
FEDERAL RELATIONS

As this is an election year, the biggest issue was that of the budget. Congress was in session 11 total days, making passing the spending provisions the top issue. In late September, the House and Senate cleared a spending package that marks Congress's first concrete step toward avoiding the kind of catch-all omnibus that the President has stated he would not support nor sign into law. The House voted 377-20 to send the President a fiscal 2019 bipartisan funding deal that House and Senate leaders reached earlier this week to fund the Department of Veterans Affairs, as well as nuclear programs, energy projects, congressional operations and military construction.

Senators voted 92-5 on Wednesday to adopt the package. The three-bill package contains a \$5 billion funding increase for veterans services — making for the VA's largest-ever budget — to help pay for major infrastructure upgrades at health care facilities nationally, as well as the rollout of a new e-health records system.

Nuclear weapons programs also got a nearly half-billion dollar boost, bringing the total nuclear weapons program to \$11.1 billion.

When the President signed the bill, it was two weeks ahead of the looming Sept. 30 deadline. This was the first time since 2009 that these budgets were finished on time. These bills include funding for the Departments of Health and Human Services, Labor, and Education.

Funding for Labor, Health and Human Services, Education, and Related Agencies

2018 Enacted level:	\$177.100 billion
2019 Budget request:	\$167.439 billion
2019 Conference report:	\$178.076 billion

The Labor, Health and Human Services, Education division of the law provides:

- \$39.1 billion for the National Institutes of Health (NIH), which is \$2 billion more than the FY 2018 enacted level
- \$4.4 billion for programs to respond to the opioid crisis, including prevention, treatment, surveillance, research to develop non-opioid pain medication, behavioral health workforce training, and support for children and families, which is \$0.1 billion more than the FY 2018 enacted level
- \$7.9 billion for the Centers for Disease Control and Prevention (CDC), which is \$125 million more than the FY 2018 enacted level for CDC's public health programs and activities
- \$4.0 billion for CMS Program Management, which is the same as the FY 2018 enacted level
- \$1.6 billion in discretionary funding for Community Health Centers, which is the same as the FY 2018 enacted level. Combined with \$4.0 billion in mandatory funding, total funding for Community Health Centers is \$5.6 billion, which is \$200 million more than the FY 2018 enacted level
- \$1.9 billion for the Substance Abuse and Mental Health Services Administration (SAMHSA) Substance Abuse Block Grant, which is the same as the FY 2018 enacted level
- \$1.5 billion for SAMHSA's State Opioid Response Grants, an increase of \$500 million more than the FY 2018 enacted level

-
- \$150 million for Certified Community Behavioral Health Clinics, which is \$50 million more than the FY 2018 enacted level
 - \$5.3 billion for the Child Care and Development Block Grant, which is \$50 million more than the FY 2018 enacted level
 - \$10 billion for Head Start, which is \$200 million more than the FY 2018 enacted level. Of the total increase, \$50 million is provided for Early Head Start
 - \$1.3 billion for Unaccompanied Minor Children, which is level with the FY 2018 enacted level
 - \$3.7 billion for the Low-Income Home Energy Assistance Program (LIHEAP), which is \$50 million more than the FY 2018 enacted level
 - \$725 million for the Community Services Block Grant, which is \$10 million more than the FY 2018 enacted level
 - \$907 million for Senior Nutrition programs, which is \$10 million more than the FY 2018 enacted level
 - \$338 million for Agency for Healthcare Research and Quality (AHRQ) research activities, which is \$4 million more than the FY 2018 enacted level
 - \$1.9 billion for research, advanced development, and stockpiling medical countermeasures through the Biomedical Advanced Research and Development Authority (BARDA), BioShield, and the Strategic National Stockpile, which is \$50 million more than the FY 2018 enacted level
 - \$260 million for Pandemic Influenza Preparedness, which is \$10 million more than the FY 2018 enacted level
 - \$107 million for Magnet Schools, which is \$2 million more than the FY 2018 enacted level
 - \$1.1 billion for TRIO, which is \$50 million more than the FY 2018 enacted level
 - \$360 million for GEAR UP, which is \$10 million more than the FY 2018 enacted level
 - Sufficient funding to support an increase in the maximum Pell Grant award by \$100 to \$6,195
 - \$125 million for the Office for Civil Rights at the Department of Education, which is \$8 million more than the FY 2018 enacted level

Outcome of policy provisions

The law maintains policies advanced by House Democrats to hold the Administration accountable for its cruel policy of family separation at the border, including directing the Secretary of HHS to submit a family reunification plan to Congress and funding for trauma counseling services for separated children. These and other provisions increase transparency and oversight of HHS and help provide care and services to children in HHS custody.

