

DRAFT 1  
**SUBSTITUTE FOR**  
**HOUSE BILL NO. 5274**

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2017; and to provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2017 from the following funds:

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

APPROPRIATION SUMMARY

Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	15,554.5



1	Average population.....	770.0	
2	GROSS APPROPRIATION .....		\$ 24,730,517,900
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers.....		13,513,700
6	ADJUSTED GROSS APPROPRIATION .....		\$ 24,717,004,200
7	Federal revenues:		
8	Social security act, temporary assistance for needy		
9	families.....		550,329,300
10	Capped federal revenues .....		593,178,400
11	Total other federal revenues .....		16,626,683,400
12	Special revenue funds:		
13	Total local revenues .....		124,445,800
14	Total private revenues .....		154,259,300
15	Michigan merit award trust fund .....		74,772,800
16	Total other state restricted revenues .....		2,284,460,600
17	State general fund/general purpose .....		\$ 4,308,874,600
18	<b>Sec. 102. DEPARTMENTWIDE ADMINISTRATION</b>		
19	Full-time equated unclassified positions .....	6.0	
20	Full-time equated classified positions .....	714.2	
21	Director and other unclassified--6.0 FTE positions ...		\$ 1,119,300
22	Departmental administration and management--520.2 FTE		
23	positions.....		77,361,100
24	Demonstration projects--7.0 FTE positions .....		7,355,100
25	Developmental disabilities council and projects--10.0		
26	FTE positions.....		3,067,000
27	Information technology projects and services .....		158,998,300



1	Michigan Medicaid information system .....	50,634,400
2	Office of inspector general--177.0 FTE positions .....	21,633,100
3	Rent and state office facilities .....	62,783,800
4	State office of administrative hearings and rules .....	11,140,300
5	Terminal pay and other employee costs .....	5,686,100
6	Worker's compensation program .....	<u>7,956,500</u>
7	GROSS APPROPRIATION .....	\$ 407,735,000
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from department of education .....	2,979,000
11	Federal revenues:	
12	Social security act, temporary assistance for needy	
13	families.....	33,716,600
14	Capped federal revenues .....	42,314,000
15	Total other federal revenues .....	149,056,400
16	Special revenue funds:	
17	Total local revenues .....	16,400
18	Total private revenues .....	23,842,000
19	Total other state restricted revenues .....	2,824,600
20	State general fund/general purpose .....	\$ 152,986,000
21	<b>Sec. 103. CHILD SUPPORT ENFORCEMENT</b>	
22	Full-time equated classified positions .....	185.7
23	Child support enforcement operations--179.7 FTE	
24	positions.....	\$ 22,151,300
25	Legal support contracts .....	113,359,100
26	Child support incentive payments .....	24,409,600
27	State disbursement unit--6.0 FTE positions .....	8,101,700



1	Child support automation .....	<u>41,877,600</u>
2	GROSS APPROPRIATION .....	\$ 209,899,300
3	Appropriated from:	
4	Federal revenues:	
5	Capped federal revenues .....	11,395,000
6	Total other federal revenues .....	163,998,000
7	State general fund/general purpose .....	\$ 34,506,300
8	<b>Sec. 104. COMMUNITY SERVICES AND OUTREACH</b>	
9	Full-time equated classified positions .....	70.6
10	Bureau of community services and outreach--16.0 FTE	
11	positions.....	\$ 2,103,700
12	Community services block grant .....	25,840,000
13	Weatherization assistance .....	16,340,000
14	School success partnership program .....	450,000
15	Homeless programs .....	15,721,900
16	Domestic violence prevention and treatment--14.6 FTE	
17	positions.....	15,766,200
18	Rape prevention and services--0.5 FTE position .....	5,097,300
19	Child advocacy centers--0.5 FTE position .....	2,000,000
20	Michigan community services commission--15.0 FTE	
21	positions.....	11,621,300
22	Community services and outreach administration--11.0	
23	FTE positions.....	1,459,100
24	Housing and support services .....	13,031,000
25	Crime victim grants administration services--13.0 FTE	
26	positions.....	2,165,100
27	Crime victim justice assistance grants .....	59,279,300



1	Crime victim rights services grants .....	<u>16,870,000</u>
2	GROSS APPROPRIATION .....	\$ 187,744,900
3	Appropriated from:	
4	Federal revenues:	
5	Social security act, temporary assistance for needy	
6	families.....	11,679,700
7	Capped federal revenues .....	66,215,400
8	Total other federal revenues .....	75,865,100
9	Special revenue funds:	
10	Private - collections .....	44,100
11	Compulsive gambling prevention fund .....	1,040,500
12	Sexual assault victims' prevention and treatment fund	3,000,000
13	Child advocacy centers fund .....	2,000,000
14	Crime victim's rights fund .....	15,327,200
15	State general fund/general purpose .....	\$ 12,572,900
16	<b>Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD</b>	
17	<b>WELFARE</b>	
18	Full-time equated classified positions .....	3,893.2
19	Children's services administration--169.0 FTE	
20	positions.....	\$ 19,513,200
21	Title IV-E compliance and accountability office--4.0	
22	FTE positions.....	421,300
23	Child welfare institute--45.0 FTE positions .....	7,820,400
24	Child welfare field staff - caseload compliance--	
25	2,511.0 FTE positions .....	230,862,600
26	Child welfare field staff - noncaseload compliance--	
27	320.0 FTE positions .....	33,671,400



1	Education planners--15.0 FTE positions .....	1,521,100
2	Peer coaches--45.5 FTE positions .....	5,702,100
3	Child welfare first line supervisors--578.0 FTE	
4	positions.....	72,313,800
5	Second line supervisors and technical staff--54.0 FTE	
6	positions.....	8,833,600
7	Permanency resource managers--28.0 FTE positions .....	3,170,200
8	Contractual services, supplies, and materials .....	9,280,000
9	Settlement monitor .....	1,885,800
10	Foster care payments .....	187,089,200
11	Guardianship assistance program .....	11,966,500
12	Child care fund .....	183,426,000
13	Child care fund administration--4.2 FTE positions .....	592,900
14	Adoption subsidies .....	223,365,400
15	Adoption support services--10.0 FTE positions .....	26,926,700
16	Youth in transition--4.5 FTE positions .....	14,271,900
17	Child welfare medical/psychiatric evaluations .....	10,435,500
18	Psychotropic oversight .....	618,200
19	Performance based funding implementation--3.0 FTE	
20	positions.....	1,778,900
21	Family support subsidy .....	16,951,400
22	Interstate compact .....	179,600
23	Strong families/safe children .....	12,350,100
24	Family preservation programs--23.0 FTE positions .....	38,872,800
25	Family preservation and prevention services	
26	administration--9.0 FTE positions .....	1,291,300
27	Child abuse and neglect - children's justice act--1.0	



1	FTE position.....	621,800
2	Children's trust fund--12.0 FTE positions .....	3,323,400
3	Attorney general contract .....	4,321,800
4	Prosecuting attorney contracts .....	3,061,700
5	Child protection .....	800,300
6	Child welfare licensing--57.0 FTE positions .....	6,549,800
7	Child welfare administration travel .....	<u>375,000</u>
8	GROSS APPROPRIATION .....	\$ 1,144,165,700
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from department of education .....	90,200
12	Federal revenues:	
13	Social security act, temporary assistance for needy	
14	families.....	316,105,600
15	Capped federal revenues .....	107,663,000
16	Total other federal revenues .....	256,986,100
17	Special revenue funds:	
18	Private - collections .....	2,424,000
19	Local funds - county chargeback .....	14,194,000
20	Children's trust fund.....	2,090,500
21	State general fund/general purpose .....	\$ 444,612,300
22	<b>Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE</b>	
23	<b>JUSTICE</b>	
24	Full-time equated classified positions.....	111.5
25	W.J. Maxey training school .....	\$ 1,000,000
26	Bay pines center--42.0 FTE positions .....	4,933,300
27	Shawono center--42.0 FTE positions .....	5,021,400



1	County juvenile officers .....	3,904,300
2	Community support services--3.0 FTE positions .....	2,110,500
3	Juvenile justice, administration and maintenance--22.0	
4	FTE positions.....	3,543,700
5	Committee on juvenile justice administration--2.5 FTE	
6	positions.....	350,700
7	Committee on juvenile justice grants .....	<u>3,000,000</u>
8	GROSS APPROPRIATION .....	\$ 23,863,900
9	Appropriated from:	
10	Federal revenues:	
11	Capped federal revenues .....	8,018,200
12	Total other federal revenues .....	5,000
13	Special revenue funds:	
14	Local funds - state share education funds .....	1,321,900
15	Local funds - county chargeback .....	4,505,100
16	State general fund/general purpose .....	\$ 10,013,700
17	<b>Sec. 107. PUBLIC ASSISTANCE</b>	
18	Full-time equated classified positions..... 8.0	
19	Family independence program .....	\$ 113,624,600
20	State disability assistance payments .....	12,353,900
21	Food assistance program benefits .....	2,348,117,400
22	State supplementation .....	63,357,400
23	State supplementation administration .....	2,381,100
24	Low-income home energy assistance program .....	174,951,600
25	Food bank funding .....	2,045,000
26	Multicultural integration funding .....	13,303,800
27	Indigent burial .....	4,375,000



1	Emergency services local office allocations .....	9,857,500
2	Michigan energy assistance program--1.0 FTE position .	50,000,000
3	Refugee assistance program--7.0 FTE positions .....	<u>27,986,100</u>
4	GROSS APPROPRIATION .....	\$ 2,822,353,400
5	Appropriated from:	
6	Federal revenues:	
7	Social security act, temporary assistance for needy	
8	families.....	73,970,700
9	Capped federal revenues .....	203,100,300
10	Total other federal revenues .....	2,342,649,300
11	Special revenue funds:	
12	Child support collections .....	10,863,700
13	Supplemental security income recoveries .....	5,470,900
14	Public assistance recoupment revenue .....	6,290,000
15	Low-income energy assistance fund .....	50,000,000
16	Michigan merit award trust fund .....	30,100,000
17	State general fund/general purpose .....	\$ 99,908,500
18	<b>Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES</b>	
19	Full-time equated classified positions.....	6,501.5
20	Public assistance field staff--4,703.5 FTE positions .	\$ 475,636,300
21	Contractual services, supplies, and materials .....	16,282,000
22	Medical/psychiatric evaluations .....	1,420,100
23	Donated funds positions--538.0 FTE positions .....	60,878,700
24	Training and program support--20.0 FTE positions .....	2,432,000
25	Volunteer services and reimbursement .....	942,400
26	Field policy and administration--66.0 FTE positions ..	10,262,400
27	Adult services field staff--425.0 FTE positions .....	44,864,400



1	Nutrition education--2.0 FTE positions .....	23,042,700
2	Employment and training support services .....	4,219,100
3	Michigan rehabilitation services--526.0 FTE positions	131,221,800
4	Independent living .....	12,031,600
5	Electronic benefit transfer (EBT) .....	8,509,000
6	Administrative support workers--221.0 FTE positions ..	12,754,900
7	Elder Law of Michigan MiCAFE contract .....	350,000
8	Field staff travel .....	8,103,900
9	SSI advocacy legal services .....	<u>500,000</u>
10	GROSS APPROPRIATION .....	\$ 813,451,300
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from department of corrections .....	101,200
14	IDG from department of education .....	7,678,800
15	Federal revenues:	
16	Social security act, temporary assistance for needy	
17	families.....	101,186,900
18	Capped federal revenues .....	154,023,300
19	Federal supplemental security income .....	8,588,600
20	Total other federal revenues .....	250,031,300
21	Special revenue funds:	
22	Local funds - donated funds .....	11,067,200
23	Local vocational rehabilitation match .....	6,534,600
24	Private funds - donated funds .....	18,420,200
25	Private funds - gifts, bequests, and donations .....	1,854,600
26	Rehabilitation service fees .....	382,800
27	Second injury fund .....	40,000



1	State general fund/general purpose .....	\$	253,541,800
2	<b>Sec. 109. DISABILITY DETERMINATION SERVICES</b>		
3	Full-time equated classified positions .....		587.4
4	Disability determination operations--583.3 FTE		
5	positions.....	\$	111,392,700
6	Retirement disability determination--4.1 FTE positions		<u>602,900</u>
7	GROSS APPROPRIATION .....	\$	111,995,600
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG from department of technology, management, and		
11	budget - office of retirement services .....		778,300
12	Federal revenues:		
13	Total other federal revenues .....		107,784,000
14	State general fund/general purpose .....	\$	3,433,300
15	<b>Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION</b>		
16	<b>AND SPECIAL PROJECTS</b>		
17	Full-time equated classified positions .....		100.0
18	Behavioral health program administration--80.0 FTE		
19	positions.....	\$	60,084,200
20	Gambling addiction--1.0 FTE position .....		3,005,900
21	Protection and advocacy services support .....		194,400
22	Community residential and support services .....		592,100
23	Federal and other special projects .....		2,535,600
24	Office of recipient rights--19.0 FTE positions .....		<u>2,700,000</u>
25	GROSS APPROPRIATION .....	\$	69,112,200
26	Appropriated from:		
27	Federal revenues:		



1	Social security act, temporary assistance for needy	
2	families.....	180,500
3	Total other federal revenues .....	36,793,600
4	Special revenue funds:	
5	Total private revenues .....	1,004,700
6	Total other state restricted revenues .....	3,005,900
7	State general fund/general purpose .....	\$ 28,127,500
8	<b>Sec. 111. BEHAVIORAL HEALTH SERVICES</b>	
9	Full-time equated classified positions..... 9.5	
10	Medicaid mental health services .....	\$ 2,289,672,600
11	Community mental health non-Medicaid services .....	118,806,200
12	Medicaid substance use disorder services .....	50,116,500
13	Civil service charges .....	1,499,300
14	Federal mental health block grant--2.5 FTE positions .	15,454,600
15	State disability assistance program substance use	
16	disorder services.....	2,018,800
17	Community substance use disorder prevention,	
18	education, and treatment.....	73,811,800
19	Children's waiver home care program .....	20,000,000
20	Nursing home PAS/ARR-OBRA--7.0 FTE positions .....	12,272,000
21	Children with serious emotional disturbance waiver ...	10,000,000
22	Health homes .....	3,369,000
23	Healthy Michigan plan - behavioral health .....	221,355,500
24	Autism services .....	63,036,800
25	University autism programs .....	<u>1,000,000</u>
26	GROSS APPROPRIATION .....	\$ 2,882,413,100
27	Appropriated from:	



1	Federal revenues:	
2	Total other federal revenues .....	1,890,475,800
3	Special revenue funds:	
4	Total local revenues .....	25,475,800
5	Total other state restricted revenues .....	22,512,700
6	State general fund/general purpose .....	\$ 943,948,800
7	<b>Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC</b>	
8	<b>MENTAL HEALTH SERVICES</b>	
9	Total average population.....	770.0
10	Full-time equated classified positions.....	2,181.9
11	Caro Regional Mental Health Center - psychiatric	
12	hospital - adult--461.3 FTE positions.....	\$ 57,270,900
13	Average population.....	145.0
14	Kalamazoo Psychiatric Hospital - adult--466.1 FTE	
15	positions.....	65,674,600
16	Average population.....	170.0
17	Walter P. Reuther Psychiatric Hospital - adult--420.8	
18	FTE positions.....	56,872,000
19	Average population.....	160.0
20	Hawthorn Center - psychiatric hospital - children and	
21	adolescents--226.4 FTE positions.....	29,142,500
22	Average population.....	55.0
23	Center for forensic psychiatry--607.3 FTE positions ..	81,702,000
24	Average population.....	240.0
25	Revenue recapture .....	750,000
26	IDEA, federal special education .....	120,000
27	Special maintenance .....	332,500



