured in Michigan
 - Disseminates the annual County Health Rankings & statewide critical health indicators

Planning & Access to Care

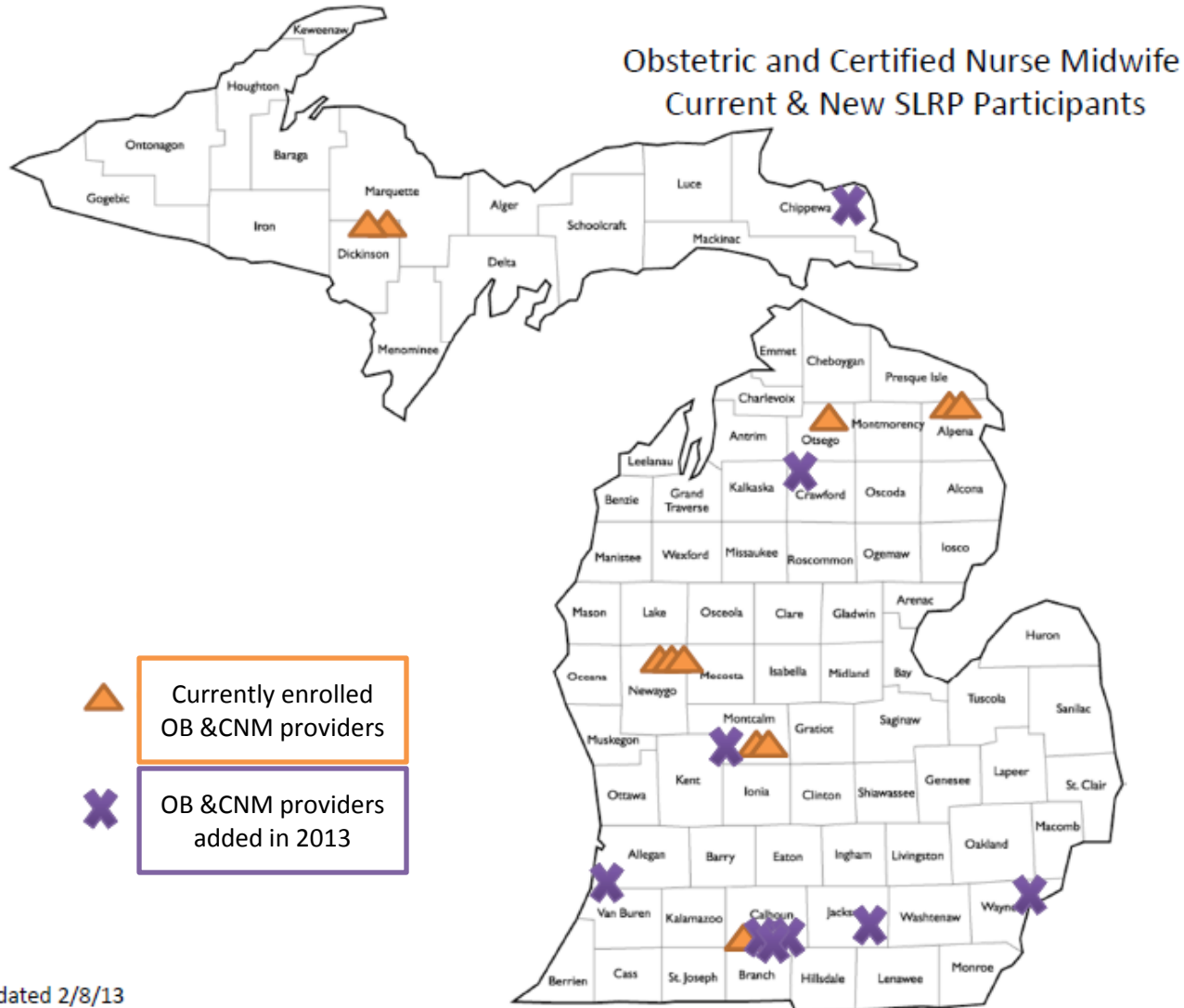
Focus: State Loan Repayment Program (SLRP) placements FY09-13