The conference report continues policy provisions that will:

- Block a change in reimbursement policy for breast cancer screening, mammography, and breast cancer prevention. The provision will ensure these procedures continue to be covered by insurers without a copay.
- Allow state or local public health departments to use federal funds for support services related to syringe exchange programs, as long as the federal funds do not purchase the syringes.

The law eliminates two longstanding provisions that blocked school districts from spending Department of Education funding on transportation to overcome racial imbalance.

The law does not include new policy riders from the House majority bill, which would have:

- Blocked funding to administer the Affordable Care Act.
- Blocked funding for Title X Family Planning programs.
- Blocked funding for Planned Parenthood clinics.
- Blocked funding for fetal tissue research.
- Blocked the NLRB's Joint Employer standard.
- Added the text of H.R. 644, the Conscience Rights Act, which would limit women's access to health care services and potentially put some women's lives in danger, while creating a new right to private litigation.
- Overridden the *Flores* settlement and authorized the indefinite detention of immigrant children.
- Authorized discrimination in foster care and adoption based on religion, sexual orientation, gender identity and marital status.

The conference report does not include a provision sought by House Democrats to make clear Department of Education funds cannot be used to arm teachers.

Confucius Institutes

President Trump signed the National Defense Authorization Act (NDAA), named after the late Sen. John McCain, into law in August. It included language that would ban the Pentagon from funding Confucius Institutes -- Chinese language programs -- at universities that host a Confucius Institute and include reporting language on China's efforts to "influence media, cultural institutions, business, and academic and policy communities in the United States." Wayne State University has a Confucius Institute on our campus. Along with Michigan State University and the University of Michigan, we were successful in getting this language signed into law. Originally, the language would ban universities with Confucius Institutes from getting any funding from the Department of Defense.

STATE RELATIONS

Election Results

Democrat Gretchen Whitmer will be the next governor of Michigan after defeating Attorney General Bill Schuette. Democrats Jocelyn Benson and Dana Nessel also won and will become the next Secretary of State and Attorney General.

Democrats also made gains in the State Senate and House of Representatives as well. As of now it appears that Republicans will maintain control of the Senate by a 22-16 margin and the House by 58-52.

The three statewide ballot proposals also passed by a comfortable margin.

Potential Lame Duck Issues

In addition to the new Capital Outlay authorization, Poison Control funding, Mortuary Science language change, and the MASU supplemental appropriations request, there are additional issues we will be monitoring during the lame duck session of the state legislature.

The package of bills that would make changes to the teacher preparation standards in the state could be revived, according to rumors. This package of bills moved through the House Education Committee and then stalled on the House floor, with the Speaker claiming that there were not the votes to pass it on the floor. While these are just rumors, we will be monitoring any action on this package.

In addition, the legislature could act on what once was the voter-initiated law to require employers to provide paid sick leave for employees. In early September, the legislature passed the initiated law rather than having it go to the ballot with the intention of amending it during the lame duck session.

It is estimated that this could have a significant financial impact on the state's public universities.

Mortuary Science Legislative Fix

In light of the recent news regarding several funeral homes being shut down in Detroit, we will be seeking a change to state law that would firmly allow our Mortuary Science students to perform embalming prior to their graduation.

Apparently, current state law only allows those with a license to perform this process in Michigan. Ironically, one cannot obtain a license without meeting the graduation requirements - which include embalming at least 10 times.

There are at least two bills that are in the legislature that can be amended to add the language we require. Unfortunately, one of the bills (SB 651) comes with politics that may make it difficult to move. We will be working with the Michigan Funeral Directors Association and their multi-client lobbyist to make these changes in the lame duck session of the legislature.

If this is not successful, we will have to introduce separate legislation to move in lame duck.

In the meantime, we will be having discussions with the appropriate people in the state's Department of Licensing and Regulatory Affairs (LARA) about if we can proceed as we have been while we are working with the legislature. We will be providing LARA with the necessary documentation to show that the students in our process are always monitored by a licensed faculty member.