1	Purchase of medical services for residents of	
2	hospitals and centers .....	445,600
3	Gifts and bequests for patient living and treatment	
4	environment.....	<u>1,000,000</u>
5	GROSS APPROPRIATION .....	\$ 293,310,100
6	Appropriated from:	
7	Federal revenues:	
8	Total other federal revenues .....	35,245,300
9	Special revenue funds:	
10	Total local revenues .....	19,886,700
11	Total private revenues .....	1,000,000
12	Total other state restricted revenues .....	19,238,100
13	State general fund/general purpose .....	\$ 217,940,000
14	<b>Sec. 113. HEALTH POLICY</b>	
15	Full-time equated classified positions.....	32.8
16	Certificate of need program administration--12.3 FTE	
17	positions.....	\$ 2,803,800
18	Health innovation grants .....	1,000,000
19	Health policy administration--15.1 FTE positions .....	26,564,000
20	Human trafficking intervention services .....	200,000
21	Michigan essential health provider .....	3,591,300
22	Minority health grants and contracts .....	612,700
23	Nurse education and research program--3.0 FTE	
24	positions.....	780,900
25	Primary care services--1.4 FTE positions .....	4,068,500
26	Rural health services--1.0 FTE position .....	<u>1,555,500</u>
27	GROSS APPROPRIATION .....	\$ 41,176,700



1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	Interdepartmental grant from the department of	
4	licensing and regulatory affairs .....	780,900
5	Interdepartmental grant from the department of	
6	treasury, Michigan state hospital finance authority .	117,700
7	Federal revenues:	
8	Total other federal revenues .....	31,631,200
9	Special revenue funds:	
10	Total private revenues .....	865,000
11	Total other state restricted revenues .....	2,686,100
12	State general fund/general purpose .....	\$ 5,095,800
13	<b>Sec. 114. LABORATORY SERVICES</b>	
14	Full-time equated classified positions .....	100.0
15	Laboratory services--100.0 FTE positions .....	\$ <u>20,520,500</u>
16	GROSS APPROPRIATION .....	\$ 20,520,500
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	Interdepartmental grant from the department of	
20	environmental quality.....	987,600
21	Federal revenues:	
22	Total other federal revenues .....	2,326,300
23	Special revenue funds:	
24	Total other state restricted revenues .....	10,403,900
25	State general fund/general purpose .....	\$ 6,802,700
26	<b>Sec. 115. DISEASE CONTROL, PREVENTION, AND</b>	
27	<b>EPIDEMIOLOGY</b>	



1	Full-time equated classified positions .....	74.9	
2	Epidemiology administration--43.6 FTE positions .....		\$ 16,044,500
3	Healthy homes program--8.0 FTE positions .....		4,254,900
4	Immunization program--12.8 FTE positions .....		16,872,100
5	Newborn screening follow-up and treatment services--		
6	10.5 FTE positions .....		<u>7,253,500</u>
7	GROSS APPROPRIATION .....		\$ 44,425,000
8	Appropriated from:		
9	Federal revenues:		
10	Total other federal revenues .....		28,704,900
11	Special revenue funds:		
12	Total private revenues .....		339,400
13	Total other state restricted revenues .....		9,501,300
14	State general fund/general purpose .....		\$ 5,879,400
15	<b>Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES</b>		
16	Full-time equated classified positions .....	236.2	
17	AIDS prevention, testing, and care programs--47.7 FTE		
18	positions.....		\$ 70,605,900
19	Cancer prevention and control program--13.0 FTE		
20	positions.....		15,051,600
21	Chronic disease control and health promotion		
22	administration--27.4 FTE positions .....		6,044,900
23	Dental programs--3.8 FTE positions .....		1,949,800
24	Diabetes and kidney program--8.0 FTE positions .....		3,049,100
25	Essential local public health services .....		40,886,100
26	Health and wellness initiatives--11.7 FTE positions ..		8,994,100
27	Implementation of 1993 PA 133, MCL 333.17015 .....		20,000



1	Local health services--1.3 FTE positions .....	452,500
2	Medicaid outreach cost reimbursement to local health	
3	departments.....	9,000,000
4	Public health administration--7.0 FTE positions .....	1,566,800
5	Sexually transmitted disease control program--20.0 FTE	
6	positions.....	6,279,600
7	Smoking prevention program--12.0 FTE positions .....	2,142,100
8	Violence prevention--2.9 FTE positions .....	2,122,500
9	Vital records and health statistics--81.4 FTE	
10	positions.....	<u>11,932,300</u>
11	GROSS APPROPRIATION .....	\$ 180,097,300
12	Appropriated from:	
13	Federal revenues:	
14	Capped federal revenues .....	81,100
15	Total other federal revenues .....	71,396,700
16	Special revenue funds:	
17	Total local revenues .....	5,150,000
18	Total private revenues .....	39,028,400
19	Total other state restricted revenues .....	20,164,900
20	State general fund/general purpose .....	\$ 44,276,200
21	<b>Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH</b>	
22	Full-time equated classified positions..... 110.8	
23	Childhood lead program--2.5 FTE positions .....	\$ 1,571,400
24	Family, maternal, and child health administration--	
25	49.3 FTE positions.....	8,460,900
26	Family planning local agreements .....	8,310,700
27	Local MCH services .....	7,018,100



1	Pregnancy prevention program .....	602,100
2	Prenatal care outreach and service delivery support--	
3	14.0 FTE positions .....	19,322,600
4	Special projects .....	6,289,100
5	Sudden and unexpected infant death and suffocation	
6	prevention program .....	321,300
7	Women, infants, and children program administration	
8	and special projects--45.0 FTE positions .....	18,014,400
9	Women, infants, and children program local agreements	
10	and food costs .....	<u>256,285,000</u>
11	GROSS APPROPRIATION .....	\$ 326,195,600
12	Appropriated from:	
13	Federal revenues:	
14	Social security act, temporary assistance for needy	
15	families .....	400,000
16	Total other federal revenues .....	254,324,000
17	Special revenue funds:	
18	Total local revenues .....	75,000
19	Total private revenues .....	61,702,400
20	State general fund/general purpose .....	\$ 9,694,200
21	<b>Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND</b>	
22	<b>PREPAREDNESS</b>	
23	Full-time equated classified positions .....	75.0
24	Bioterrorism preparedness--52.0 FTE positions .....	\$ 30,207,700
25	Emergency medical services program--23.0 FTE positions	<u>6,563,600</u>
26	GROSS APPROPRIATION .....	\$ 36,771,300
27	Appropriated from:	



1	Federal revenues:	
2	Total other federal revenues .....	31,332,300
3	Special revenue funds:	
4	Total other state restricted revenues .....	4,004,900
5	State general fund/general purpose .....	\$ 1,434,100
6	<b>Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>	
7	Full-time equated classified positions .....	46.8
8	Children's special health care services	
9	administration--44.0 FTE positions .....	\$ 5,990,100
10	Requests for care and services--2.8 FTE positions ....	1,534,800
11	Outreach and advocacy .....	5,510,000
12	Nonemergency medical transportation .....	905,900
13	Medical care and treatment .....	<u>235,790,200</u>
14	GROSS APPROPRIATION .....	\$ 249,731,000
15	Appropriated from:	
16	Federal revenues:	
17	Total other federal revenues .....	114,571,900
18	Special revenue funds:	
19	Total private revenues .....	1,013,200
20	Total other state restricted revenues .....	3,383,000
21	State general fund/general purpose .....	\$ 130,762,900
22	<b>Sec. 120. AGING AND ADULT SERVICES AGENCY</b>	
23	Full-time equated classified positions .....	48.0
24	Aging and adult services administration--48.0 FTE	
25	positions.....	\$ 9,344,200
26	Community services .....	39,850,600
27	Nutrition services .....	39,044,000



1	Employment assistance .....	3,500,000
2	Respite care program .....	5,868,700
3	Senior volunteer service programs .....	<u>4,465,300</u>
4	GROSS APPROPRIATION .....	\$ 102,072,800
5	Appropriated from:	
6	Federal revenues:	
7	Capped federal revenues .....	368,100
8	Total other federal revenues .....	57,898,600
9	Special revenue funds:	
10	Total private revenues .....	520,000
11	Michigan merit award trust fund .....	4,068,700
12	Total other state restricted revenues .....	1,400,000
13	State general fund/general purpose .....	\$ 37,817,400
14	<b>Sec. 121. MEDICAL SERVICES ADMINISTRATION</b>	
15	Full-time equated classified positions ..... 465.5	
16	Medical services administration--395.5 FTE positions .	\$ 83,615,600
17	Healthy Michigan plan administration--31.0 FTE	
18	positions.....	47,876,200
19	Electronic health record incentive program--24.0 FTE	
20	positions.....	144,297,800
21	Technology supporting integrated service delivery--	
22	15.0 FTE positions.....	<u>6,153,700</u>
23	GROSS APPROPRIATION .....	\$ 281,943,300
24	Appropriated from:	
25	Federal revenues:	
26	Total other federal revenues .....	238,817,000
27	Special revenue funds:	



1	Total local revenues .....	107,300
2	Total private revenues .....	101,300
3	Total other state restricted revenues .....	336,300
4	State general fund/general purpose .....	\$ 42,581,400
5	<b>Sec. 122. MEDICAL SERVICES</b>	
6	Hospital services and therapy .....	\$ 1,150,265,500
7	Hospital disproportionate share payments .....	45,000,000
8	Physician services .....	314,884,100
9	Medicare premium payments .....	458,763,500
10	Pharmaceutical services .....	554,072,700
11	Home health services .....	6,452,800
12	Hospice services .....	96,732,000
13	Transportation .....	20,094,000
14	Auxiliary medical services .....	5,489,200
15	Dental services .....	250,790,000
16	Ambulance services .....	17,604,500
17	Long-term care services .....	1,665,789,800
18	Integrated care organizations .....	220,300,000
19	Medicaid home- and community-based services waiver ...	342,650,500
20	Adult home help services .....	327,364,500
21	Personal care services .....	9,639,800
22	Program of all-inclusive care for the elderly .....	92,524,400
23	Health plan services .....	4,805,066,900
24	Federal Medicare pharmaceutical program .....	261,845,200
25	Maternal and child health .....	20,279,500
26	Healthy Michigan plan .....	3,239,453,000
27	Subtotal basic medical services program .....	13,905,061,900



1	School-based services .....	112,102,700
2	Dental clinic program .....	2,150,000
3	Special Medicaid reimbursement .....	368,887,600
4	Subtotal special medical services payments .....	<u>483,140,300</u>
5	GROSS APPROPRIATION .....	\$ 14,388,202,200
6	Appropriated from:	
7	Federal revenues:	
8	Total other federal revenues .....	10,427,171,800
9	Special revenue funds:	
10	Total local revenues .....	36,111,800
11	Total private revenues .....	2,100,000
12	Michigan merit award trust fund .....	40,604,100
13	Total other state restricted revenues .....	2,088,019,400
14	State general fund/general purpose .....	\$ 1,794,195,100
15	<b>Sec. 123. ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
16	Full-time equated classified position..... 1.0	
17	Hospice services .....	\$ 100
18	Family preservation programs--1.0 FTE position .....	3,400,000
19	Integrated service delivery .....	18,461,300
20	Drinking water declaration of emergency .....	15,138,100
21	MISACWIS implementation .....	8,646,600
22	Pharmacy reserve .....	43,041,600
23	Autism navigator .....	1,125,000
24	Demonstration projects - Michigan 2-1-1 .....	500,000
25	Dental clinic program .....	2,150,000
26	Mobile electronic service verification study .....	25,000
27	Opiate prevention pilot .....	<u>850,000</u>



1	GROSS APPROPRIATION .....	\$	93,337,700
2	Appropriated from:		
3	Federal revenues:		
4	Social security act, temporary assistance for needy		
5	families.....		13,089,300
6	Total other federal revenues .....		51,030,200
7	Special revenue funds:		
8	Total other state restricted revenues .....		473,900
9	State general fund/general purpose .....	\$	28,744,300

10 PART 2  
 11 PROVISIONS CONCERNING APPROPRIATIONS  
 12 FOR FISCAL YEAR 2016-2017

13 **GENERAL SECTIONS**

14 Sec. 201. Pursuant to section 30 of article IX of the state  
 15 constitution of 1963, total state spending from state resources  
 16 under part 1 for fiscal year 2016-2017 is \$6,668,108,000.00 and  
 17 state spending from state resources to be paid to local units of  
 18 government for fiscal year 2016-2017 is \$1,299,265,400.00. The  
 19 itemized statement below identifies appropriations from which  
 20 spending to local units of government will occur:

21 DEPARTMENT OF HEALTH AND HUMAN SERVICES  
 22 COMMUNITY SERVICES AND OUTREACH

23	Housing and support services .....	\$	638,300
24	Crime victim rights services grants .....		6,825,000

25 CHILDREN'S SERVICES AGENCY - CHILD WELFARE



1	Child care fund .....	\$	137,512,800
2	CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE		
3	County juvenile officers .....	\$	3,525,200
4	PUBLIC ASSISTANCE		
5	Family independence program .....	\$	8,500
6	State disability assistance payments .....		948,400
7	Multicultural integration funding .....		5,478,200
8	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
9	Community residential and support services .....	\$	292,100
10	BEHAVIORAL HEALTH SERVICES		
11	Medicaid mental health services .....	\$	769,018,600
12	Community mental health non-Medicaid services .....		118,806,200
13	Medicaid substance use disorder services .....		17,313,500
14	State disability assistance program substance use		
15	disorder services.....		2,018,800
16	Community substance use disorder prevention,		
17	education, and treatment.....		13,547,400
18	Children's waiver home care program .....		6,970,000
19	Nursing home PAS/ARR-OBRA .....		2,727,800
20	Children with serious emotional disturbance waiver ...		2,500,000
21	Healthy Michigan plan - behavioral health .....		8,100,900
22	Autism services .....		21,863,000
23	HEALTH POLICY		
24	Primary care services .....	\$	87,700
25	LABORATORY SERVICES		
26	Laboratory services .....	\$	5,200
27	DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY		



1	Immunization program .....	\$	1,042,700
2	LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
3	AIDS prevention, testing, and care programs .....	\$	929,400
4	Cancer prevention and control program .....		102,700
5	Chronic disease control and health promotion		
6	administration.....		7,100
7	Essential local public health services .....		34,199,500
8	Health and wellness initiatives .....		1,918,300
9	Implementation of 1993 PA 133, MCL 333.17015 .....		300
10	Sexually transmitted disease control program .....		194,300
11	FAMILY, MATERNAL, AND CHILD HEALTH		
12	Prenatal care outreach and service delivery support ..	\$	3,469,800
13	CHILDREN'S SPECIAL HEALTH CARE SERVICES		
14	Outreach and advocacy .....	\$	2,755,000
15	Medical care and treatment .....		949,800
16	AGING AND ADULT SERVICES AGENCY		
17	Community services .....	\$	17,370,200
18	Nutrition services .....		11,087,000
19	Respite care program .....		5,868,700
20	Senior volunteer service programs .....		963,600
21	MEDICAL SERVICES		
22	Hospital services and therapy .....	\$	2,449,500
23	Physician services .....		12,504,900
24	Transportation .....		949,800
25	Dental services .....		1,402,400
26	Long-term care services .....		<u>82,912,800</u>
27	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT .....	\$	1,299,265,400



1           Sec. 202. The appropriations authorized under this part and  
2 part 1 are subject to the management and budget act, 1984 PA 431,  
3 MCL 18.1101 to 18.1594.

