

A finding in favor of the plaintiffs and requiring the state to reimburse contractors at a level that provides direct care wage rates that are comparable to state employees would likely have a financial impact on the DD system that would be measured in terms of millions of dollars. The potential for similarly situated employee groups of contractors to file similar legal actions exist. The probability and magnitude of such action is currently unknown. Furthermore, how such a finding might impact the definition of employee employer relationships and other aspects of labor relations and compensation has not been studied.

Federal Poverty Level

Figure 13 shows the 2004 federal poverty level index by family size for various levels of poverty. This index is published each calendar year and updated in February or March. Generally the federal poverty level index increases each year between 2 and 5 percent.

Figure 13
2004 Federal Poverty Index
Levels of Poverty by Family Size

Family Size	Percent of Federal Poverty Level					
	30%	100%	133%	150%	175%	200%
1	\$2,793	\$9,310	\$12,382	\$13,965	\$16,293	\$18,620
2	3,747	12,490	16,612	18,735	21,858	24,980
3	4,701	15,670	20,841	23,505	27,423	31,340
4	5,655	18,850	25,071	28,275	32,988	37,700
5	6,609	22,030	29,300	33,045	38,553	44,060
6	7,563	25,210	33,529	37,815	44,118	50,420
7	8,517	28,390	37,759	42,585	49,683	56,780
8	9,471	31,570	41,988	47,355	55,248	63,140
Each Additional Person	954	3,180	4,229	4,770	5,565	6,360

Throughout the DPHHS budget analysis there are references to program financial eligibility based on an established level of poverty. The levels of poverty shown in Figure 13 reflect most of the financial eligibility levels for DPHHS programs. CHIP financial eligibility is currently 150 percent of the poverty level. Financial eligibility for some Medicaid programs for low-income children and pregnant women is established at 100 percent and 133 percent of the federal poverty level. MHSP financial eligibility is established at 150 percent of the poverty level. Chemical dependency services are provided to individuals with incomes below 200 percent of the federal poverty level. The eligibility and benefit level of TANF cash assistance is established at about 30 percent of the 2002 federal poverty level index. TANF cash assistance eligibility and benefit levels are no longer routinely increased as the federal poverty level index, rather they have remained constant based upon the 2002 federal poverty level index.

Income & Resource test in MI

*3 ① fam w/ dep. children
3 ② over blind
3 ③ disabled (SSI)*

New Proposals

The "New Proposal" table summarizes all new proposals requested by the executive. Descriptions and LFD discussion of each new proposal are included in the individual program narratives.

Program	FTE	Fiscal 2006				Fiscal 2007					
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 2 - Continuation of PSA for Mental Health Services (Requires Legislation)	33	0.00	0	3,250,000	0	3,250,000	0	0	3,250,000	0	3,250,000
DP 3 - Continuation of PSA for Independent Living (Requires Legislation)	10	0.00	0	228,766	0	228,766	0	0	228,766	0	228,766
DP 4 - Continuation of PSA for Hospice and Home Therapy (Requires Legislation)	22	0.00	0	204,000	0	204,000	0	0	204,000	0	204,000
DP 5 - Continuation of PSA for Child Care (Requires Legislation)	02	0.00	315,342	350,711	0	666,053	0.00	232,885	349,352	0	582,237
DP 6 - Continuation of PSA for Child Support Enforcement (Requires Legislation)	05	0.00	0	1,263,678	0	1,263,678	0.00	0	0	0	0
DP 7 - Continuation of PSA for MIAMI (Requires Legislation)	07	0.00	0	1,100,000	0	1,100,000	0.00	0	0	0	0
DP 8 - Continuation of PSA for Adult Mental Health (Requires Legislation)	33	0.00	99,214	99,215	0	198,429	0.00	99,214	99,215	0	198,429
DP 9 - Continuation of PSA for Medicaid (Requires Legislation)	11	0.00	0	601,571	0	601,571	0.00	0	0	0	0
DP 10 - Continuation of PSA for Extended Employment (Requires Legislation)	10	0.00	0	270,639	0	270,639	0.00	0	270,639	0	270,639
DP 11 - Continuation of PSA for AIDS Prevention (Requires Legislation)	07	0.00	0	84,000	0	84,000	0.00	0	0	0	0
DP 12 - Continuation of PSA for Poison Control (Requires Legislation)	07	0.00	0	77,908	0	77,908	0.00	0	0	0	0
DP 38 - Manage Medicaid Pharmacy Program	11	1.00	(1,165,170)	0	(3,353,302)	(4,518,472)	1.00	(834,359)	0	(2,494,238)	(3,328,597)
DP 39 - Movement to Community Services	10	(35.00)	(171,846)	0	1,604,871	1,433,025	(35.00)	(786,731)	0	1,508,243	721,512
DP 42 - Enhance Efficiency of Children's Mental Health Svc											