Updated 2/19/13

Planning & Access to Care

Focus: Obstetric Services in the State Loan Repayment Program (SLRP)



Currently enrolled
OB & CNM providers



OB & CNM providers
added in 2013

Updated 2/8/13

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Michigan's Healthcare Safety Net Quick Statistics 2012-2013

452

Providers currently receiving federal and state loan repayment for serving in health professional shortage areas as supported by MDCH

83

International medical graduates able to serve MI citizens through the J1 Visa waiver or National Interest Waiver as recommended by MDCH

31

Federally Qualified Health Centers and Community Health Centers, rural health clinics, school based clinics new or expanded this year with support from MDCH

328

Federally Qualified Health Centers and Community Health Centers, rural health clinics, school based clinics operating this year with assistance from MDCH

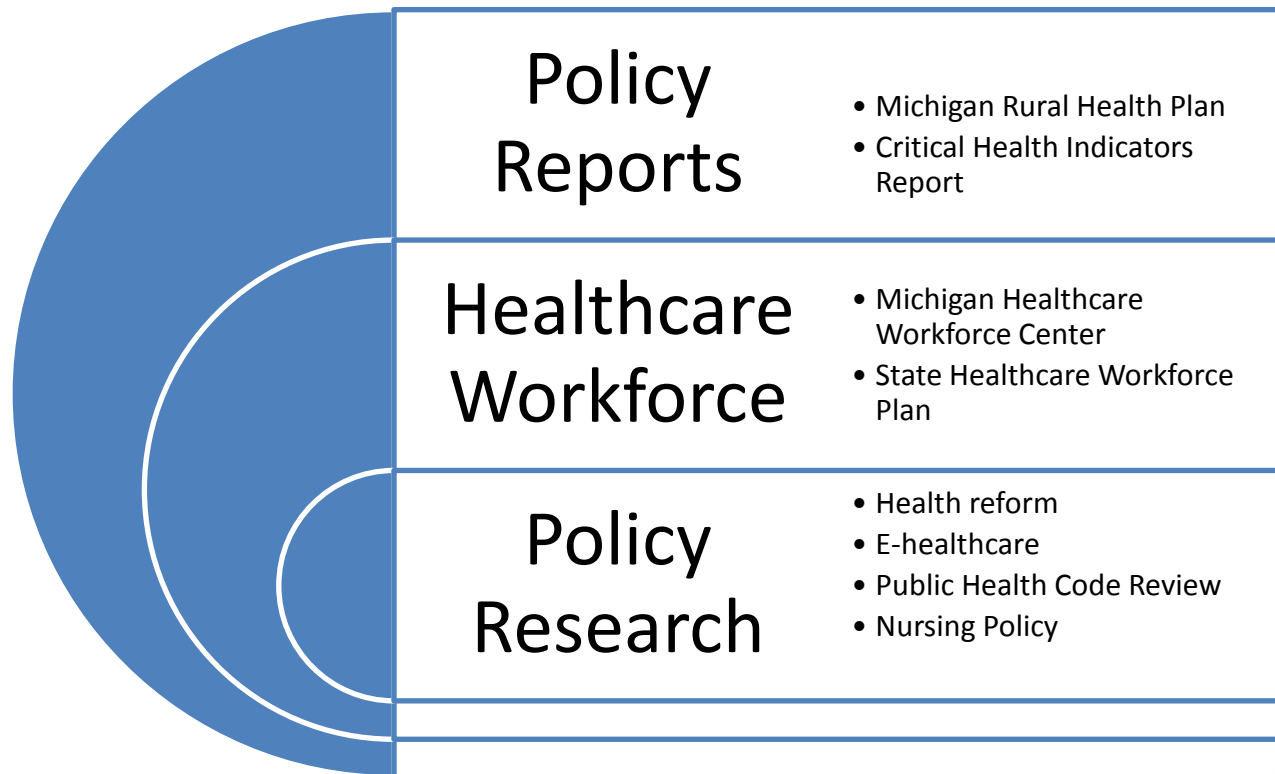
60

Free clinics, providing care to residents that have no means to pay, that receive support from MDCH

154

Medical students engaged interprofessional education through a partnership with MDCH during their clinical rotations

Health Policy Development



Michigan Certificate of Need

Balancing Cost, Quality & Access

- The Michigan Certificate of Need (CON) program is a regulatory function outlined in the Public Health Code that promotes the availability and accessibility of quality health care services at reasonable cost.
- The CON program requires a CON to initiate, replace or relocate any one of 15 covered services or equipment.
- This regulatory program is administered within MDCH with a standard setting Commission that is appointed by the Governor with the advice and consent of the Senate.