4           Sec. 203. As used in this part and part 1:

5           (a) "AIDS" means acquired immunodeficiency syndrome.

6           (b) "CMHSP" means a community mental health services program  
7 as that term is defined in section 100a of the mental health code,  
8 1974 PA 258, MCL 330.1100a.

9           (c) "Current fiscal year" means the fiscal year ending  
10 September 30, 2017.

11           (d) "Department" means the department of health and human  
12 services.

13           (e) "Director" means the director of the department.

14           (f) "DSH" means disproportionate share hospital.

15           (g) "EPSDT" means early and periodic screening, diagnosis, and  
16 treatment.

17           (h) "Federal poverty level" means the poverty guidelines  
18 published annually in the Federal Register by the United States  
19 Department of Health and Human Services under its authority to  
20 revise the poverty line under 42 USC 9902.

21           (i) "FTE" means full-time equated.

22           (j) "GME" means graduate medical education.

23           (k) "Health plan" means, at a minimum, an organization that  
24 meets the criteria for delivering the comprehensive package of  
25 services under the department's comprehensive health plan.

26           (l) "HEDIS" means healthcare effectiveness data and  
27 information set.



1 (m) "HMO" means health maintenance organization.

2 (n) "IDEA" means the individuals with disabilities education  
3 act, 20 USC 1400 to 1482.

4 (o) "IDG" means interdepartmental grant.

5 (p) "MCH" means maternal and child health.

6 (q) "Medicaid" means subchapter XIX of the social security  
7 act, 42 USC 1396 to 1396w-5.

8 (r) "Medicare" means subchapter XVIII of the social security  
9 act, 42 USC 1395 to 1395III.

10 (s) "MiCAFE" means Michigan's coordinated access to food for  
11 the elderly.

12 (t) "MiChild" means the program described in section 1670.

13 (u) "MiSACWIS" means Michigan statewide automated child  
14 welfare information system.

15 (v) "PAS/ARR-OBRA" means the preadmission screening and annual  
16 resident review required under the omnibus budget reconciliation  
17 act of 1987, section 1919(e)(7) of the social security act, 42 USC  
18 1396r.

19 (w) "PIHP" means an entity designated by the department as a  
20 regional entity or a specialty prepaid inpatient health plan for  
21 Medicaid mental health services, services to individuals with  
22 developmental disabilities, and substance use disorder services.  
23 Regional entities are described in section 204b of the mental  
24 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid  
25 inpatient health plans are described in section 232b of the mental  
26 health code, 1974 PA 258, MCL 330.1232b.

27 (x) "Previous fiscal year" means the fiscal year ending



1 September 30, 2016.

2 (y) "Settlement" means the settlement agreement entered in the  
3 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United  
4 States District Court for the Eastern District of Michigan.

5 (z) "SSI" means supplemental security income.

6 (aa) "Temporary assistance for needy families" or "TANF" or  
7 "title IV-A" means part A of subchapter IV of the social security  
8 act, 42 USC 601 to 619.

9 (bb) "Title IV-B" means part B of title IV of the social  
10 security act, 42 USC 620 to 629m.

11 (cc) "Title IV-D" means part D of title IV of the social  
12 security act, 42 USC 651 to 669b.

13 (dd) "Title IV-E" means part E of title IV of the social  
14 security act, 42 USC 670 to 679c.

15 (ee) "Title X" means subchapter VIII of the public health  
16 service act, 42 USC 300 to 300a-8, which establishes grants to  
17 states for family planning services.

18 Sec. 204. In addition to the metrics required under section  
19 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
20 each new program or program enhancement for which funds in excess  
21 of \$1,000,000.00 are appropriated in part 1, the department shall  
22 provide not later than November 1 of the current fiscal year a list  
23 of program-specific metrics intended to measure its performance  
24 based on a return on taxpayer investment. The department shall  
25 deliver the program-specific metrics to members of the senate and  
26 house subcommittees on the department budget, fiscal agencies, and  
27 the state budget director. The department shall provide an update



1 on its progress in tracking program-specific metrics and the status  
2 of program success at an appropriations subcommittee meeting called  
3 for by the subcommittee chair.

4 Sec. 205. Pursuant to section 1b of the social welfare act,  
5 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this  
6 part as a time-limited addendum to the social welfare act, 1939 PA  
7 280, MCL 400.1 to 400.119b.

8 Sec. 206. (1) In addition to the funds appropriated in part 1,  
9 there is appropriated an amount not to exceed \$400,000,000.00 for  
10 federal contingency funds. These funds are not available for  
11 expenditure until they have been transferred to another line item  
12 in part 1 under section 393(2) of the management and budget act,  
13 1984 PA 431, MCL 18.1393. These funds shall not be made available  
14 to increase TANF authorization.

15 (2) In addition to the funds appropriated in part 1, there is  
16 appropriated an amount not to exceed \$45,000,000.00 for state  
17 restricted contingency funds. These funds are not available for  
18 expenditure until they have been transferred to another line item  
19 in part 1 under section 393(2) of the management and budget act,  
20 1984 PA 431, MCL 18.1393.

21 (3) In addition to the funds appropriated in part 1, there is  
22 appropriated an amount not to exceed \$40,000,000.00 for local  
23 contingency funds. These funds are not available for expenditure  
24 until they have been transferred to another line item in part 1  
25 under section 393(2) of the management and budget act, 1984 PA 431,  
26 MCL 18.1393.

27 (4) In addition to the funds appropriated in part 1, there is



1 appropriated an amount not to exceed \$60,000,000.00 for private  
2 contingency funds. These funds are not available for expenditure  
3 until they have been transferred to another line item in part 1  
4 under section 393(2) of the management and budget act, 1984 PA 431,  
5 MCL 18.1393.

6 Sec. 207. The department shall maintain, on a publicly  
7 accessible website, a department scorecard that identifies, tracks,  
8 and regularly updates key metrics that are used to monitor and  
9 improve the department's performance.

10 Sec. 208. Unless otherwise specified, the departments and  
11 agencies receiving appropriations in part 1 shall use the Internet  
12 to fulfill the reporting requirements of this part and part 1. This  
13 requirement shall include transmission of reports via electronic  
14 mail to the recipients identified for each reporting requirement,  
15 and it shall include placement of reports on the Internet.

16 Sec. 209. Funds appropriated in part 1 shall not be used for  
17 the purchase of foreign goods or services, or both, if  
18 competitively priced and of comparable quality American goods or  
19 services, or both, are available. Preference shall be given to  
20 goods or services, or both, manufactured or provided by Michigan  
21 businesses if they are competitively priced and of comparable  
22 quality. In addition, preference shall be given to goods or  
23 services, or both, that are manufactured or provided by Michigan  
24 businesses owned and operated by veterans if they are competitively  
25 priced and of comparable quality.

26 Sec. 210. The director shall take all reasonable steps to  
27 ensure businesses in deprived and depressed communities compete for



1 and perform contracts to provide services or supplies, or both.  
2 Each director shall strongly encourage firms with which the  
3 department contracts to subcontract with certified businesses in  
4 depressed and deprived communities for services, supplies, or both.

5       Sec. 211. If the revenue collected by the department from fees  
6 and collections exceeds the amount appropriated in part 1, the  
7 revenue may be carried forward with the approval of the state  
8 budget director into the subsequent fiscal year. The revenue  
9 carried forward under this section shall be used as the first  
10 source of funds in the subsequent fiscal year.

11       Sec. 212. (1) On or before February 1 of the current fiscal  
12 year, the department shall report to the house and senate  
13 appropriations subcommittees on the department budget, the house  
14 and senate fiscal agencies, and the state budget director on the  
15 detailed name and amounts of estimated federal, restricted,  
16 private, and local sources of revenue that support the  
17 appropriations in each of the line items in part 1.

18       (2) Upon the release of the next fiscal year executive budget  
19 recommendation, the department shall report to the same parties in  
20 subsection (1) on the amounts and detailed sources of federal,  
21 restricted, private, and local revenue proposed to support the  
22 total funds appropriated in each of the line items in part 1 of the  
23 next fiscal year executive budget proposal.

24       Sec. 213. The state departments, agencies, and commissions  
25 receiving tobacco tax funds and Healthy Michigan fund revenue from  
26 part 1 shall report by April 1 of the current fiscal year to the  
27 senate and house appropriations committees, the senate and house



1 fiscal agencies, and the state budget director on the following:

2 (a) Detailed spending plan by appropriation line item  
3 including description of programs and a summary of organizations  
4 receiving these funds.

5 (b) Description of allocations or bid processes including need  
6 or demand indicators used to determine allocations.

7 (c) Eligibility criteria for program participation and maximum  
8 benefit levels where applicable.

9 (d) Outcome measures used to evaluate programs, including  
10 measures of the effectiveness of these programs in improving the  
11 health of Michigan residents.

12 (e) Any other information considered necessary by the house of  
13 representatives or senate appropriations committees or the state  
14 budget director.

15 Sec. 214. By March 1 and August 1 of the current fiscal year,  
16 the department shall report on the number of FTEs in pay status by  
17 type of staff.

18 Sec. 215. If a legislative objective of this part or of a bill  
19 or amendment to a bill to amend the social welfare act, 1939 PA  
20 280, MCL 400.1 to 400.119b, cannot be implemented because  
21 implementation would conflict with or violate federal regulations,  
22 the department shall notify the state budget director, the chairs  
23 of the house and senate subcommittees on the department budget, and  
24 the house and senate fiscal agencies and policy offices of that  
25 fact.

26 Sec. 216. (1) In addition to funds appropriated in part 1 for  
27 all programs and services, there is appropriated for write-offs of



1 accounts receivable, deferrals, and for prior year obligations in  
2 excess of applicable prior year appropriations, an amount equal to  
3 total write-offs and prior year obligations, but not to exceed  
4 amounts available in prior year revenues.

5 (2) The department's ability to satisfy appropriation fund  
6 sources in part 1 shall not be limited to collections and accruals  
7 pertaining to services provided in the current fiscal year, but  
8 shall also include reimbursements, refunds, adjustments, and  
9 settlements from prior years.

10 Sec. 217. The departments and agencies receiving  
11 appropriations in part 1 shall prepare a report on out-of-state  
12 travel expenses not later than January 1 of each year. The travel  
13 report shall be a listing of all travel by classified and  
14 unclassified employees outside this state in the immediately  
15 preceding fiscal year that was funded in whole or in part with  
16 funds appropriated in the department's budget. The report shall be  
17 submitted to the senate and house appropriations committees, the  
18 house and senate fiscal agencies, and the state budget director.  
19 The report shall include the following information:

20 (a) The dates of each travel occurrence.

21 (b) The transportation and related costs of each travel  
22 occurrence, including the proportion funded with state general  
23 fund/general purpose revenues, the proportion funded with state  
24 restricted revenues, the proportion funded with federal revenues,  
25 and the proportion funded with other revenues.

26 Sec. 218. The department shall include, but not be limited to,  
27 the following in its annual list of proposed basic health services



1 as required in part 23 of the public health code, 1978 PA 368, MCL  
2 333.2301 to 333.2321:

3 (a) Immunizations.

4 (b) Communicable disease control.

5 (c) Sexually transmitted disease control.

6 (d) Tuberculosis control.

7 (e) Prevention of gonorrhoea eye infection in newborns.

8 (f) Screening newborns for the conditions listed in section  
9 5431 of the public health code, 1978 PA 368, MCL 333.5431, or  
10 recommended by the newborn screening quality assurance advisory  
11 committee created under section 5430 of the public health code,  
12 1978 PA 368, MCL 333.5430.

13 (g) Health and human services annex of the Michigan emergency  
14 management plan.

15 (h) Prenatal care.

16 Sec. 219. (1) The department may contract with the Michigan  
17 Public Health Institute for the design and implementation of  
18 projects and for other public health-related activities prescribed  
19 in section 2611 of the public health code, 1978 PA 368, MCL  
20 333.2611. The department may develop a master agreement with the  
21 Institute to carry out these purposes for up to a 3-year period.  
22 The department shall report to the house and senate appropriations  
23 subcommittees on the department budget, the house and senate fiscal  
24 agencies, and the state budget director on or before January 1 of  
25 the current fiscal year all of the following:

26 (a) A detailed description of each funded project.

27 (b) The amount allocated for each project, the appropriation



1 line item from which the allocation is funded, and the source of  
2 financing for each project.

3 (c) The expected project duration.

4 (d) A detailed spending plan for each project, including a  
5 list of all subgrantees and the amount allocated to each  
6 subgrantee.

7 (2) On or before September 30 of the current fiscal year, the  
8 department shall provide to the same parties listed in subsection  
9 (1) a copy of all reports, studies, and publications produced by  
10 the Michigan Public Health Institute, its subcontractors, or the  
11 department with the funds appropriated in part 1 and allocated to  
12 the Michigan Public Health Institute.

13 Sec. 220. The department shall ensure that faith-based  
14 organizations are able to apply and compete for services, programs,  
15 or contracts that they are qualified and suitable to fulfill. The  
16 department shall not disqualify faith-based organizations solely on  
17 the basis of the religious nature of their organization or their  
18 guiding principles or statements of faith.

19 Sec. 222. (1) The department shall make the entire policy and  
20 procedures manual available and accessible to the public via the  
21 department website.

22 (2) The department shall report no later than April 1 of the  
23 current fiscal year on each specific policy change made to  
24 implement a public act affecting the department that took effect  
25 during the prior calendar year to the house and senate  
26 appropriations subcommittees on the department budget, the joint  
27 committee on administrative rules, and the senate and house fiscal



1 agencies and policy offices. The department shall attach each  
2 policy bulletin issued during the prior calendar year to this  
3 report.

4       Sec. 223. The department may establish and collect fees for  
5 publications, videos and related materials, conferences, and  
6 workshops. Collected fees shall be used to offset expenditures to  
7 pay for printing and mailing costs of the publications, videos and  
8 related materials, and costs of the workshops and conferences. The  
9 department shall not collect fees under this section that exceed  
10 the cost of the expenditures.

11       Sec. 224. The department may retain all of the state's share  
12 of food assistance overissuance collections as an offset to general  
13 fund/general purpose costs. Retained collections shall be applied  
14 against federal funds deductions in all appropriation units where  
15 department costs related to the investigation and recoupment of  
16 food assistance overissuances are incurred. Retained collections in  
17 excess of such costs shall be applied against the federal funds  
18 deducted in the departmentwide administration appropriation unit.

