

# CAPITOL NEWS UPDATE

WEEK OF SEPTEMBER 20, 2013

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## **SNYDER SIGNS MEDICAID EXPANSION**

Saying “it is about people, not politics,” Gov. Rick Snyder signed Medicaid expansion into law on Monday in a bill-signing ceremony at Oakwood Hospital in Dearborn.

He was joined by U.S. Rep. John Dingell (D-Dearborn), Senate Appropriations Committee Chair Roger Kahn (R-Saginaw) and Department of Community Health (DCH) Director James Haveman who called the legislation (HB 4717) “a landmark bill.”

The legislation, now Public Act 107 of 2013, will expand Medicaid coverage to at least 300,000 people in Michigan living at up to 133 percent of the federal poverty level.

According to the federal government, the health exchange required under the Affordable Healthcare Act (AHA) will be open for enrollment on Oct. 1 with coverage to officially begin on Jan. 1.

However, because the Legislature did not give the bill Immediate Effect (IE) state officials are hoping to have the Healthy Michigan Plan ready to take effect on about April 1, 2014.

The difficult work that lies ahead is in the implementation of the new law that received bi-partisan support from lawmakers. In addition, DCH will have to obtain a waiver for some of the reforms contained in the legislation.

## **MENTAL HEALTH BILLS CLEAR THE HOUSE**

A four-bill package of legislation (HBs 4694 thru 4697) designed to reduce costs for the state’s prison system, make the state safer and improve lives sailed through the House on Thursday with unanimous support – save one. House Bill 4695 received one “no” vote.

The measures would set a statutory foundation for more mental health courts to be created in the state; permit mental health courts to accept participants for other jurisdictions; boost rehabilitation efforts and move away from a simple determination of guilt and then incarceration for people with mental illnesses.

## **WELFARE RECIPIENTS REQUIRED TO VOLUNTEER**

In order to receive their benefits welfare recipients would have to volunteer under legislation (SB 0276) that passed the Senate this week on a 27-9 vote.

The measure would put into law a practice already being administered by the Department of Human Services (DHS) that asks cash benefit recipients to “to give back to their communities” through the Partnership Accountability Training Hope (PATH) program.

A Democrat amendment requiring DHS to help with child care for those in need during their volunteer hours failed.

## **NO-FAULT HIT ON SENIORS GETTING SOME ATTENTION**

Several key lawmakers, including the chairs of both the House and Senate Insurance committees, are expressing interest in legislation (HB 4959) that would drop a requirement that forces seniors on Medicare to purchase Personal Injury Protection (PIP) as part of their auto insurance.

The problem, according to some lawmakers and has been pointed out in the media, is that while drivers may coordinate PIP coverage with other health or disability coverage – i.e. coordination of benefits – to reduce their PIP premiums, such is not the case for Medicaid and Medicare.

The lack of coordination is resulting in steep increases in auto insurance for some people once they start on Medicare.

Under the legislation, PIP coverage, the portion of a no-fault policy that pays a person's medical cost if he or she is injured in an accident, would be optional for seniors that already have health insurance through Medicare.

### **DNR TO HIRE MORE CONSERVATION OFFICERS**

The Department of Natural Resources (DNR) says it will hire more conservation officers with the money from increased hunting and fishing license fees.

Gov. Rick Snyder has signed into law HB 4668 that will result in a projected \$18.1 million in increased fees in the first full year of implementation when they take effect March 1 of next year.

The new officers will go to three counties that have do not have COs and to understaffed counties as well. Added emphasis will also be placed on educating new hunters and fishermen.

As for the fees, there will be a new "base" hunting license costing \$11 for most in-state residents. Out-of-state hunters will pay \$151.

The base license will allow hunting for waterfowl, migratory birds and small game. Tags for deer will increase to \$20 and bear licenses will cost \$25.

Under the new law, hunters and anglers can buy a combo license the includes a base hunting license, two deer licenses and an all-species fishing license for \$75, or \$265 for a nonresident.

### **POLITICS AND POLLS**

**Amash is out.** U.S. Rep. Justin Amash (R-Cascade Twp.) has let it be known that he will not run for the U.S. Senate in 2014. That leaves former Secretary of State Terri Lynn Land as the only major GOP candidate running for the open seat as Sen. Carl Levin (D-Detroit) has announced he will seek re-election. Still a potential candidate is Dr. Rob Steele who passed up a U.S. Senate race in 2011 because of his medical practice commitments.

### **M M & A BRIEFS**

**Panel sends "Main Street" to House floor.** On a 9-1 vote, the House Tax Policy Committee has sent to the full House legislation (HBs 4202 and 4203), known as the Main Street Fairness" package. The bills are designed to produce additional revenue to the state by expanding the reach of the 6 percent sales tax to more retailers who sell their goods online. Currently, traditional brick and mortar retailers in the state have to collect the sales tax, but out-of-state-based online retailers do not. Instead, under current law, customer who buy goods online are supposed to report their purchases and hand over the tax dollars themselves – but most do not.

**Task force to focus on insurance fraud.** A new task force, dubbed Fighting Auto Insurance Rip-Offs (FAIR) has been formed to crack down on the increasing problem of auto insurance fraud. The task force is to be comprised of the Secretary of State, Michigan State Police, prosecutors, state officials and insurance industry leaders. The two major problems of fraud are the sale of fraudulent auto insurance policies and motorists that buy legitimate auto insurance for a few days so they can prove it to the Secretary of State and then cancel the policy.

**Study requested on revenue sharing.** The House Appropriations General Government Subcommittee is requesting the Citizens Research Council (CRC) to help create a “more justifiable and quantifiable methodology” in awarding state payments to local governments under the state law. The request listed several topics that could be discussed in the CRC’s study: past formulas; per-capita funding; the quality of service locals provide; “daytime population” compared to “resident population”; tax effort; impact of non-taxpaying parcels; metropolitan and “microplitan”; areas; and flexibility.

**No-fault reform debate on deck?** With other issues taking the limelight, no-fault auto insurance reform has been on hold for months. But now, Senate Majority Leader Randy Richardville (R-Monroe) says that topic will be on the Republican Senate agenda which is due to be released next week. The auto insurance industry wants language to coordinate coverage and lifting the unlimited lifetime benefits provision for car accident victims.

**Unemployment reforms clear House committee.** A six-bill package of legislation (HBs 4949 thru 4954) to reform the state’s unemployment program moved out of the House Commerce Committee this week.

**No Capitol or House for Tim Horton.** The deal being worked on that would have had Tim Horton’s selling coffee and donuts in the Capitol and the former State Plate inside the House Office Building is being reported as dead. House Business Office Director Tim Bowlin has confirmed that any potential deal between the Bureau of Blind Persons (BSBP) and the Canada-based restaurant are “pretty much dead,” a report also confirmed by Capitol Facilities Director Steve Benkovsky.

#### CALENDAR OF IMPORTANT EVENTS

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| Sept. 25 | Secretary of State Ruth Johnson Lunch Reception<br>Location: 11:30 a.m., Governor’s Room, Lansing                   |
| Oct. 3   | Rep. Stacy Erwin Oakes (D-Saginaw) 3rd Annual Pig Roast<br>Location: 5 p.m., UAW Local 690, 1911 Bagley St, Saginaw |
| Oct. 9   | Rep. Eileen Kowall (R-White Lake) Breakfast Reception<br>Location: 7:30 a.m., MI Beer & Wine Wholesalers, Lansing   |
| Oct. 14  | Columbus Day  |