



Senate Fiscal Agency  
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Senate Bill 246 (Substitute S-1 as reported)  
Senate Bill 435 (as reported without amendment)  
Sponsor: Senator Curtis S. VanderWall (S.B. 246)  
Senator Michael D. MacDonald (S.B. 435)  
Committee: Health Policy and Human Services

### **CONTENT**

Senate Bill 246 (S-1) would amend the Public Health Code to specify that the maximum amount of debt or expense that the Department of Health and Human Services (DHHS) could pay on behalf of a designated health professional through a health provider repayment program would be \$300,000 over ten or more years, and specify that the repayment program also would apply to a designated health professional who incurred debt or expenses as a result of a loan taken to attend a mental health professional program.

Senate Bill 435 would amend the Code to expand the list of designated physician specialty areas that qualify under the essential health provider repayment program and grant program for minority students administered by the DHHS to include behavioral sciences and geriatrics, and to modify and prescribe various definitions related to designated mental health professionals.

The bills are tie-barred.

MCL 333.2705 (S.B. 246)  
333.2701 & 333.2711 (S.B. 435)

Legislative Analyst: Stephen Jackson

### **FISCAL IMPACT**

The bills would have no fiscal impact on the Department of Health and Human Services or local units of government. The number of loan repayment contracts that the DHHS enters into with eligible medical providers under Michigan Compiled Laws (MCL) 333.2705 is limited by the yearly appropriation to the Michigan Essential Health Provider Program. Expanding the definition of eligible health professionals to include mental health professionals would increase the potential pool of applicants but would have no impact on the number of contracts that the DHHS could enter into, assuming a flat appropriation level in future fiscal years. However, increased expenditures per participant under the provisions of Senate Bill 246 (S-1) could decrease the total number of contracts that the DHHS could execute. This would depend on the number of eligible medical providers who agreed to contracts for a term of 10 years or longer, and the participant's eligible education debt. A recent funding history of the Michigan Essential Health Provider program is below.

Additionally, the provision in Senate Bill 435 that would extend the low-income minority student grant program under MCL 333.2707 to mental health professionals would have no fiscal impact as that program has not been funded and so has not been implemented.

<b>Fiscal Year</b>	<b>Provider Contracts</b>	<b>Gross</b>	<b>GF/GP</b>	<b>Federal</b>	<b>Private</b>
FY 2013-2014	92	2,491,300	1,000,000	1,236,300	255,000
FY 2014-2015	104	3,591,300	1,500,000	1,236,300	855,000
FY 2015-2016	69	3,591,300	1,500,000	1,236,300	855,000
FY 2016-2017	67	3,591,300	1,500,000	1,236,300	855,000
FY 2017-2018	86	3,591,300	1,500,000	1,236,300	855,000
FY 2018-2019	84	3,591,300	1,500,000	1,236,300	855,000
FY 2019-2020	126	4,519,600	2,428,300	1,236,300	855,000
FY 2020-2021	91	3,519,600	1,428,300	1,236,300	855,000
FY 2021-2022 <sup>b</sup>	N/A <sup>a</sup>	3,519,600	1,428,300	1,236,300	855,000

<sup>a</sup>Unavailable until the close of the fiscal year.  
<sup>b</sup>This amount reflects the Executive proposed, Senate Subcommittee Proposed, and House Subcommittee Proposed funding level.

Date Completed: 5-17-21

Fiscal Analyst: Ellyn Ackerman