Michigan Certificate of Need

Balancing Cost, Quality & Access

The eleven member Commission must consist of the following:

- 2 representing hospitals.
- 1 representing physicians licensed under part 170 to engage in the practice of medicine.
- 1 representing physicians licensed under part 175 to engage in the practice of osteopathic medicine and surgery.
- 1 who is a physician licensed under part 170 or 175 representing a school of medicine or osteopathic medicine.
- 1 representing nursing homes.
- 1 representing nurses.

- 1 representing a company that is self-insured for health coverage.
- 1 representing a company that is not self-insured for health coverage.
- 1 representing a nonprofit health care corporation operating pursuant to the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1101 to 550.1703.
- 1 representing organized labor unions in this state.

MI CON Covered Services & Equipment

- Air Ambulance
- Bone Marrow Transplants
- Cardiac Catheterization
- Computed Tomography (CT) Scanners
- Heart, Lung, Liver Transplants
- Hospital Beds
- Magnetic Resonance Imaging (MRI)
- Megavoltage Radiation Therapy (MRT)
- Neonatal Intensive Care Units (NICU)
- Nursing Home/Hospital Long Term Care Unit Beds
- Open Heart Surgery
- Positron Emission Tomography (PET) Scanners
- Psychiatric Beds: Acute Inpatient
- Surgical Services
- Urinary Lithotripters

Michigan Certificate of Need

Roles & Responsibilities:

- CON Commission

- Develop, approve, revise standards for the 15 CON covered equipment & services
- Convene workgroups and Standards Advisory Committees with stakeholders and subject matter experts
- Provides multiple opportunities for public input

- MDCH

- Provides staff to support the Commission
- Reviews all applications for compliance with the public health code and CON standards set by the Commission
- Director issues the final decision on all applications
- Perform compliance

Michigan Certificate of Need

Quick Statistics 2012

422

Letters of Intent received

307

Applications filed

263*

Projects approved

\$1.08 m

New capital expenditures in MI's healthcare system

8

Of the 15 standards reviewed with 1 clinical service ending in deregulation.

Organizational Support

- Strategic Planning
- Implementation of Governor's Health and Wellness Message
- Performance Management
 - Health and Wellness Dashboard
 - Department Scorecards
- Workforce Planning, Employee Engagement and Culture Transformation
 - New Employee Onboarding
 - Professional Development
 - Retention Strategies
 - Lean Process Improvement (LPI)
 - Increased Customer Focus
 - Succession Planning



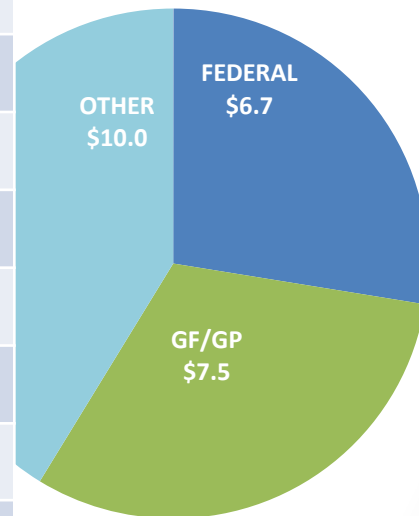
Emergency Medical Services (EMS) & Trauma Services



