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Aging Alert

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HOUSE PANELS APPROVE MI CHOICE INCREASE

Times are tight, but two House panels recently approved the Governor's recommended \$17 million increase for the MI Choice Medicaid Waiver for next year. The House Community Health Subcommittee, chaired by Representative Gary McDowell (D-Rudyard), included the increase in its budget bill – House Bill 4436, version H-1 – reported out on March 26. Voting on the bill was divided, with Democrats voting for the bill and Republicans voting against, citing a projected budget deficit for next year. (It is important to note that the MI Choice increase would not increase the deficit, since it is funded by an anticipated drop in nursing home utilization.)

The Subcommittee also restored cuts in home-based services in the budget of the Office of Services to the Aging (OSA). The cuts were recommended by the Governor because of the anticipated drop in the state's general fund. The Area Agencies on Aging Association (AAAAM) opposes the cuts, citing the value of state-funded home and community-based services in diverting seniors from nursing homes & Medicaid. AAAAM also points to a waiting list of 4,600 for the OSA services.

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The next stop for HB 4436 (H-1) was the House Appropriations Committee, chaired by Rep. George Cushingberry (D-Detroit). After reviewing the Subcommittee's recommendations, the full Committee also endorsed the increase in MI Choice, along with the decision to restore the cuts in OSA services. Both panels also approved a 50 cents wage increase for Home Help workers.

One line-item getting a lot of scrutiny this year is for "Single Points of Entry (SPEs)," a pilot program stemming directly from the recommendations of the 2005 Governor's Long Term Care Task Force. The SPEs are funded at \$12.7 million this year, with the Governor recommending continuation funding for next year. A lot of testimony supported the SPEs in the Subcommittee, and an evaluation report is expected to be released at the end of this month.

HB 4436 next goes to the House floor for a vote. After that it goes to the Senate, where the review process starts all over again. That review will be led by Senator Roger Kahn, M.D. (R-Saginaw), who chairs the Senate Community Health Subcommittee.

HOUSE BILLS OF INTEREST TO SENIORS

Sponsor's name in parentheses.

For more information on legislation, go to www.michiganlegislature.org.

- HB 4001 HOMESTEAD TAX CREDIT** (Opsommer) Eliminates the credit for those with household income over \$83,650. Increases the maximum credit from \$1,200 to \$1,700 beginning with the 2009 tax year. In House Tax Policy Committee.
- HB 4007 ORTHOTICS & PROSTHETICS** (Liss) Requires insurance companies to cover orthotics and prosthetics. Prior authorization and copays can be required. HB 4009 requires Blue Cross Blue Shield plans to cover orthotics and prosthetics. Both bills in House Health Policy Committee.
- HB 4008 HOSPITAL STAFFING** (Liss) Requires all hospitals to submit a staffing plan to the state providing sufficient numbers of qualified nursing staff for each unit. The plan shall be posted in a visible place in each unit. In House Health Policy Committee.
- HB 4010 HOSPITAL-ACQUIRED INFECTIONS** (Liss) Requires hospitals to report to the state each year the number of infections acquired in the hospital. In House Health Policy Committee.
- HB 4012 HOSPITAL-ACQUIRED INFECTIONS** (Liss) Requires hospital staff exposed to blood or other infectious matter to use the hospital's laundry service, i.e. they cannot take work clothing home to launder. In House Health Policy Committee.
- HB 4022 ROBO-CALLS** (Rick Jones) Creates a do-not-call list for political robo-calls. In House Ethics and Elections Committee.
- HB 4036 CAREGIVER TAX EXEMPTION** (Lori) Provides an addition exemption if a taxpayer is caring for a parent or grandparent to prevent placement in a nursing home. The parent or grandparent must be eligible for nursing home care under the Medicaid program. In House Tax Policy Committee.
- HB 4049 SHUT-OFF PROTECTION** (Bettie Scott) Provides 21-days of shut-off protection to customers with a serious medical condition requiring electric or gas service. Utilities may grant one or more extensions. In House Energy & Technology Committee.
- HB 4097 NO REASON ABSENTEE BALLOTS** (Martin Griffin) Allows any voter to obtain an absentee ballot without requiring justification. In House Ethics and Elections Committee.
- HB 4099 SMOKE-FREE WORKPLACES** (Paul Scott) Prohibits smoking in public places, in workplaces and in food service establishments like restaurants, food courts in malls, and bars. Tie-barred to HB 4100. In House Commerce Committee.
- HB 4109 PHYSICAL FITNESS DEDUCTION** (Schuitmaker) Creates a deduction for exercise equipment or fitness club memberships for state income tax purposes. A single taxpayer could deduct up to \$1000 and a couple could deduct up to \$2000. In House Tax Policy Committee.

