



**AREA AGENCIES ON AGING ASSOCIATION OF MICHIGAN**  
**ASSOCIATE MEMBER NEWS**  
**Week of October 19, 2009**

*In Lansing this week . . . .* budget deliberations bear a striking resemblance to the classic game of “chicken.” Governor Granholm is threatening to use her veto pen to wipe out line items that have been cut too dramatically by Senate Republicans, in an effort to force their reconsideration. But Senate Majority Leader Mike Bishop (R-Rochester) is warning that vetoed programs will not be restored by the Republican-controlled Senate. Bishop and his Republican colleagues are also refusing to budge on raising revenues to maintain any state programs, including education. One effort in the Senate that raised \$100 million in revenue was done not to maintain programs, but to reduce taxes on businesses in the state.

The Department of Community Health budget bill (HB 4436) was sent to the Governor on Tuesday by the Senate, along with other budget bills in contention. With a continuing resolution expiring on November 1<sup>st</sup>, Granholm has until October 31 to decide what to do. She can veto the entire bill (unlikely), or veto individual line-items in the hopes that the Legislature will acquiesce to her wishes to restore funding. The ball is now in the Governor’s court.

In Washington, D.C. this week . . . . work continues on health reform, with the House and Senate both crafting single bills that can be taken to the floor in November. The “public option” is likely to be part of the final House bill, but it may not make it into the Senate bill, or it could be included in a weaker form. For example, one proposal winning some support would allow each state to choose whether it wants a public option as part of the insurance exchange offered to the uninsured. One of the concerns about the public plan has to do with tying its reimbursement rates to Medicare rates. Medicare reimbursement rates vary from state to state, based on cost-of-living factors. States with lower Medicare rates (North Dakota is one example) are at a disadvantage in attracting physicians, hospitals and other providers. To make the public plan more acceptable, Senate leadership is proposing to let the public plan negotiate rates directly with doctors and hospitals. Democrats hold a healthy majority in both the House and Senate and many expect that a health reform bill in some form will pass Congress this term.

*Did You Know* - the timing of the U.S. Census is a disadvantage to snowbird states like Michigan? In February and March of 2010, the Census Bureau will send census forms to all households throughout the U.S. and ask citizens to immediately complete and return the forms. Hundreds of thousands of older Michiganders will receive these forms while still in their temporary southern residences, and if they fill them out there, they will be counted as a southern resident, even if their permanent residence is in Michigan.

When Michigan snowbirds are counted as southern residents, our state loses billions of dollars in federal funds because many pots of money are distributed to states based on their population numbers from the census. The AAAAM is launching a campaign to educate snowbirds about being counted as a Michigan resident. It is estimated that in 2007, over \$1,000 in federal funds was lost for every snowbird credited to another state. Contact the AAAAM office for more information on how to get involved.