- License over 800 life support agencies
- License and Inspect 3,327 life support vehicles
- Approve local Medical Authorities that provide community based pre-hospital emergency care oversight
- Approve all policies, procedures, and protocols for each of the 65 Medical Control Authorities prior to implementation
- Approve continuing education curriculums and programs for the Medical First Responder (MFR), Emergency Medical Technician (EMT), Specialist/Advanced EMT (AEMT), Paramedic and Instructor Coordinator
- License and regulate over 30,000 EMS personnel
- Currently developing a statewide trauma system

Health Policy – Budget (in millions)

	2013	2014
Emergency Medical Services	\$5.2	\$6.2
Health Policy Administration	4.3	4.4
Health Innovation Grants	-	3.0
Nurse Education Program	0.8	1.3
Certificate of Need Program	2.0	2.8
Rural Health Services	1.5	1.5
MI Essential Health Care Provider	1.5	1.5
Primary Care Services	3.5	3.5
Total	\$18.8	\$24.2

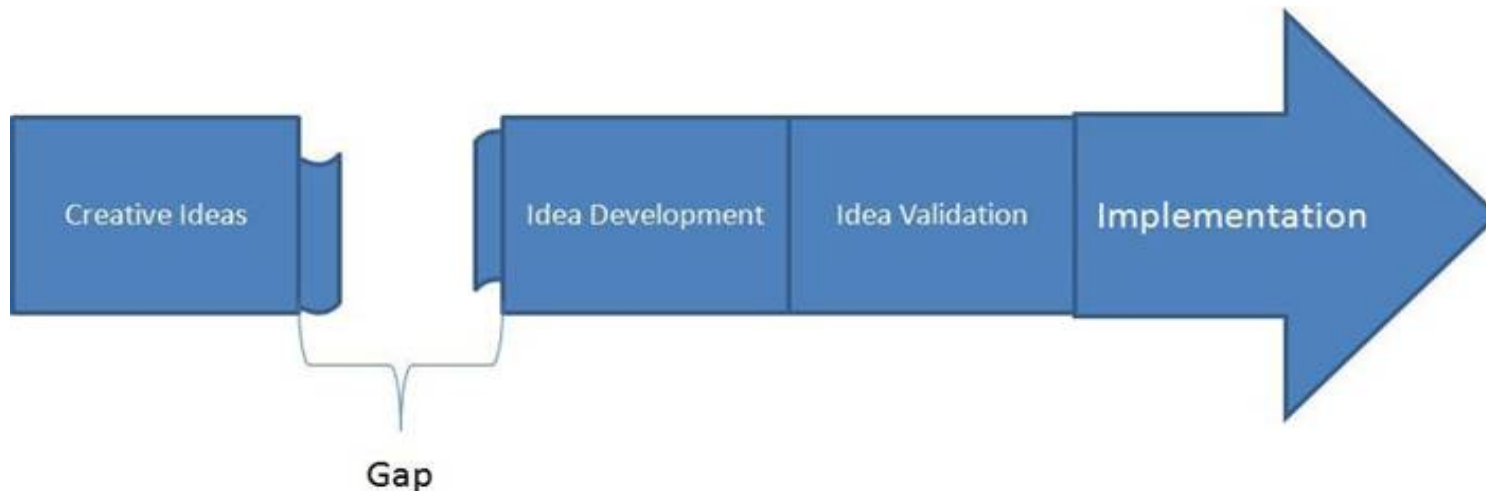


FY 2014 Health Policy Program Investments/Fee Increases (in millions)

Description	FY 2014 Recommendation	
	GF/GP	Gross
Establish Health Innovation Grants Transformation Office	\$3.0	\$3.0
Northern Michigan Island Primary Care Clinics (one-time)	\$1.5	\$1.5
Increase Certificate of Need Fees to Maintain Current Program	\$0.3	\$0.3
Increase and Add Emergency Medical Services Fees to Maintain Current Program	\$0.0	\$0.7
	\$0.0	\$1.0

Health Innovation Grants

- New state incentive grants to encourage advances in health care
- Competitive application process to prototype health care system modifications at local levels for consideration of statewide implementation
- Incentives granted on merit and potential to bring efficiencies to health care system
- Investment = \$3M Gross/GF