SENATE BILLS OF INTEREST TO SENIORS

- SB 19** **DRUG IMMUNITY** (Gleason) Makes drug manufacturers in Michigan subject to liability lawsuits even if a drug meets federal Food and Drug Administration requirements. In Senate Judiciary Committee.
- SB 47** **PRESCRIPTION DRUG WEBSITE** (Kahn) Sets specific standards for www.michigandrugprices.com, a comparison shopping website created by the state. Requires price information on brand name drugs, and more up-to-date information as prices change. Reported from Senate Health Policy Committee on 3/10/09. On Senate floor for a vote.
- SB 50** **PRICE GOUGING** (Cherry) Prohibits price gouging for food, water, gasoline or other essential supplies or equipment during a state of emergency declared by the Governor. In Senate Commerce and Tourism Committee.
- SB 51** **FIRST-TIME VOTER** (Cherry) Allows adults voting for the first time in Michigan to use an absentee ballot if they meet the requirements. Current law requires anyone voting for the first time to vote in person. In Senate Campaign & Election Oversight Committee.
- SB 66** **CONSUMER PROTECTION** (Jacobs) Allows consumers to place a “security freeze” on his or her credit report by sending a written request to a credit reporting agency. A freeze prevents information from being released without the written authorization of the consumer. In Senate Economic Development & Regulatory Reform Committee.
- SB 73** **HOMESTEAD TAX CREDIT** (Pappageorge) Reduces the Homestead Property Tax Credit for households with annual incomes over \$83,650. Increases the maximum credit to \$1,300 beginning with the 2010 tax year. In Senate Finance Committee.
- SB 79** **SMOKE-FREE WORKPLACES** (George) Bans smoking in public places, workplaces and food service establishments. In Senate Government Operations and Reform Committee.
- SB 97** **NO REASON ABSENTEE BALLOTS** (Brater) Allows voters to get an absentee ballot without a justification. In Senate Campaign & Election Oversight Committee.
- SB 114** **NO SMOKING** (Basham) Bans smoking in public places, workplaces and food service establishments. In Senate Government Operations & Reform Committee.
- SB 120** **UTILITY RATES** (Clark-Coleman) Does not allow utility companies to use variable rates that penalize seniors for using more than a designated amount of electricity. In Senate Energy Policy & Public Utilities Committee.
- SB 139** **CAREGIVER TAX CREDIT** (Olshove) Provides a \$1000 tax credit to taxpayers providing care to a parent in his/her home for six months or more. A \$1000 credit is provided for each parent cared for in the home. In Senate Finance Committee.
- SB 141** **SCHOOL TAX EXEMPTION** (Olshove) Allows taxpayers absent from home because they are getting care from a family member to keep the school tax exemption on their principle residence. Reported by Senate Finance Committee, on Senate floor.

DID YOU KNOW?

Michigan spends almost \$2 billion in the Medicaid program to pay for Long Term Care, with 80% going to nursing facilities, and only 20% to in-home services. The Granholm administration is working to increase in-home services for people who want them. Part of this effort is an innovative program to locate residents of nursing facilities who want to leave but face barriers in moving back home. Here is more information about this initiative.

- The number of nursing facility residents transitioned back to the community is growing year by year. In 2006, a total of 278 residents were transitioned. In 2007, that number grew to 455. In 2008, 599 residents were transitioned. 2009 is expected to be even higher.
- Every person transitioned provides an immediate savings for the state's Medicaid program. In-home assistance costs an average of \$30 to \$50 a day, compared with an average nursing facility cost of more than \$150 a day.
- Almost 75% of the residents transitioned get in-home assistance from the MI Choice Medicaid Waiver program. Some get assistance from Home Help, another Medicaid program providing in-home supports. About 15% need no in-home assistance from Medicaid.
- Out of the 599 residents transitioned in 2008, 59% were done by Area Agencies on Aging, 27% were done by other agencies administering MI Choice, and 14% by Centers for Independent Living.
- Even if a resident has lost his or her home, the transition program can still help. Transition staff can find a new home, whether that's an apartment, house or living with relatives. The transition program can pay for things like security deposits and furniture. On average, it costs less than \$2000 in upfront costs to move an individual back to the community.
- The transition program got a boost in 2007 when Michigan received a five-year \$67 million grant from the federal government to help more nursing facility residents move back to the community. This is called the "Money Follows the Person" grant.
- The transition program is a key factor in rebalancing Michigan's Long Term Care system. In fact, from 2007 to 2008, Michigan's spending on nursing facilities decreased for the first time in Medicaid's history – saving \$18 million.
- Know someone that could be helped by the transition program? Call your local Area Agency on Aging or Center for Independent Living.

ONE MAN'S STORY

Mr. B is 80 years old, disabled by a stroke, heart disease and dementia. He was in a nursing facility most of last year but wanted to return home, and his wife wanted him home, too. The Region IV Area Agency on Aging made it happen, enrolling Mr. B in MI Choice. MI Choice bought a \$4000 lift allowing Mr. B to transfer from the bed to a chair, and provided aides twice a week for bathing. Mrs. B and a son are providing all the other care he needs.