19       Sec. 225. (1) Sanctions, suspensions, conditions for  
20 provisional license status, and other penalties shall not be more  
21 stringent for private service providers than for public entities  
22 performing equivalent or similar services.

23       (2) Neither the department nor private service providers or  
24 licensees shall be granted preferential treatment or considered  
25 automatically to be in compliance with administrative rules based  
26 on whether they have collective bargaining agreements with direct  
27 care workers. Private service providers or licensees without



1 collective bargaining agreements shall not be subjected to  
2 additional requirements or conditions of licensure based on their  
3 lack of collective bargaining agreements.

4 Sec. 231. From the funds appropriated in part 1 for travel  
5 reimbursements to employees, the department shall allocate up to  
6 \$100,000.00 toward reimbursing counties for the out-of-pocket  
7 travel costs of the local county department board members and  
8 county department directors to attend 1 meeting per year of the  
9 Michigan County Social Services Association.

10 Sec. 233. By March 31 and September 30 of the current fiscal  
11 year, the department shall report to the senate and house  
12 appropriations subcommittees on the department budget, the senate  
13 and house fiscal agencies, the senate and house policy offices, and  
14 the state budget office on the status of the merger, executed  
15 according to Executive Order No. 2015-4, of the department of  
16 community health and the department of human services to create the  
17 department of health and human services. The report must indicate  
18 changes from the prior report and shall include, but not be limited  
19 to, all of the following information:

20 (a) The impact on client service delivery or access to  
21 services, including the restructuring or consolidation of services.

22 (b) Any cost increases or reductions that resulted from rent  
23 or building occupancy changes.

24 (c) Facilities in use, including any office closures or  
25 consolidations, or new office locations, including hoteling  
26 stations.

27 (d) Current status of FTE positions, including the number of



1 FTE positions that were eliminated or added due to duplication of  
2 efforts.

3 (e) Any other efficiencies, costs, or savings associated with  
4 the merger.

5 Sec. 234. The department shall include specific outcome and  
6 performance reporting requirements in the interagency agreement  
7 with the Michigan talent investment agency for TANF funding to  
8 provide job readiness and welfare-to-work programming. TANF funding  
9 provided to the Michigan talent investment agency in the current  
10 fiscal year is contingent on compliance with the data and reporting  
11 requirements described in this section. The interagency agreement  
12 must require the Michigan talent investment agency to provide all  
13 of the following items by January 1 of the current fiscal year for  
14 the previous fiscal year to the senate and house appropriations  
15 committees and the state budget office:

16 (a) An itemized spending report on TANF funding, including all  
17 of the following:

18 (i) Direct services to clients.

19 (ii) Administrative expenditures.

20 (b) The number of family independence program (FIP) clients  
21 served through the TANF funding, including all of the following:

22 (i) The number and percentage who obtained employment through  
23 Michigan Works!

24 (ii) The number and percentage who fulfilled their TANF work  
25 requirement through other job readiness programming.

26 (iii) Average TANF spending per client.

27 (iv) The number and percentage of clients who were referred to



1 Michigan Works! but did not receive a job or job readiness  
2 placement and the reasons why.

3       Sec. 240. The department shall notify the house and senate  
4 appropriations subcommittees on the department budget, the house  
5 and senate fiscal agencies, and the house and senate policy offices  
6 of any changes to a child welfare master contract template,  
7 including the adoption master contract template, the independent  
8 living plus master contract template, the placing agency foster  
9 care master contract template, and the residential foster care  
10 juvenile justice master contract template, not less than 30 days  
11 before the change takes effect.

12       Sec. 252. The appropriations in part 1 for Healthy Michigan  
13 plan - behavioral health, Healthy Michigan plan administration, and  
14 Healthy Michigan plan are contingent on the provisions of the  
15 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were  
16 contained in 2013 PA 107 not being amended, repealed, or otherwise  
17 altered to eliminate the Healthy Michigan plan. If that occurs,  
18 then, upon the effective date of the amendatory act that amends,  
19 repeals, or otherwise alters those provisions, the remaining funds  
20 in the Healthy Michigan plan - behavioral health, Healthy Michigan  
21 plan administration, and Healthy Michigan plan line items shall  
22 only be used to pay previously incurred costs and any remaining  
23 appropriations shall not be allotted to support those line items.

24       Sec. 263. (1) Before submission of a waiver, a state plan  
25 amendment, or a similar proposal to the Centers for Medicare and  
26 Medicaid Services or other federal agency, the department shall  
27 provide written notification to the house and senate appropriations



1 subcommittees on the department budget, the house and senate fiscal  
2 agencies and policy offices, and the state budget office of the  
3 planned submission.

4 (2) The department shall provide written biannual reports to  
5 the senate and house appropriations subcommittees on the department  
6 budget, the senate and house fiscal agencies, and the state budget  
7 office summarizing the status of any new or ongoing discussions  
8 with the Centers for Medicare and Medicaid Services or the United  
9 States Department of Health and Human Services or other federal  
10 agency regarding potential or future waiver applications, as well  
11 as the status of submitted waivers that have not yet received  
12 federal approval. If, at the time a biannual report is due, there  
13 are no reportable items, then no report is required to be provided.

14 Sec. 264. The department shall not take disciplinary action  
15 against an employee for communicating with a member of the  
16 legislature or his or her staff.

17 Sec. 265. Within 14 days after the release of the executive  
18 budget recommendation, the department shall cooperate with the  
19 state budget office to provide the senate and house appropriations  
20 chairs, the senate and house appropriations subcommittee chairs on  
21 the department budget, and the senate and house fiscal agencies  
22 with an annual report on estimated state restricted fund balances,  
23 state restricted fund projected revenues, and state restricted fund  
24 expenditures for the previous fiscal year and the current fiscal  
25 year.

26 Sec. 270. The department shall advise the legislature of the  
27 receipt of a notification from the attorney general's office of a



1 legal action in which expenses had been recovered pursuant to  
2 section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106,  
3 or any other statute under which the department has the right to  
4 recover expenses. By November 1 and May 1 of the current fiscal  
5 year, the department shall submit a written report to the house and  
6 senate appropriations subcommittees on the department budget, the  
7 house and senate fiscal agencies, and the state budget office which  
8 includes, at a minimum, all of the following:

9 (a) The total amount recovered from the legal action.

10 (b) The program or service for which the money was originally  
11 expended.

12 (c) Details on the disposition of the funds recovered such as  
13 the appropriation or revenue account in which the money was  
14 deposited.

15 (d) A description of the facts involved in the legal action.

16 Sec. 274. (1) The department, in collaboration with the state  
17 budget office, shall not utilize capped federal funding for  
18 economics adjustments for FTEs or other economics costs that are  
19 included as part of the budget submitted to the legislature by the  
20 governor for the ensuing fiscal year.

21 (2) The department, in collaboration with the state budget  
22 office, shall submit to the house and senate appropriations  
23 subcommittees on the department budget, the house and senate fiscal  
24 agencies, and the house and senate policy offices 1 week after the  
25 day the governor submits to the legislature the budget for the  
26 ensuing fiscal year a report on spending and revenue projections  
27 for each of the capped federal funds listed below. The report shall



1 contain actual spending and revenue in the previous fiscal year,  
2 spending and revenue projections for the current fiscal year as  
3 enacted, and spending and revenue projections within the executive  
4 budget proposal for the fiscal year beginning October 1, 2017 for  
5 each individual line item for the department budget. The report  
6 shall also include federal funds transferred to other departments.  
7 The capped federal funds shall include, but not be limited to, all  
8 of the following:

9 (a) TANF.

10 (b) Title XX social services block grant.

11 (c) Title IV-B part I child welfare services block grant.

12 (d) Title IV-B part II promoting safe and stable families  
13 funds.

14 (e) Low-income home energy assistance program.

15 Sec. 276. Funds appropriated in part 1 shall not be used by a  
16 principal executive department, state agency, or authority to hire  
17 a person to provide legal services that are the responsibility of  
18 the attorney general. This prohibition does not apply to legal  
19 services for bonding activities and for those outside services that  
20 the attorney general authorizes.

21 Sec. 279. (1) All master contracts relating to human services  
22 as funded by the appropriations in sections 103, 104, 105, 106,  
23 107, 108, and 109 of part 1 shall be performance-based contracts  
24 that employ a client-centered results-oriented process that is  
25 based on measurable performance indicators and desired outcomes and  
26 includes the annual assessment of the quality of services provided.

27 (2) By February 1 of the current fiscal year, the department



1 shall provide the senate and house appropriations subcommittees on  
2 the department budget, the senate and house fiscal agencies and  
3 policy offices, and the state budget office a report detailing  
4 measurable performance indicators, desired outcomes, and an  
5 assessment of the quality of services provided by the department  
6 during the previous fiscal year.

7       Sec. 280. On a quarterly basis, the department shall provide a  
8 report to the house and senate appropriations committees, the house  
9 and senate fiscal agencies, the house and senate policy offices,  
10 and the state budget director that provides all of the following  
11 for each line item in part 1 containing personnel-related costs,  
12 including the specific individual amounts for salaries and wages,  
13 payroll taxes, and fringe benefits:

14       (a) FTE authorization.

15       (b) Spending authorization for personnel-related costs, by  
16 fund source, under the spending plan.

17       (c) Actual year-to-date expenditures for personnel-related  
18 costs, by fund source, through the end of the prior month.

19       (d) The projected year-end balance or shortfall for personnel-  
20 related costs, by fund source, based on actual monthly spending  
21 levels through the end of the prior month.

22       (e) A specific plan for addressing any projected shortfall for  
23 personnel-related costs at either the gross or fund source level.

24       Sec. 287. Not later than November 30, the state budget office  
25 shall prepare and transmit a report that provides for estimates of  
26 the total general fund/general purpose appropriation lapses at the  
27 close of the prior fiscal year. This report shall summarize the



1 projected year-end general fund/general purpose appropriation  
2 lapses by major departmental program or program areas. The report  
3 shall be transmitted to the chairpersons of the senate and house  
4 appropriations committees, and the senate and house fiscal  
5 agencies.

6 Sec. 290. Any public advertisement for state food assistance  
7 shall also inform the public of the welfare fraud hotline operated  
8 by the department.

9 Sec. 291. The department shall verify, using the e-verify  
10 system, that all new department employees, and new hire employees  
11 of contractors and subcontractors paid from funds appropriated in  
12 part 1, are legally present in the United States. The department  
13 may verify this information directly or may require contractors and  
14 subcontractors to verify the information and submit a certification  
15 to the department.

16 Sec. 292. The department shall cooperate with the department  
17 of technology, management, and budget to maintain a searchable  
18 website accessible by the public at no cost that includes, but is  
19 not limited to, all of the following for each department or agency:

20 (a) Fiscal year-to-date expenditures by category.

21 (b) Fiscal year-to-date expenditures by appropriation unit.

22 (c) Fiscal year-to-date payments to a selected vendor,  
23 including the vendor name, payment date, payment amount, and  
24 payment description.

25 (d) The number of active department employees by job  
26 classification.

27 (e) Job specifications and wage rates.



1           Sec. 294. From the funds appropriated in part 1 for the  
2 Michigan Medicaid information system (MMIS) line item,  
3 \$20,000,000.00 in private revenue may be received from and  
4 allocated for other states interested in participating as part of  
5 the broader MMIS initiative. By March 1 of the current fiscal year,  
6 the department shall provide a report on the use of MMIS by other  
7 states for the previous fiscal year, including a list of states,  
8 type of use, and revenue and expenditures related to the agreements  
9 with the other states to use the MMIS. The report shall be provided  
10 to the house and senate appropriations subcommittees on the  
11 department budget, the house and senate fiscal agencies, and the  
12 state budget office.

13           Sec. 295. (1) From the funds appropriated in part 1 for  
14 multicultural integration funding and for any other appropriation  
15 line item to agencies providing physical health services,  
16 behavioral health services, or social services to multicultural  
17 populations, the department shall award grants in accordance with  
18 the requirements of subsection (2). The state is not liable for any  
19 spending above the contract amount. Commencing with grants to be  
20 distributed in the fiscal year beginning October 1, 2017, the  
21 grants shall be awarded on a competitive basis.

22           (2) The department shall require each contractor that receives  
23 greater than \$1,000,000.00 in state grant funding under this  
24 section to comply with performance-related metrics to maintain  
25 their eligibility for funding. The organizational metrics shall  
26 include, but not be limited to, all of the following:

27           (a) Each contractor or subcontractor shall have accreditations



1 that attest to its competency and effectiveness as a physical  
2 health agency, behavioral health agency, social services agency, or  
3 a combination of these agencies to the satisfaction of the  
4 department.

5 (b) Each contractor or subcontractor shall have a mission that  
6 is consistent with the purpose of the multicultural agency.

7 (c) Each contractor shall validate that any subcontractors  
8 utilized within these appropriations share the same mission as the  
9 lead agency receiving funding.

10 (d) Each contractor or subcontractor shall demonstrate cost-  
11 effectiveness.

12 (e) Each contractor or subcontractor shall ensure its ability  
13 to leverage private dollars to strengthen and maximize service  
14 provision.

15 (f) Each contractor or subcontractor shall provide timely and  
16 accurate reports regarding the number of clients served, units of  
17 service provision, and ability to meet its stated goals.

18 (3) The department shall require an annual report from the  
19 contractors described in subsection (2). The annual report, due 60  
20 days following the end of the contract period, shall include  
21 specific information on services and programs provided from grants  
22 received under this section, the client base to which the services  
23 and programs were provided, information on any wraparound services  
24 provided, and the expenditures for all services. The department  
25 shall provide the annual reports to the senate and house  
26 appropriations subcommittees on the department budget, the senate  
27 and house fiscal agencies, and the state budget office.



1           Sec. 296. By March 1 of the current fiscal year, the  
2 department shall provide to the senate and house appropriations  
3 subcommittees on the department budget, the senate and house fiscal  
4 agencies, and the senate and house policy offices an annual report  
5 on the supervisor-to-staff ratio by department divisions and  
6 subdivisions.

7           Sec. 297. Total authorized appropriations from all sources  
8 under part 1 for legacy costs for the current fiscal year are  
9 \$364,972,800.00. From this amount, total agency appropriations for  
10 pension-related legacy costs are estimated at \$202,368,400.00.  
11 Total agency appropriations for retiree health care legacy costs  
12 are estimated at \$162,604,400.00.

13           Sec. 298. (1) The department shall work with a workgroup to  
14 make recommendations regarding the most effective financing model  
15 and policies for behavioral health services in order to improve the  
16 coordination of behavioral and physical health services for  
17 individuals with mental illnesses, intellectual and developmental  
18 disabilities, and substance use disorders. The workgroup shall  
19 include, but not be limited to, the Michigan Association of  
20 Community Mental Health Boards, the Michigan Association of Health  
21 Plans, and advocates for consumers of behavioral health services.

22           (2) The workgroup shall consider the following goals in making  
23 its recommendations:

24           (a) Core principles of person-centered planning, self-  
25 determination, and recovery orientation.

26           (b) Avoiding the return to a medical and institutional model  
27 of supports and services for individuals with behavioral health and



1 developmental disability needs.

2 (c) Coordination of physical health and behavioral health care  
3 and services at the point at which the consumer receives that care  
4 and those services.