Transformation Office and Streamlined Health Information Technology Office

- Investment in FY 2014 = \$1.5M Gross/\$1.5M GF
- Customer-focused
- Collaborative partnerships
- Rule-busters campaign with contractors
 - Modeled on state's bureaucracy busters initiative
- Focus on Governor's and Director's priorities for workplace improvements
- Organizational improvements/efficiencies

Northern Michigan Island Primary Care Clinics

- Funds will support primary care clinics on Drummond, Mackinac, Beaver and Bois Blanc Islands in northern Michigan
 - Investment = \$325,000 Gross/\$325,000 GF



Fee Needs

- **Emergency Medical Services (EMS)**
 - Current fee levels are inadequate to support program operations
 - Funding solution needed (fees frozen at \$25 for over 2 decades)
 - Federal Preventive Block Funds of \$600,000 at risk of loss
 - A fee increase, as well as new fees on education providers, is included in the FY 14 budget to raise approximately \$1,000,000 in additional revenue
- **Certificate of Need (CON)**
 - Current fee levels are inadequate to support program operations
 - A fee increase is included in the FY 14 budget to raise approximately \$700,000 in additional annual revenue
 - Fees were last increased in 2005

Crime Victim Services Commission

Providing Assistance, services, and aid to crime victims

- Membership defined by Public Act 223 of 1976
- Comprised of five members appointed by the Governor
- Duties defined by Crime Victims Compensation Act, Crime Victims Rights Act and Federal Victims of Crimes Act (VOCA)
- Supported with state restricted and federal VOCA funds

Crime Victims Services Programs

Crime Victim Compensation

Last resort for unpaid medical bills, loss of earnings, burial costs, counseling needs

The Sexual Assault Forensic Exam Program, also known as S.A.F.E. Response, allows sexual assault victims to receive a forensic exam at no cost.

Crime Victim Assistance

Federal pass-through dollars to local public and non-profit agencies engaging in direct services to victims of crime through a competitive grant process

Crime Victim Rights and Assessment Revenue

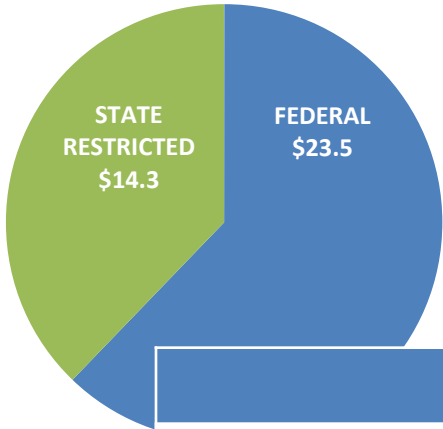
Restricted funding to support Crime Victims Rights Activities

Funds Prosecuting Attorneys and Juvenile Courts

Supports mandatory notification rights of crime victims including the Michigan Crime Victims Notification Network

Provides advocate training to better assist victims

Crime Victims – Budget (in millions)



	2013	2014
Crime Victim Rights Services Grants	\$16.6	\$16.6
Justice Assistance Grants	19.1	19.1
Grants Administration Services	2.5	2.1
Total	\$38.2	\$37.8

Key Activities/Initiatives

- Expand forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault
- Raise awareness across the state about Crime Victim Services in a major ad campaign featuring public service announcements, radio, bus skin advertisements, and messaging inside various businesses. The 2013 ad campaign runs from March to September in all major cities and the Upper Peninsula
- Work with Michigan State Police, Michigan Hospital Association, Michigan State Medical Society and Michigan Nurse Association on procedures to treat sexual assault victims and collect evidence
- Provide Michigan Crime Victims Notification Network training and education for Michigan's prosecutor's, local law enforcement and advocates



MDCH Contact Info and Useful Links

Phone: (517) 373-3740

Website: <http://www.michigan.gov/mdch>

Facebook: <http://www.facebook.com/michigandch>

Twitter: @MIHealth, <https://twitter.com/mihealth>

Useful Links:

Executive Budget: <http://www.michigan.gov/mibudget2014>

MI Healthier Tomorrow: www.michigan.gov/mihealthiertomorrow

Medicaid Expansion: www.expandmedicaid.com