MASU Supplemental Budget Request

In a recent State Relations Officers meeting, it was determined that on behalf of the public universities, MASU will be requesting \$50 million for higher education operations in the upcoming budget supplemental. This would be an overall increase of 3.3%.

We are proposing that the funding be distributed the way it is currently distributed in the budget - half to the base and the other half through the performance funding formula.

Preliminary discussions have taken place with the chairs of the House and Senate Higher Education Appropriations Subcommittees and the chair of the Senate Appropriations Committee. The two subcommittee chairs are supportive, and Sen. Hildenbrand seemed supportive but wants to make sure the universities are actively advocating for this increase with his members.

MASU will be requesting the one-time funding so that the universities can support programs/initiatives that will prepare students for success in Michigan's "Hot 50" high-demand jobs.

Capital Outlay Update

In early October, we met with Rep. Larry Inman, the House Chair of the Capital Outlay Subcommittee regarding the cost increase on our STEM Innovation Learning Center. Since we are covering the cost increase ourselves, he was supportive of the new construction authorization. So much so that he got Sen. Darwin Booher (the chair of the Senate Capital Outlay Subcommittee) on the phone with us while we were in the meeting.

Sen. Booher's big question was whether the Budget Office was on board with the new authorization. We assured him that they saw no problem with it as long as we were covering the cost and the scope of the project was not changing.

On October 24, the Budget Office sent a formal letter to the subcommittee recommending the new authorization. That letter will trigger the process for the subcommittee.

I also spoke with Rep. Fred Durhal about the new authorization. As he is the Minority Vice Chair of the House Appropriations Committee, I felt it wise to inform him of the progress on this matter. He continues to be supportive of this.

Detroit Caucus Dinner

I attended a dinner with members of the Detroit Delegation and Kelley Cawthorne in mid-October. The purpose of the meeting was to discuss the Letter of Intent between WSU and Henry Ford. Eight lawmakers were in attendance.

While there were a couple of minor concerns, I thought overall the Delegation that was in attendance was supportive.

Potential for Legislative Fix re Liquor Licenses on Campuses

A couple of the state's public universities have been in contact with the Michigan Liquor Control Commission (MLCC) regarding their campus liquor license. Apparently, these discussions with the MLCC are around the time their contracts are being renewed with their vendor. We are discussing whether or not a change in state law needs to be made as a result of the new thinking by the MLCC.

House Health Policy re HB 5776

In early October, we were contacted by Rep. Jim Tedder's office regarding his House Bill 5776, which would make changes in the scope of practice for counselors in the state.

Rep. Tedder's staff informed us that a member of our faculty, JoAnne Holbert from the College of Education, had written a letter of support for the legislation last October and would I mind attending the committee and putting in a card of support for the bill.

This was the first I had heard about the legislation or the letter of support. Apparently, many of the other colleges (WMU, Oakland, CMU and Eastern) were in the same boat.

After a quick scan of the bill, the changes not only effect counselors in K-12 schools but ALL counselors. Because of this, I checked with our AVP for Health Affairs about the legislation and he indicated that some of our faculty might not be in favor of the legislation. We also found that the Michigan Psychiatric Society opposes the bill.

For those reasons, I did not put in a card of support for the University. I also contacted the committee clerk and asked her to make sure that the support from JoAnne was from the College of Education and not Wayne State University.

The bill remains in the House Health Policy Committee.

WSU Strategy Meeting

In early October, members of the Division of Government and Community Affairs held a strategy meeting with the team at Kelley Cawthorne.

We discussed the elections; lame duck legislative strategy; and our strategy going into the new year with a new administration and legislature.

Transition Document

We have been working within the Division of Government and Community Affairs to prepare a document for the transition team of the Governor-elect. The document includes our position on the Higher Education budget; a recommendation that a Task Force on Health Disparities be created; and an extensive list of faculty and areas of expertise in various policy areas.

Legislative Schedule

The legislature will return to session after the November elections for their lame duck session. While they have two days scheduled after the election, we suspect most of the work will be done after Thanksgiving. The last scheduled session day is December 20.