5 (3) The workgroup's recommendations shall include a detailed  
6 plan for the transition to any new financing model or policies  
7 recommended by the workgroup, including a plan to ensure continuity  
8 of care for consumers of behavioral health services in order to  
9 prevent current customers of behavioral health services from  
10 experiencing a disruption of services and supports. The workgroup  
11 shall consider the use of 1 or more pilot programs in areas with an  
12 appropriate number of consumers of behavioral health services and a  
13 range of behavioral health needs as part of that transition plan.

14 (4) The department shall provide, after each workgroup  
15 meeting, a status update on the workgroup's progress and, by  
16 December 1 of the current fiscal year, a final report on the  
17 workgroup's recommendations to the senate and house appropriations  
18 subcommittees on the department budget, the senate and house fiscal  
19 agencies, and the state budget office.

20 (5) No funding that has been paid to the prepaid inpatient  
21 health plans in prior fiscal years from the Medicaid mental health  
22 services, Medicaid substance use disorder services, Healthy  
23 Michigan plan - behavioral health, or autism services appropriation  
24 line items shall be transferred or paid to any other entity without  
25 specific legislative authorization through enactment of a budget  
26 act containing appropriation line item changes or authorizing  
27 boilerplate language.



1           Sec. 299. No state department or agency shall issue a request  
2 for proposal (RFP) for a contract in excess of \$5,000,000.00,  
3 unless the department or agency has first considered issuing a  
4 request for information (RFI) or a request for qualification (RFQ)  
5 relative to that contract to better enable the department or agency  
6 to learn more about the market for the products or services that  
7 are the subject of the RFP. The department or agency shall notify  
8 the department of technology, management, and budget of the  
9 evaluation process used to determine if an RFI or RFQ was not  
10 necessary prior to issuing the RFP.

11 **DEPARTMENTWIDE ADMINISTRATION**

12           Sec. 307. (1) From the funds appropriated in part 1 for  
13 demonstration projects, \$950,000.00 shall be distributed as  
14 provided in subsection (2). The amount distributed under this  
15 subsection shall not exceed 50% of the total operating expenses of  
16 the program described in subsection (2), with the remaining 50%  
17 paid by local United Way organizations and other nonprofit  
18 organizations and foundations.

19           (2) Funds distributed under subsection (1) shall be  
20 distributed to Michigan 2-1-1, a nonprofit corporation organized  
21 under the laws of this state that is exempt from federal income tax  
22 under section 501(c)(3) of the internal revenue code, 26 USC  
23 501(c)(3), and whose mission is to coordinate and support a  
24 statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to  
25 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1  
26 in January 2005.



1 (3) Michigan 2-1-1 shall refer to the department any calls  
2 received reporting fraud, waste, or abuse of state-administered  
3 public assistance.

4 (4) Michigan 2-1-1 shall report annually to the department,  
5 the house and senate standing committees with primary jurisdiction  
6 over matters relating to human services and telecommunications, the  
7 house and senate appropriations subcommittees on the department  
8 budget, and the house and senate fiscal agencies, on 2-1-1 system  
9 performance, including, but not limited to, call volume by health  
10 and human service needs and unmet needs identified through caller  
11 data and customer satisfaction metrics.

12 Sec. 310. It is the intent of the legislature that the  
13 department shall work with youth-oriented nonprofit organizations  
14 to provide mentoring programming for children of incarcerated  
15 parents and other at-risk children.

16 Sec. 316. From the funds appropriated in part 1 for terminal  
17 leave payouts and other employee costs, the department shall not  
18 spend in excess of its annual gross appropriation unless it  
19 identifies and requests a legislative transfer from another  
20 budgetary line item supporting administrative costs, as provided by  
21 section 393(2) of the management and budget act, 1984 PA 431, MCL  
22 18.1393.

23 Sec. 320. Effective October 1, 2015, the department shall not  
24 expend funds appropriated in part 1 for rental payments or  
25 operational expenses for state lease number 2719 for the premises  
26 located at 103 Court Street in Munising, Michigan.



1 **CHILD SUPPORT ENFORCEMENT**

2           Sec. 401. (1) The appropriations in part 1 assume a total  
3 federal child support incentive payment of \$26,500,000.00.

4           (2) From the federal money received for child support  
5 incentive payments, \$12,000,000.00 shall be retained by the state  
6 and expended for child support program expenses.

7           (3) From the federal money received for child support  
8 incentive payments, \$14,500,000.00 shall be paid to the counties  
9 based on each county's performance level for each of the federal  
10 performance measures as established in 45 CFR 305.2.

11           (4) If the child support incentive payment to the state from  
12 the federal government is greater than \$26,500,000.00, then 100% of  
13 the excess shall be retained by the state and is appropriated until  
14 the total retained by the state reaches \$15,397,400.00.

15           (5) If the child support incentive payment to the state from  
16 the federal government is greater than the amount needed to satisfy  
17 the provisions identified in subsections (1), (2), (3), and (4),  
18 the additional funds shall be subject to appropriation by the  
19 legislature.

20           (6) If the child support incentive payment to the state from  
21 the federal government is less than \$26,500,000.00, then the state  
22 and county share shall each be reduced by 50% of the shortfall.

23           Sec. 409. (1) If statewide retained child support collections  
24 exceed \$38,300,000.00, 75% of the amount in excess of  
25 \$38,300,000.00 is appropriated to legal support contracts. This  
26 excess appropriation may be distributed to eligible counties to  
27 supplement and not supplant county title IV-D funding.



1 (2) Each county whose retained child support collections in  
2 the current fiscal year exceed its fiscal year 2004-2005 retained  
3 child support collections, excluding tax offset and financial  
4 institution data match collections in both the current year and  
5 fiscal year 2004-2005, shall receive its proportional share of the  
6 75% excess.

7 Sec. 410. (1) If title IV-D-related child support collections  
8 are escheated, the state budget director is authorized to adjust  
9 the sources of financing for the funds appropriated in part 1 for  
10 legal support contracts to reduce federal authorization by 66% of  
11 the escheated amount and increase general fund/general purpose  
12 authorization by the same amount. This budget adjustment is  
13 required to offset the loss of federal revenue due to the escheated  
14 amount being counted as title IV-D program income in accordance  
15 with federal regulations at 45 CFR 304.50.

16 (2) The department shall notify the chairs of the house and  
17 senate appropriations subcommittees on the department budget and  
18 the house and senate fiscal agencies within 15 days of the  
19 authorization adjustment in subsection (1).

20 **COMMUNITY SERVICES AND OUTREACH**

21 Sec. 450. (1) From the funds appropriated in part 1 for school  
22 success partnership program, the department shall allocate  
23 \$450,000.00 by December 1 of the current fiscal year to support the  
24 Northeast Michigan Community Service Agency programming, which will  
25 take place in each county in the Governor's Prosperity Region 3.  
26 The department shall require the following performance objectives



1 be measured and reported for the duration of the state funding for  
2 the school success partnership program:

3 (a) Increasing school attendance and decreasing chronic  
4 absenteeism.

5 (b) Increasing academic performance based on grades with  
6 emphasis on math and reading.

7 (c) Identifying barriers to attendance and success and  
8 connecting families with resources to reduce these barriers.

9 (d) Increasing parent involvement with the parent's child's  
10 school and community.

11 (2) The Northeast Michigan Community Service Agency shall  
12 provide reports to the department on January 31 and June 30 of the  
13 current fiscal year on the number of children and families served  
14 and the services that were provided to families to meet the  
15 performance objectives identified in this section. The department  
16 shall distribute the reports within 1 week after receipt to the  
17 house and senate appropriations subcommittees on the department  
18 budget, house and senate fiscal agencies, house and senate policy  
19 offices, and the state budget office.

20 Sec. 451. From the funds appropriated in part 1 for crime  
21 victim justice assistance grants, the department shall continue to  
22 support forensic nurse examiner programs to facilitate training for  
23 improved evidence collection for the prosecution of sexual assault.  
24 The funds shall be used for program coordination and training.

25 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

26 Sec. 501. (1) A goal is established that not more than 25% of



1 all children in foster care at any given time during the current  
2 fiscal year will have been in foster care for 24 months or more.

3 (2) By March 1 of the current fiscal year, the department  
4 shall provide to the senate and house appropriations subcommittees  
5 on the department budget, the senate and house fiscal agencies, the  
6 senate and house policy offices, and the state budget office a  
7 report describing the steps that will be taken to achieve the  
8 specific goal established in this section and on the percentage of  
9 children who currently are in foster care and who have been in  
10 foster care a total of 24 or more months.

11 Sec. 502. From the funds appropriated in part 1 for foster  
12 care, the department shall provide 50% reimbursement to Indian  
13 tribal governments for foster care expenditures for children who  
14 are under the jurisdiction of Indian tribal courts and who are not  
15 otherwise eligible for federal foster care cost sharing.

16 Sec. 503. (1) In accordance with the final report of the  
17 Michigan child welfare performance-based funding task force issued  
18 in response to section 503 of article X of 2013 PA 59, the  
19 department shall continue to develop actuarially sound case rates  
20 for necessary out-of-home child welfare services that achieve  
21 permanency by the department and private child placing agencies in  
22 a prospective payment system under a performance-based funding  
23 model.

24 (2) The department shall continue to develop a prospective  
25 rate payment system for private agencies that includes funding for  
26 adoption incentive payments. The full cost prospective rate payment  
27 system will identify and cover contractual costs paid through the



1 case rate developed by an independent actuary.

2 (3) If not provided in the previous year, by September 30 of  
3 the current fiscal year, the department shall complete a full cost  
4 analysis of the performance-based funding model with respect to the  
5 current fiscal year, including relevant information on the  
6 actuarial rate-setting process, and provide a report on the  
7 analysis to the senate and house appropriations subcommittees on  
8 the department budget.

9 (4) In accordance with the final report of the Michigan child  
10 welfare performance-based funding task force issued in response to  
11 section 503 of article X of 2013 PA 59, the department shall  
12 implement a 5-year independent, third-party evaluation of the  
13 performance-based funding model. The evaluator shall be selected  
14 through a competitive process by a rating committee that includes,  
15 but is not limited to, representatives from the department and  
16 private child placing agencies.

17 (5) The department shall only phase the implementation of the  
18 performance-based funding model into additional counties where the  
19 department, private child welfare agencies, the county, and the  
20 court operating within that county have agreed to implement the  
21 performance-based funding model.

22 (6) The department, in conjunction with members from both the  
23 house of representatives and senate, private child placing  
24 agencies, the courts, and counties shall implement the  
25 recommendations that are described in the workgroup report that was  
26 provided in section 503 of article X of 2013 PA 59 to establish a  
27 performance-based funding for public and private child welfare



1 services providers. The department shall provide a quarterly report  
2 on the status of the performance-based contracting model to the  
3 senate and house appropriations subcommittees on the department  
4 budget, the senate and house standing committees on families and  
5 human services, the senate and house fiscal agencies and policy  
6 offices, and the state budget office.

7 (7) From the funds appropriated in part 1 for the performance-  
8 based funding model pilot, the department shall continue to work  
9 with the West Michigan Partnership for Children Consortium on the  
10 implementation of the performance-based funding model pilot. The  
11 consortium shall accept and comprehensively assess referred youth,  
12 assign cases to members of its continuum or leverage services from  
13 other entities, and make appropriate case management decisions  
14 during the duration of a case. The consortium shall operate an  
15 integrated continuum of care structure, with services provided by  
16 both private and public agencies, based on individual case needs.  
17 The consortium shall demonstrate significant organizational  
18 capacity and competencies, including experience with managing risk-  
19 based contracts, financial strength, experienced staff and  
20 leadership, and appropriate governance structure.

21 Sec. 504. (1) The department may establish a master agreement  
22 with a consortium in Kent County for a performance-based child  
23 welfare contracting pilot program. The consortium must be  
24 recognized by this state as a nonprofit organization and must have  
25 submitted an application to the Internal Revenue Service for  
26 501(c) (3) status. The consortium shall consist of a network of  
27 affiliated child welfare service providers that will accept and



1 comprehensively assess referred youth, assign cases to members of  
2 its continuum or leverage services from other entities, and make  
3 appropriate case management decisions during the duration of a  
4 case.

5 (2) The consortium shall operate an integrated continuum of  
6 care structure, with services provided by private or public  
7 agencies, based on individual case needs. The consortium shall  
8 demonstrate significant organizational capacity and competencies,  
9 including financial strength, experienced staff and leadership, and  
10 appropriate governance structure.

11 (3) By March 1 of the current fiscal year, the consortium  
12 shall provide to the department, the house and senate  
13 appropriations subcommittees on the department budget, the senate  
14 and house fiscal agencies, and the state budget office a report on  
15 the status of the implementation of the consortium, including, but  
16 not limited to, actual expenditures.

17 Sec. 505. By March 1 of the current fiscal year, the  
18 department and Wayne County shall provide to the senate and house  
19 appropriations subcommittees on the department budget, the senate  
20 and house fiscal agencies and policy offices, and the state budget  
21 office a report for youth served in the previous fiscal year and in  
22 the first quarter of the current fiscal year outlining the number  
23 of youth served within each juvenile justice system, the type of  
24 setting for each youth, performance outcomes, and financial costs  
25 or savings.

26 Sec. 507. The department's ability to satisfy appropriation  
27 deducts in part 1 for foster care private collections shall not be



1 limited to collections and accruals pertaining to services provided  
2 only in the current fiscal year but may include revenues collected  
3 during the current fiscal year for services provided in prior  
4 fiscal years.

5       Sec. 508. (1) In addition to the amount appropriated in part 1  
6 for children's trust fund grants, money granted or money received  
7 as gifts or donations to the children's trust fund created by 1982  
8 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

9       (2) The department and the child abuse and neglect prevention  
10 board shall collaborate to ensure that administrative delays are  
11 avoided and the local grant recipients and direct service providers  
12 receive money in an expeditious manner. The department and board  
13 shall make available the children's trust fund contract funds to  
14 grantees within 31 days of the start date of the funded project.

15       Sec. 511. The department shall provide semiannual reports to  
16 the senate and house appropriations subcommittees on the department  
17 budget, the senate and house standing committees on families and  
18 human services, and the senate and house fiscal agencies and policy  
19 offices on the number and percentage of children who received  
20 timely health examinations after entry into foster care and the  
21 number and percentage of children entering foster care who received  
22 a required mental health examination after entry into foster care.

23       Sec. 513. (1) The department shall not expend funds  
24 appropriated in part 1 to pay for the direct placement by the  
25 department of a child in an out-of-state facility unless all of the  
26 following conditions are met:

27       (a) There is no appropriate placement available in this state



1 as determined by the department interstate compact office.

2 (b) An out-of-state placement exists that is nearer to the  
3 child's home than the closest appropriate in-state placement as  
4 determined by the department interstate compact office.

5 (c) The out-of-state facility meets all of the licensing  
6 standards of this state for a comparable facility.

7 (d) The out-of-state facility meets all of the applicable  
8 licensing standards of the state in which it is located.

9 (e) The department has done an on-site visit to the out-of-  
10 state facility, reviewed the facility records, reviewed licensing  
11 records and reports on the facility, and believes that the facility  
12 is an appropriate placement for the child.

13 (2) The department shall not expend money for a child placed  
14 in an out-of-state facility without approval of the deputy director  
15 for children's services.

16 (3) The department shall submit an annual report to the state  
17 court administrative office, the house and senate appropriations  
18 subcommittees on the department budget, the house and senate fiscal  
19 agencies, the house and senate policy offices, and the state budget  
20 office on the number of Michigan children residing in out-of-state  
21 facilities at the time of the report, the total cost and average  
22 per diem cost of these out-of-state placements to this state, and a  
23 list of each such placement arranged by the Michigan county of  
24 residence for each child.

25 (4) It is the intent of the legislature that the department  
26 shall work in conjunction with the courts and the state court  
27 administrative office to identify data needed to calculate



1 statewide recidivism rates for adjudicated youth placed in either  
2 residential secure or nonsecure facilities, defined at 6 months  
3 after a youth is released from placement.

4 (5) By March 1 of the current fiscal year, the department  
5 shall notify the legislature on the status of efforts to accomplish  
6 the intent of subsection (4).

7 Sec. 514. The department shall make a comprehensive report  
8 concerning children's protective services (CPS) to the legislature,  
9 including the senate and house policy offices and the state budget  
10 director, by March 1 of the current fiscal year, that shall include  
11 all of the following:

12 (a) Statistical information including, at a minimum, all of  
13 the following:

14 (i) The total number of reports of child abuse or child  
15 neglect investigated under the child protection law, 1975 PA 238,  
16 MCL 722.621 to 722.638, and the number of cases classified under  
17 category I or category II and the number of cases classified under  
18 category III, category IV, or category V.

19 (ii) Characteristics of perpetrators of child abuse or child  
20 neglect and the child victims, such as age, relationship, race, and  
21 ethnicity and whether the perpetrator exposed the child victim to  
22 drug activity, including the manufacture of illicit drugs, that  
23 exposed the child victim to substance abuse, a drug house, or  
24 methamphetamine.

25 (iii) The mandatory reporter category in which the individual  
26 who made the report fits, or other categorization if the individual  
27 is not within a group required to report under the child protection



1 law, 1975 PA 238, MCL 722.621 to 722.638.

2 (iv) The number of cases that resulted in the separation of  
3 the child from the parent or guardian and the period of time of  
4 that separation, up to and including termination of parental  
5 rights.

6 (v) For the reported complaints of child abuse or child  
7 neglect by teachers, school administrators, and school counselors,  
8 the number of cases classified under category I or category II and  
9 the number of cases classified under category III, category IV, or  
10 category V.

11 (vi) For the reported complaints of child abuse or child  
12 neglect by teachers, school administrators, and school counselors,  
13 the number of cases that resulted in separation of the child from  
14 the parent or guardian and the period of time of that separation,  
15 up to and including termination of parental rights.

16 (b) New policies related to children's protective services  
17 including, but not limited to, major policy changes and court  
18 decisions affecting the children's protective services system  
19 during the immediately preceding 12-month period.

20 (c) Statistical information regarding families that were  
21 classified in category III, including all of the following:

22 (i) The total number of cases classified in category III.

23 (ii) The number of cases in category III referred to voluntary  
24 community services and closed with no additional monitoring.

25 (iii) The number of cases in category III referred to  
26 voluntary community services and monitored for up to 90 days.

27 (iv) The number of cases in category III for which the



1 department entered more than 1 determination that there was  
2 evidence of child abuse or child neglect.

3 (v) The number of cases in category III that the department  
4 reclassified from category III to category II.

5 (vi) The number of cases in category III that the department  
6 reclassified from category III to category I.

7 (vii) The number of cases in category III that the department  
8 reclassified from category III to category I that resulted in a  
9 removal.

10 (d) The department policy, or changes to the department  
11 policy, regarding children who have been exposed to the production  
12 or manufacture of methamphetamines.

13 Sec. 519. The department shall permit any private agency that  
14 has an existing contract with this state to provide foster care  
15 services to be also eligible to provide treatment foster care  
16 services.

17 Sec. 523. (1) By February 15 of the current fiscal year, the  
18 department shall report on the families first, family  
19 reunification, and families together building solutions family  
20 preservation programs to the senate and house appropriations  
21 subcommittees on the department budget, the senate and house fiscal  
22 agencies, the senate and house policy offices, and the state budget  
23 office. The report shall provide an estimate of total costs savings  
24 as a result of avoiding placement of children in foster care for  
25 families who received family preservation services and shall  
26 include information for each program on any innovations that may  
27 increase savings or reductions in administrative costs.



1           (2) From the funds appropriated in part 1 for youth in  
2 transition and domestic violence prevention and treatment, the  
3 department is authorized to make allocations of TANF funds only to  
4 agencies that report necessary data to the department for the  
5 purpose of meeting TANF eligibility reporting requirements.

6           Sec. 524. As a condition of receiving funds appropriated in  
7 part 1 for strong families/safe children, counties must submit the  
8 service spending plan to the department by October 1 of the current  
9 fiscal year for approval. The department shall approve the service  
10 spending plan within 30 calendar days after receipt of a properly  
11 completed service spending plan.

12           Sec. 525. The department shall implement the same on-site  
13 evaluation processes for privately operated child welfare and  
14 juvenile justice residential facilities as is used to evaluate  
15 state-operated facilities. Penalties for noncompliance shall be the  
16 same for privately operated child welfare and juvenile justice  
17 residential facilities and state-operated facilities.

18           Sec. 526. From the funds appropriated in part 1 for foster  
19 care payments and related administrative costs, the department may  
20 implement the federally approved title IV-E child welfare waiver  
21 demonstration project. As required under the waiver, any savings  
22 resulting from the demonstration project must be quantified and  
23 reinvested into child welfare programming.

24           Sec. 532. The department, in collaboration with  
25 representatives of private child and family agencies, shall revise  
26 and improve the annual licensing review process and the annual  
27 contract compliance review process for child placing agencies and



1 child caring institutions. The improvement goals shall be safety  
2 and care for children. Improvements to the review process shall be  
3 directed toward alleviating administrative burdens so that agency  
4 resources may be focused on children. The revision shall include  
5 identification of duplicative staff activities and information  
6 sought from child placing agencies and child caring institutions in  
7 the annual review process. The department shall report to the  
8 senate and house appropriations subcommittees on the department  
9 budget, the senate and house fiscal agencies and policy offices,  
10 and the state budget director on or before January 15 of the  
11 current fiscal year on the findings of the annual licensing review.

12       Sec. 533. (1) The department shall make payments to child  
13 placing facilities for in-home and out-of-home care services and  
14 adoption services within 30 days of receiving all necessary  
15 documentation from those agencies.

16       (2) The department shall provide a report to the senate and  
17 house appropriations subcommittees on the department budget, the  
18 senate and house fiscal agencies, and the state budget director on  
19 the status of the implementation and operation of this section by  
20 February 15 of the current fiscal year.

21       Sec. 534. (1) The department shall provide to the senate and  
22 house appropriations subcommittees on the department budget, the  
23 senate and house fiscal agencies, the senate and house policy  
24 offices, and the state budget office by November 1 of the current  
25 fiscal year an implementation plan regarding the appropriation in  
26 part 1 to implement the MISACWIS. The plan shall include, but not  
27 be limited to, efforts to bring the system into compliance with the



1 Dwayne B. v Snyder modified settlement agreement and other federal  
2 guidelines set forth by the United States Department of Health and  
3 Human Services Administration for Children and Families.

4 (2) The department shall provide to the senate and house  
5 appropriations subcommittees on the department budget, the senate  
6 and house fiscal agencies, the senate and house policy offices, and  
7 the state budget office by June 1 of the current fiscal year a  
8 status report regarding the appropriation in part 1 to implement  
9 the MISACWIS. The report shall provide details on the planning,  
10 implementation, and operation of the system, including, but not  
11 limited to, all of the following:

12 (a) Areas where implementation went as planned.

13 (b) The number of known issues.

14 (c) Any additional overtime or other staffing costs to address  
15 known issues.

16 (d) Any contract revisions to address known issues.

17 (e) Other strategies undertaken to improve implementation.

18 (f) Progress developing cross-system trusted data exchanges  
19 with MISACWIS.

20 (g) Progress moving away from a statewide/tribal automated  
21 child welfare information system to a comprehensive child welfare  
22 information system.

23 (h) Progress developing and implementing a program to monitor  
24 data quality.

25 (i) Progress developing and implementing custom integrated  
26 systems for private agencies and tribal governments.

27 Sec. 540. If a physician or psychiatrist who is providing



1 services to state or court wards placed in a residential facility  
2 submits a formal request to the department to change the  
3 psychotropic medication of a ward, the department shall, if the  
4 ward is a state ward, make a determination on the proposed change  
5 within 7 business days after the request or, if the ward is a  
6 temporary court ward, seek parental consent within 7 business days  
7 after the request. If parental consent is not provided within 7  
8 business days, the department shall petition the court on the  
9 eighth business day.

10       Sec. 546. (1) From the funds appropriated in part 1 for foster  
11 care payments and from the child care fund, the department shall  
12 pay providers of foster care services not less than a \$40.00  
13 administrative rate. The department shall pay 100% of the  
14 administrative rate. Payments under this subsection shall be made  
15 not less than on a monthly basis.

16       (2) From the funds appropriated in part 1 for foster care  
17 payments and from the child care fund, the department shall pay  
18 providers of general independent living services not less than a  
19 \$28.00 administrative rate.

20       (3) From the funds appropriated in part 1, the department  
21 shall pay providers of independent living plus services statewide  
22 per diem rates for staff-supported housing and host-home housing  
23 based on proposals submitted in response to a solicitation for  
24 pricing. The independent living plus program provides staff-  
25 supported housing and services for foster youth ages 16 through 19  
26 who, because of their individual needs and assessments, are not  
27 initially appropriate for general independent living foster care.



1 (4) If required by the federal government to meet title IV-E  
2 requirements, providers of foster care services shall submit  
3 quarterly expenditure reports to the department to identify actual  
4 costs of providing foster care services.

5 (5) From the funds appropriated in part 1, the department  
6 shall provide an increase to each private provider of residential  
7 services, if section 117a of the social welfare act, 1939 PA 280,  
8 MCL 400.117a, is amended to eliminate the county match rate for the  
9 additional rate provided in this section.

10 (6) On a quarterly basis, the department shall report the  
11 monthly data on the number of all foster care cases administered by  
12 the department and all foster care cases administered by private  
13 providers.

14 Sec. 547. From the funds appropriated in part 1 for the  
15 guardianship assistance program, the department shall pay a minimum  
16 rate that is not less than the approved age-appropriate payment  
17 rates for youth placed in family foster care.

18 Sec. 558. The department shall explore ways to maximize use of  
19 training programs or courses provided through the child welfare  
20 training institute accessible online and in service areas  
21 throughout the state, provided the delivery is an appropriate  
22 option for achieving specific learning objectives. These training  
23 programs and courses shall be made available to employees of  
24 private child placing agencies and child caring institutions.

25 Sec. 562. The department shall provide time and travel  
26 reimbursements for foster parents who transport a foster child to  
27 parent-child visitations. As part of the foster care parent



1 contract, the department shall provide written confirmation to  
2 foster parents that states that the foster parents have the right  
3 to request these reimbursements for all parent-child visitations.  
4 The department shall provide these reimbursements within 60 days of  
5 receiving a request for eligible reimbursements from a foster  
6 parent.

7       Sec. 564. (1) The department shall develop a clear policy for  
8 parent-child visitations. The local county offices, caseworkers,  
9 and supervisors shall meet a 50% success rate, after accounting for  
10 factors outside of the caseworker's control.

11       (2) Per the court-ordered number of required meetings between  
12 caseworkers and parent, the caseworkers shall achieve a success  
13 rate of 65%, after accounting for factors outside of the  
14 caseworker's control.

15       (3) By March 1 of the current fiscal year, the department  
16 shall provide to the senate and house appropriations subcommittees  
17 on the department budget, the senate and house fiscal agencies, the  
18 senate and house policy offices, and the state budget office a  
19 report on the following:

20       (a) The percentage of success rate for parent-child  
21 visitations and court-ordered required meetings between caseworkers  
22 referenced in subsections (1) and (2) for the previous year.

23       (b) The barriers to achieve the success rates in subsections  
24 (1) and (2) and how this information is tracked.

25       Sec. 567. (1) The caseworker or supervisor who is assigned to  
26 a foster care case is responsible for completing a medical passport  
27 for the cases assigned to him or her. If a child in foster care is



1 transferred to a new placement or returned to his or her parent's  
2 or guardian's home, the medical passport and any school records in  
3 the caseworkers' or supervisors' possession must be transferred  
4 within 2 weeks from the date of placement or return to the home.

5 (2) The department shall submit to the senate and house  
6 appropriations subcommittees on the department budget, the senate  
7 and house fiscal agencies, the senate and house policy offices, and  
8 the state budget office by March 1 of the current fiscal year a  
9 report on the items described in subsection (1), including the  
10 following:

11 (a) The percentage of medical passports that were properly  
12 filled out.

13 (b) From the total medical passports transferred, the  
14 percentage that transferred within 2 weeks from the date of  
15 placement or return to the home.

16 (c) From the total school records, the percentage that  
17 transferred within 2 weeks from the date of placement or return to  
18 the home.

19 (d) The implementation steps that have been taken to improve  
20 the outcomes for the measures in subdivisions (a) and (b).

21 Sec. 568. (1) From the funds appropriated in part 1 for  
22 adoption subsidies, the department shall pay a minimum adoption  
23 subsidy rate that is not less than 95% of the rate that was or  
24 would have been provided for the adoptee in family foster care at  
25 the time of the adoption. This rate includes the determination of  
26 care rate that was paid or would have been paid to the adoptive  
27 parent for the adoptee in a family foster care placement, and this



1 amount shall be increased to reflect any increase in the standard  
2 age appropriate foster care rate.

3 (2) "Determination of care rate" as described in this section  
4 means a supplemental payment to the standard age appropriate foster  
5 care rate that may be justified when extraordinary care or expense  
6 is required. The supplemental payment is based on 1 or more of the  
7 following case situations where additional care is required of the  
8 foster care provider or adoptive parent or an additional expense  
9 exists:

10 (a) Physically disabled children for whom the adoptive parent  
11 must provide measurably greater supervision and care.

12 (b) Children with special psychological or psychiatric needs  
13 that require extra time and measurably greater amounts of care and  
14 attention by the adoptive parent.

15 (c) Children requiring special diets that are more expensive  
16 than a normal diet and that require extra time and effort by the  
17 adoptive parent to obtain or prepare.

18 (d) Children whose severe acting-out or antisocial behavior  
19 requires a measurably greater amount of care and attention of the  
20 adoptive parent.

21 (3) The department shall, on a separate form, allow an  
22 adoptive parent to sign a certification that he or she rejects a  
23 support subsidy.

24 (4) If this section conflicts with state statute enacted  
25 subsequent to this act, the state statute controls.

26 Sec. 569. The department shall reimburse private child placing  
27 agencies that complete adoptions at the rate according to the date



1 on which the petition for adoption and required support  
2 documentation was accepted by the court and not according to the  
3 date the court's order placing for adoption was entered.