COMMUNITY RELATIONS

GOVERNMENT HEALTH AFFAIRS

Michigan Department of Corrections (MDOC)

The partnership between MDOC and WSU is now almost a year old and functioning at a very high level. We have had multiple calls with MDOC leadership and have received consistently positive feedback on the performance of Drs. McIntyre, Blessman, and Hussain. We were supposed to receive a six-month extension on the contract as of June 1st. Instead, MDOC requested an 18-month extension, which reflects on how well the relationship is performing. I have quarterly update calls with MDOC leadership to make sure we are exceeding their expectations.

Psychiatry Residency Training Grant

WSU initiated contract conversations with DMC to receive FY19 signatures well ahead of the fiscal year beginning October 1. In years past, DMC has delayed signing the contract, in some cases for more than a year. The WSU team agreed to be more aggressive in moving up that timetable, because of the risk of leadership changes or other instability within Tenet. To that end, DMC agreed to sign a contract and agreed to terms similar to the FY18 agreement. Signatures have been secured, and funds have been transferred.

Graduate Medical Education (GME) Reform – MIDOCS

WSU and other members of the MIDOCS consortium successfully obtained state legislative approval for **\$25 million** in funding for new primary care graduate medical education slots. This will provide WSU the opportunity to create approximately 12 new residency slots, including pediatrics, preventive medicine, family medicine, and psychiatry. The government affairs office has been working with the state Medicaid office on the funding model that will allow for the authorization of federal Medicaid matching funds. We hope to have approval from CMS by mid-November and then approval from the accrediting bodies by early 2019. It is also likely that MIDOCS will use the Michigan AHEC (hosted by WSU) to run many of the day-to-day operational needs of MIDOCS.

Lycaki-Young Fund

The Lycaki-Young fund was first introduced in the mid-1990s. Since that time, WSU has received more than \$100 million in state funds to support care for the mentally ill and those affected by substance abuse. WSU has been a leader in providing critically important services to those affected in Wayne County and beyond. For example, we host one of the largest methadone clinics in the country.

Seven years ago, Governor Snyder introduced a state budget that eliminated the Lycaki Young Fund. Because of strong support from the Michigan Department of Health and Human Services, however, as well as a concerted effort to educate the Governor's office on the fund, we were able to save the fund from elimination. Each year since then, there have efforts to cut the funds either by the executive branch or the legislature. We are proud to report that after seven years of hard work, the Governor has included full funding of **\$5.6 million** for Lycaki Young in his FY19 budget recommendation without any cuts. This is the first time the Governor has included full funding in four years. Furthermore, the legislature included into the final budget full funding for Lycaki Young and the governor signed it.

We are already looking ahead to the FY20 budget process and how the new governor will affect it.

Poison Control Center

WSU staff has been performing due diligence on financials and operational details to determine whether we should take on the responsibility of running the Poison Control Center (PCC). The PCC receives more than 65,000 calls per year related to emergencies (most involving children). Tenet Corporation and DMC have hosted the PCC for more than 60 years, but it no longer fits into their scope of services plan. We have informed the State that, based on our analysis, there is an operational deficit of approximately \$600,000 per year and a one-time transition cost of \$350,000. We met with the Department of Health and Human Services, which has agreed to work with us and the legislature to identify approximately **\$600,000** funds in a FY19 supplemental appropriation, which is likely to take place in November of this year. To that end, the government affairs team has met with house and senate legislative leaders to measure their level of support. Thus far, we have received very positive feedback and are optimistic we can get this done before the end of the calendar year. If so, then the PCC can fully transition to WSU by March 1, of 2019. This would be a significant opportunity for Wayne State in demonstrating its public health mission and expertise across the entire state. The PCC serves all counties in Michigan.

The state budget office has indicated the official general funds appropriations needed in the supplemental is \$590,000 to cover the one-time transition costs and budget deficit.

Medicaid Enhanced Funding

For the past two years, government affairs has been working with other public universities in the state to prevent the elimination of the Medicaid enhanced funding program (PEPPAP). The PEPPAP program provides hundreds of millions of dollars annually to ensure Medicaid recipients have access to quality health services, especially as it relates to sub-specialty care. The loss of this program would devastate the state Medicaid program. The HHS Center for Medicaid and Medicare (CMS) issued a new rule three years ago that puts the program in danger of being eliminated. The public entities have met monthly to identify a solution. In July, the state Medicaid office applied to CMS to modify the PEPPAP program and ensure its indefinite survival. We heard back last week that CMS has approved the new funding model and are now waiting to hear how it will affect the program as implemented by WSU.