4       Sec. 574. (1) From the funds appropriated in part 1 for foster  
5 care payments, \$2,500,000.00 is allocated to support performance-  
6 based contracts with child placing agencies to facilitate the  
7 licensure of relative caregivers as foster parents. Agencies shall  
8 receive \$2,300.00 for each facilitated licensure if completed  
9 within 180 days after a child's placement or, if a waiver was  
10 previously approved, 180 days from the application date. If the  
11 facilitated licensure, or approved waiver, is completed after 180  
12 days, the agency shall receive up to \$2,300.00. The agency  
13 facilitating the licensure would retain the placement and continue  
14 to provide case management services for at least 50% of the newly  
15 licensed cases for which the placement was appropriate to the  
16 agency. Up to 50% of the newly licensed cases would have direct  
17 foster care services provided by the department.

18       (2) From the funds appropriated for foster care payments,  
19 \$375,000.00 is allocated to support family incentive grants to  
20 private and community-based foster care service providers to assist  
21 with home improvements or payment for physical exams for applicants  
22 needed by foster families to accommodate foster children.

23       Sec. 583. By February 1 of the current fiscal year, the  
24 department shall provide to the senate and house appropriations  
25 subcommittees on the department budget, the senate and house  
26 standing committees on families and human services, the senate and  
27 house fiscal agencies and policy offices, and the state budget



1 office a report that includes:

2 (a) The number and percentage of foster parents that dropped  
3 out of the program in the previous fiscal year and the reasons the  
4 foster parents left the program and how those figures compare to  
5 prior fiscal years.

6 (b) The number and percentage of foster parents successfully  
7 retained in the previous fiscal year and how those figures compare  
8 to prior fiscal years.

9 Sec. 585. The department shall make available at least 1 pre-  
10 service training class each month in which new caseworkers for  
11 private foster care and adoption agencies can enroll.

12 Sec. 588. (1) Concurrently with public release, the department  
13 shall transmit all reports from the court-appointed settlement  
14 monitor, including, but not limited to, the needs assessment and  
15 period outcome reporting, to the state budget office, the senate  
16 and house appropriations subcommittees on the department budget,  
17 the senate and house fiscal agencies, and the senate and house  
18 policy offices, without revision.

19 (2) The department shall report quarterly to the state budget  
20 office, the senate and house appropriations subcommittees on the  
21 department budget, the senate and house fiscal agencies, and the  
22 senate and house policy offices on the number of children enrolled  
23 in the guardianship assistance and foster care - children with  
24 serious emotional disturbance waiver programs.

25 Sec. 593. The department may allow residential service  
26 providers for abuse and neglect cases to implement a staff ratio  
27 during working hours of 1 staff to 5 children.



1 **PUBLIC ASSISTANCE**

2           Sec. 601. Whenever a client agrees to the release of his or  
3 her name and address to the local housing authority, the department  
4 shall request from the local housing authority information  
5 regarding whether the housing unit for which vendoring has been  
6 requested meets applicable local housing codes. Vendoring shall be  
7 terminated for those units that the local authority indicates in  
8 writing do not meet local housing codes until such time as the  
9 local authority indicates in writing that local housing codes have  
10 been met.

11           Sec. 602. The department shall establish a policy to conduct a  
12 full evaluation of an individual's assistance needs if the  
13 individual has applied for disability more than 1 time within a 1-  
14 year period.

15           Sec. 603. By March 1 of the current fiscal year, the  
16 department shall provide to the senate and house appropriations  
17 subcommittees on the department budget, the senate and house fiscal  
18 agencies, the senate and house policy offices, and the state budget  
19 office a report on the steps taken to implement the action plan  
20 developed by the Medicaid claim workgroup established in section  
21 603 of article X of 2014 PA 252, and the department's ongoing  
22 efforts to maximize Medicaid claims for foster children and  
23 adjudicated youths.

24           Sec. 604. (1) The department shall operate a state disability  
25 assistance program. Except as provided in subsection (3), persons  
26 eligible for this program shall include needy citizens of the  
27 United States or aliens exempted from the supplemental security



1 income citizenship requirement who are at least 18 years of age or  
2 emancipated minors meeting 1 or more of the following requirements:

3 (a) A recipient of supplemental security income, social  
4 security, or medical assistance due to disability or 65 years of  
5 age or older.

6 (b) A person with a physical or mental impairment which meets  
7 federal supplemental security income disability standards, except  
8 that the minimum duration of the disability shall be 90 days.  
9 Substance abuse alone is not defined as a basis for eligibility.

10 (c) A resident of an adult foster care facility, a home for  
11 the aged, a county infirmary, or a substance abuse treatment  
12 center.

13 (d) A person receiving 30-day postresidential substance abuse  
14 treatment.

15 (e) A person diagnosed as having acquired immunodeficiency  
16 syndrome.

17 (f) A person receiving special education services through the  
18 local intermediate school district.

19 (g) A caretaker of a disabled person who meets the  
20 requirements specified in subdivision (a), (b), (e), or (f).

21 (2) Applicants for and recipients of the state disability  
22 assistance program shall be considered needy if they:

23 (a) Meet the same asset test as is applied for the family  
24 independence program.

25 (b) Have a monthly budgetable income that is less than the  
26 payment standards.

27 (3) Except for a person described in subsection (1)(c) or (d),



1 a person is not disabled for purposes of this section if his or her  
2 drug addiction or alcoholism is a contributing factor material to  
3 the determination of disability. "Material to the determination of  
4 disability" means that, if the person stopped using drugs or  
5 alcohol, his or her remaining physical or mental limitations would  
6 not be disabling. If his or her remaining physical or mental  
7 limitations would be disabling, then the drug addiction or  
8 alcoholism is not material to the determination of disability and  
9 the person may receive state disability assistance. Such a person  
10 must actively participate in a substance abuse treatment program,  
11 and the assistance must be paid to a third party or through vendor  
12 payments. For purposes of this section, substance abuse treatment  
13 includes receipt of inpatient or outpatient services or  
14 participation in alcoholics anonymous or a similar program.

15 Sec. 605. The level of reimbursement provided to state  
16 disability assistance recipients in licensed adult foster care  
17 facilities shall be the same as the prevailing supplemental  
18 security income rate under the personal care category.

19 Sec. 606. County department offices shall require each  
20 recipient of family independence program and state disability  
21 assistance who has applied with the social security administration  
22 for supplemental security income to sign a contract to repay any  
23 assistance rendered through the family independence program or  
24 state disability assistance program upon receipt of retroactive  
25 supplemental security income benefits.

26 Sec. 607. (1) The department's ability to satisfy  
27 appropriation deductions in part 1 for state disability



1 assistance/supplemental security income recoveries and public  
2 assistance recoupment revenues shall not be limited to recoveries  
3 and accruals pertaining to state disability assistance, or family  
4 independence assistance grant payments provided only in the current  
5 fiscal year, but may include revenues collected during the current  
6 year that are prior year related and not a part of the department's  
7 accrued entries.

8 (2) The department may use supplemental security income  
9 recoveries to satisfy the deduct in any line in which the revenues  
10 are appropriated, regardless of the source from which the revenue  
11 is recovered.

12 Sec. 608. Adult foster care facilities providing domiciliary  
13 care or personal care to residents receiving supplemental security  
14 income or homes for the aged serving residents receiving  
15 supplemental security income shall not require those residents to  
16 reimburse the home or facility for care at rates in excess of those  
17 legislatively authorized. To the extent permitted by federal law,  
18 adult foster care facilities and homes for the aged serving  
19 residents receiving supplemental security income shall not be  
20 prohibited from accepting third-party payments in addition to  
21 supplemental security income provided that the payments are not for  
22 food, clothing, shelter, or result in a reduction in the  
23 recipient's supplemental security income payment.

24 Sec. 609. The state supplementation level under the  
25 supplemental security income program for the personal care/adult  
26 foster care and home for the aged categories shall not be reduced  
27 during the current fiscal year. The legislature shall be notified



1 not less than 30 days before any proposed reduction in the state  
2 supplementation level.

3       Sec. 610. (1) In developing good cause criteria for the state  
4 emergency relief program, the department shall grant exemptions if  
5 the emergency resulted from unexpected expenses related to  
6 maintaining or securing employment.

7       (2) For purposes of determining housing affordability  
8 eligibility for state emergency relief, a group is considered to  
9 have sufficient income to meet ongoing housing expenses if their  
10 total housing obligation does not exceed 75% of their total net  
11 income.

12       (3) State emergency relief payments shall not be made to  
13 individuals who have been found guilty of fraud in regard to  
14 obtaining public assistance.

15       (4) State emergency relief payments shall not be made  
16 available to persons who are out-of-state residents or illegal  
17 immigrants.

18       (5) State emergency relief payments for rent assistance shall  
19 be distributed directly to landlords and shall not be added to  
20 Michigan bridge cards.

21       Sec. 611. The state supplementation level under the  
22 supplemental security income program for the living independently  
23 or living in the household of another categories shall not exceed  
24 the minimum state supplementation level as required under federal  
25 law or regulations.

26       Sec. 613. (1) The department shall provide reimbursements for  
27 the final disposition of indigent persons. The reimbursements shall



1 include the following:

2 (a) The maximum allowable reimbursement for the final  
3 disposition is \$800.00.

4 (b) The adult burial with services allowance is \$725.00.

5 (c) The adult burial without services allowance is \$490.00.

6 (d) The infant burial allowance is \$170.00.

7 (2) It is the intent of the legislature that this charge limit  
8 reflect a total increase of \$5.00 per case in payments to funeral  
9 directors for funeral goods and services over the payment rate in  
10 place for the previous fiscal year. In addition, reimbursement for  
11 a cremation permit fee of up to \$75.00 and for mileage at the  
12 standard rate will also be made available for an eligible  
13 cremation. The reimbursements under this section shall take into  
14 consideration religious preferences that prohibit cremation.

15 Sec. 614. The department shall report to the senate and house  
16 of representatives appropriations subcommittees on the department  
17 budget, the senate and house fiscal agencies, and the senate and  
18 house policy offices by January 15 of the current fiscal year on  
19 the number and percentage of state disability assistance recipients  
20 who were determined to be eligible for federal supplemental  
21 security income benefits in the previous fiscal year.

22 Sec. 615. Except as required by federal law or regulations,  
23 funds appropriated in part 1 shall not be used to provide public  
24 assistance to a person who is an illegal alien. This section shall  
25 not prohibit the department from entering into contracts with food  
26 banks, emergency shelter providers, or other human services  
27 agencies who may, as a normal part of doing business, provide food



1 or emergency shelter.

2           Sec. 616. The department shall require retailers that  
3 participate in the electronic benefits transfer program to charge  
4 no more than \$2.50 in fees for cash back as a condition of  
5 participation.

6           Sec. 619. (1) Subject to subsection (2), the department shall  
7 exempt from the denial of title IV-A assistance and food assistance  
8 benefits under 21 USC 862a any individual who has been convicted of  
9 a felony that included the possession, use, or distribution of a  
10 controlled substance, after August 22, 1996, provided that the  
11 individual is not in violation of his or her probation or parole  
12 requirements. Benefits shall be provided to such individuals as  
13 follows:

14           (a) A third-party payee or vendor shall be required for any  
15 cash benefits provided.

16           (b) An authorized representative shall be required for food  
17 assistance receipt.

18           (2) Subject to federal approval, an individual is not entitled  
19 to the exemption in this section if the individual was convicted in  
20 2 or more separate cases of a felony that included the possession,  
21 use, or distribution of a controlled substance after August 22,  
22 1996.

23           Sec. 620. (1) The department shall make a determination of  
24 Medicaid eligibility not later than 90 days if disability is an  
25 eligibility factor. For all other Medicaid applicants, including  
26 patients of a nursing home, the department shall make a  
27 determination of Medicaid eligibility within 45 days of



1 application.

2 (2) The department shall report on a quarterly basis to the  
3 senate and house appropriations subcommittees on the department  
4 budget, the senate and house standing committees on families and  
5 human services, the senate and house fiscal agencies and policy  
6 offices, and the state budget office on the average Medicaid  
7 eligibility standard of promptness for each of the required  
8 standards of promptness under subsection (1) and for medical review  
9 team reviews achieved statewide and at each local office.

10 Sec. 625. From the funds appropriated in part 1 for SSI  
11 advocacy legal services, the department may contract with the Legal  
12 Services Association of Michigan to provide assistance to  
13 individuals who have applied for or wish to apply for SSI or other  
14 federal disability benefits. Up to \$500,000.00 shall be paid to the  
15 Legal Services Association of Michigan for SSI advocacy legal  
16 services. The Legal Services Association of Michigan shall provide  
17 a list of new clients accepted to the department to verify that  
18 services have been provided to department clients. The Legal  
19 Services Association of Michigan and the department shall work  
20 together to develop release forms to share information in  
21 appropriate cases. The Legal Services Association of Michigan shall  
22 provide quarterly reports indicating cases opened, cases closed,  
23 level of services provided on closed cases, and case outcomes on  
24 closed cases.

25 Sec. 630. From the funds appropriated in part 1 for family  
26 independence program, the department shall conduct a suspicion-  
27 based drug testing pilot program for the family independence



1 program according to sections 57y and 57z of the social welfare  
2 act, 1939 PA 280, MCL 400.57y and 400.57z.

3 Sec. 642. The department shall allocate the full amount of  
4 funds appropriated in part 1 for homeless programs to provide  
5 services for homeless individuals and families, including, but not  
6 limited to, third-party contracts for emergency shelter services.

7 Sec. 643. As a condition of receipt of federal TANF funds,  
8 homeless shelters and human services agencies shall collaborate  
9 with the department to obtain necessary TANF eligibility  
10 information on families as soon as possible after admitting a  
11 family to the homeless shelter. From the funds appropriated in part  
12 1 for homeless programs, the department is authorized to make  
13 allocations of TANF funds only to the agencies that report  
14 necessary data to the department for the purpose of meeting TANF  
15 eligibility reporting requirements. Homeless shelters or human  
16 services agencies that do not report necessary data to the  
17 department for the purpose of meeting TANF eligibility reporting  
18 requirements will not receive reimbursements which exceed the per  
19 diem amount they received in fiscal year 2000. The use of TANF  
20 funds under this section should not be considered an ongoing  
21 commitment of funding.

22 Sec. 645. An individual or family is considered homeless, for  
23 purposes of eligibility for state emergency relief, if living  
24 temporarily with others in order to escape domestic violence. For  
25 purposes of this section, domestic violence is defined and verified  
26 in the same manner as in the department's policies on good cause  
27 for not cooperating with child support and paternity requirements.



1           Sec. 653. From the funds appropriated in part 1 for food  
2 assistance, an individual who is the victim of domestic violence  
3 and does not qualify for any other exemption may be exempt from the  
4 3-month in 36-month limit on receiving food assistance under 7 USC  
5 2015. This exemption can be extended an additional 3 months upon  
6 demonstration of continuing need.

7           Sec. 654. The department shall notify recipients of food  
8 assistance program benefits that their benefits can be spent with  
9 their bridge cards at many farmers' markets in the state. The  
10 department shall also notify recipients about the Double Up Food  
11 Bucks program that is administered by the Fair Food Network.  
12 Recipients shall receive information about the Double Up Food Bucks  
13 program, including information that when the recipient spends  
14 \$20.00 at participating farmers' markets through the program, the  
15 recipient can receive an additional \$20.00 to buy Michigan produce.

16           Sec. 655. Within 14 days after the spending plan for low-  
17 income home energy assistance program is approved by the state  
18 budget office, the department shall provide the spending plan,  
19 including itemized projected expenditures, to the chairpersons of  
20 the senate and house appropriations subcommittees on the department  
21 budget, the senate and house fiscal agencies, the senate and house  
22 policy offices, and the state budget office.

23           Sec. 660. From the funds appropriated in part 1 for food bank  
24 funding, the department is authorized to make allocations of TANF  
25 funds only to the agencies that report necessary data to the  
26 department for the purpose of meeting TANF eligibility reporting  
27 requirements. The agencies that do not report necessary data to the



1 department for the purpose of meeting TANF eligibility reporting  
2 requirements will not receive allocations in excess of those  
3 received in fiscal year 2000. The use of TANF funds under this  
4 section should not be considered an ongoing commitment of funding.

5 Sec. 669. The department shall allocate \$7,650,000.00 for the  
6 annual clothing allowance. The allowance shall be granted to all  
7 eligible children in a family independence program group.

8 Sec. 672. (1) The department's office of inspector general  
9 shall report to the senate and house of representatives  
10 appropriations subcommittees on the department budget, the senate  
11 and house fiscal agencies, and the senate and house policy offices  
12 by February 15 of the current fiscal year on department efforts to  
13 reduce inappropriate use of Michigan bridge cards. The department  
14 shall provide information on the number of recipients of services  
15 who used their electronic benefit transfer card inappropriately and  
16 the current status of each case, the number of recipients whose  
17 benefits were revoked, whether permanently or temporarily, as a  
18 result of inappropriate use, and the number of retailers that were  
19 fined or removed from the electronic benefit transfer program for  
20 permitting inappropriate use of the cards.

21 (2) As used in this section, "inappropriate use" means not  
22 used to meet a family's ongoing basic needs, including food,  
23 clothing, shelter, utilities, household goods, personal care items,  
24 and general incidentals.

25 Sec. 677. (1) The department shall establish a state goal for  
26 the percentage of family independence program cases involved in  
27 employment activities. The percentage established shall not be less



1 than 50%. The goal for long-term employment shall be 15% of cases  
2 for 6 months or more.

3 (2) On a quarterly basis, the department shall report to the  
4 senate and house appropriations subcommittees on the department  
5 budget, the senate and house fiscal agencies and policy offices,  
6 and the state budget director on the number of cases referred to  
7 Partnership. Accountability. Training. Hope. (PATH), the current  
8 percentage of family independence program cases involved in PATH  
9 employment activities, an estimate of the current percentage of  
10 family independence program cases that meet federal work  
11 participation requirements on the whole, and an estimate of the  
12 current percentage of the family independence program cases that  
13 meet federal work participation requirements for those cases  
14 referred to PATH.

15 (3) The department shall submit to the senate and house  
16 appropriations subcommittees on the department budget, the senate  
17 and house fiscal agencies, the senate and house policy offices, and  
18 the state budget office a quarterly report that includes all of the  
19 following:

20 (a) The number and percentage of nonexempt family independence  
21 program recipients who are employed.

22 (b) The average and range of wages of employed family  
23 independence program recipients.

24 (c) The number and percentage of employed family independence  
25 program recipients who remain employed for 6 months or more.

26 Sec. 686. (1) The department shall ensure that program policy  
27 requires caseworkers to confirm that individuals presenting



1 personal identification issued by another state seeking assistance  
2 through the family independence program, food assistance program,  
3 state disability assistance program, or medical assistance program  
4 are not receiving benefits from any other state.

5 (2) The department shall require caseworkers to confirm the  
6 address provided by any individual seeking family independence  
7 program benefits or state disability assistance benefits.

8 (3) The department shall prohibit individuals with property  
9 assets assessed at a value higher than \$200,000.00 from accessing  
10 assistance through department-administered programs, unless such a  
11 prohibition would violate federal rules and guidelines.

12 (4) The department shall require caseworkers to obtain an up-  
13 to-date telephone number during the eligibility determination or  
14 redetermination process for individuals seeking medical assistance  
15 benefits.

16 Sec. 687. (1) The department shall, on a quarterly basis by  
17 February 1, May 1, August 1, and November 1, compile and make  
18 available on its website all of the following information about the  
19 family independence program, state disability assistance, the food  
20 assistance program, Medicaid, and state emergency relief:

21 (a) The number of applications received.

22 (b) The number of applications approved.

23 (c) The number of applications denied.

24 (d) The number of applications pending and neither approved  
25 nor denied.

26 (e) The number of cases opened.

27 (f) The number of cases closed.



1 (g) The number of cases at the beginning of the quarter and  
2 the number of cases at the end of the quarter.

3 (2) The information provided under subsection (1) shall be  
4 compiled and made available for the state as a whole and for each  
5 county and reported separately for each program listed in  
6 subsection (1).

7 (3) The department shall, on a quarterly basis by February 1,  
8 May 1, August 1, and November 1, compile and make available on its  
9 website the family independence program information listed as  
10 follows:

11 (a) The number of new applicants who successfully met the  
12 requirements of the 21-day assessment period for PATH.

13 (b) The number of new applicants who did not meet the  
14 requirements of the 21-day assessment period for PATH.

15 (c) The number of cases sanctioned because of the school  
16 truancy policy.

17 (d) The number of cases closed because of the 48-month and 60-  
18 month lifetime limits.

19 (e) The number of first-, second-, and third-time sanctions.

20 (f) The number of children ages 0-5 living in FIP-sanctioned  
21 households.

22 (4) The department shall notify the state budget office, the  
23 senate and house appropriations subcommittees on the department  
24 budget, the senate and house fiscal agencies, and the senate and  
25 house policy offices when the reports required in this section are  
26 made available on the department's website.



1 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE SERVICES**

2           Sec. 701. Unless required from changes to federal or state law  
3 or at the request of a provider, the department shall not alter the  
4 terms of any signed contract with a private residential facility  
5 serving children under state or court supervision without written  
6 consent from a representative of the private residential facility.

7           Sec. 706. Counties shall be subject to 50% chargeback for the  
8 use of alternative regional detention services, if those detention  
9 services do not fall under the basic provision of section 117e of  
10 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county  
11 operates those detention services programs primarily with  
12 professional rather than volunteer staff.

13           Sec. 707. In order to be reimbursed for child care fund  
14 expenditures, counties are required to submit department-developed  
15 reports to enable the department to document potential federally  
16 claimable expenditures. This requirement is in accordance with the  
17 reporting requirements specified in section 117a(7) of the social  
18 welfare act, 1939 PA 280, MCL 400.117a.

19           Sec. 708. (1) As a condition of receiving funds appropriated  
20 in part 1 for the child care fund line item, by December 15 of the  
21 current fiscal year, counties shall have an approved service  
22 spending plan for the current fiscal year. Counties must submit the  
23 service spending plan to the department by October 1 of the current  
24 fiscal year for approval. The department shall approve within 30  
25 calendar days after receipt a properly completed service plan that  
26 complies with the requirements of the social welfare act, 1939 PA  
27 280, MCL 400.1 to 400.119b, and shall notify a county within 30



1 days after approval that its service plan was approved.

2 (2) If 1 or more Michigan counties do not submit a service  
3 spending plan to the department by October 1 of the current fiscal  
4 year, the department shall submit a report to the house and senate  
5 appropriations subcommittees on the department budget, the house  
6 and senate fiscal agencies, and the house and senate policy offices  
7 by February 15 of the current fiscal year on the number of counties  
8 that fail to submit a service spending plan by October 1 and the  
9 number of service spending plans not approved by December 15.

10 Sec. 709. (1) The department's master contract for juvenile  
11 justice residential foster care services shall prohibit contractors  
12 from denying a referral for placement of a youth, or terminating a  
13 youth's placement, if the youth's assessed treatment needs are in  
14 alignment with the facility's residential program type, as  
15 identified by the court or the department. In addition, the master  
16 contract shall require that youth placed in juvenile justice  
17 residential foster care facilities must have regularly scheduled  
18 treatment sessions with a licensed psychologist or psychiatrist, or  
19 both, and access to the licensed psychologist or psychiatrist as  
20 needed.

21 (2) The rates established for private residential juvenile  
22 justice facilities that were in effect on October 1, 2015 remain in  
23 effect for the current fiscal year.

24 (3) The department shall submit a report by December 31 of the  
25 current fiscal year to the senate and house appropriations  
26 subcommittees on the department budget, the senate and house fiscal  
27 agencies, and the senate and house policy offices on the current



1 placement and status of the youth transferred from the W.J. Maxey  
2 Training School during the previous and current fiscal year as a  
3 result of the closure.

4 Sec. 711. Unless provided in the previous fiscal year, the  
5 department shall submit an implementation plan based on the report  
6 recommendations provided in the behavioral health study of juvenile  
7 justice facilities operated or contracted for by the state that was  
8 conducted in a previous fiscal year to the senate and house  
9 appropriations subcommittees on the department budget, the senate  
10 and house fiscal agencies and policy offices, and the state budget  
11 director.

## 12 **FIELD OPERATIONS AND SUPPORT SERVICES**

13 Sec. 801. (1) Funds appropriated in part 1 for independent  
14 living shall be used to support centers for independent living in  
15 delivering mandated independent living core services in compliance  
16 with federal rules and regulations for the centers, by existing  
17 centers for independent living to serve underserved areas, and for  
18 projects to build the capacity of centers for independent living to  
19 deliver independent living services. Applications for the funds  
20 shall be reviewed in accordance with criteria and procedures  
21 established by the department. The funds appropriated in part 1 may  
22 be used to leverage federal vocational rehabilitation innovation  
23 and expansion funds consistent with 34 CFR 361.35 up to  
24 \$5,543,000.00, if available. If the possibility of matching federal  
25 funds exists, the centers for independent living network will  
26 negotiate a mutually beneficial contractual arrangement with



1 Michigan rehabilitation services. Funds shall be used in a manner  
2 consistent with the state plan for independent living. Services  
3 provided should assist people with disabilities to move toward  
4 self-sufficiency, including support for accessing transportation  
5 and health care, obtaining employment, community living, nursing  
6 home transition, information and referral services, education,  
7 youth transition services, veterans, and stigma reduction  
8 activities and community education. This includes the independent  
9 living guide project that specifically focuses on economic self-  
10 sufficiency.

11 (2) The Michigan centers for independent living shall provide  
12 a report by March 1 of the current fiscal year to the house and  
13 senate appropriations subcommittees on the department budget, the  
14 house and senate fiscal agencies, the house and senate policy  
15 offices, and the state budget office on direct customer and system  
16 outcomes and performance measures.

17 Sec. 802. The Michigan rehabilitation services shall work  
18 collaboratively with the bureau of services for blind persons,  
19 service organizations, and government entities to identify  
20 qualified match dollars to maximize use of available federal  
21 vocational rehabilitation funds.

22 Sec. 803. The department shall provide an annual report by  
23 February 1 to the house and senate appropriations subcommittees on  
24 the department budget, the house and senate fiscal agencies, and  
25 house and senate policy offices on the efforts taken to improve the  
26 Michigan rehabilitation services. The report shall include all of  
27 the following items:



1 (a) Reductions and changes in administration costs and  
2 staffing.

3 (b) Service delivery plans and implementation steps achieved.

4 (c) Reorganization plans and implementation steps achieved.

5 (d) Plans to integrate Michigan rehabilitative services  
6 programs into other services provided by the department.

7 (e) Quarterly expenditures by major spending category.

8 (f) Employment and job retention rates from both Michigan  
9 rehabilitation services and its nonprofit partners.

10 (g) Success rate of each district in achieving the program  
11 goals.

12 Sec. 805. It is the intent of the legislature that Michigan  
13 rehabilitation services shall not implement an order of selection  
14 for vocational and rehabilitative services. If the department is at  
15 risk of entering into an order of selection for services, the  
16 department shall notify the chairs of the senate and house  
17 subcommittees on the department budget and the senate and house  
18 fiscal agencies and policy offices within 2 weeks of receiving  
19 notification.

20 Sec. 806. From the funds appropriated in part 1 for Michigan  
21 rehabilitation services, the department shall allocate  
22 \$6,100,300.00, including federal matching funds, to service  
23 authorizations with community-based rehabilitation organizations  
24 for job development and other community employment-related support  
25 services.

26 Sec. 807. From the funds appropriated in part 1 for Elder Law  
27 of Michigan MiCAFE contract, the department shall allocate not less



1 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this  
2 state's elderly population in participating in the food assistance  
3 program. Of the \$350,000.00 allocated under this section, the  
4 department shall use \$175,000.00, which are general fund/general  
5 purpose funds, as state matching funds for not less than  
6 \$175,000.00 in United States Department of Agriculture funding to  
7 provide outreach program activities, such as eligibility screening  
8 and information services, as part of a statewide food assistance  
9 hotline.

10 Sec. 825. From the funds appropriated in part 1, the  
11 department shall provide individuals not more than \$500.00 for  
12 vehicle repairs, including any repairs done in the previous 12  
13 months. However, the department may in its discretion pay for  
14 repairs up to \$900.00. Payments under this section shall include  
15 the combined total of payments made by the department and work  
16 participation program.

17 Sec. 850. (1) The department shall maintain out-stationed  
18 eligibility specialists in community-based organizations, community  
19 mental health agencies, nursing homes, adult placement and  
20 independent living settings, federally qualified health centers,  
21 and hospitals unless a community-based organization, community  
22 mental health agency, nursing home, adult placement and independent  
23 living setting, federally qualified health centers, or hospital  
24 requests that the program be discontinued at its facility.

25 (2) From the funds appropriated in part 1 for donated funds  
26 positions, the department shall enter into a contract with agencies  
27 that are able and eligible under federal law to provide the



1 required matching funds for federal funding, as determined by  
2 federal statute and regulations.

3 (3) A contract for a donated funds position must include, but  
4 not be limited to, the following performance metrics:

5 (a) Meeting a standard of promptness for processing  
6 applications for Medicaid and other public assistance programs  
7 under state law.

8 (b) Meeting required standards for error rates in determining  
9 programmatic eligibility as determined by the department.

10 (4) The department shall only fill additional donated funds  
11 positions after a new contract has been signed. That position shall  
12 also be abolished when the contract expires or is terminated.

13 (5) The department shall classify as limited-term FTEs any new  
14 employees who are hired to fulfill the donated funds position  
15 contracts or are hired to fill any vacancies from employees who  
16 transferred to a donated funds position.

## 17 **BEHAVIORAL HEALTH SERVICES**

18 Sec. 901. Funds appropriated in part 1 are intended to support  
19 a system of comprehensive community mental health services under  
20 the full authority and responsibility of local CMHSPs or PIHPs in  
21 accordance with the mental health code, 1974 PA 258, MCL 330.1001  
22 to 330.2106, the Medicaid provider manual, federal Medicaid  
23 waivers, and all other applicable federal and state laws.

24 Sec. 902. (1) From funds appropriated in part 1, final  
25 authorizations to CMHSPs or PIHPs shall be made upon the execution  
26 of contracts between the department and CMHSPs or PIHPs. The



1 contracts shall contain an approved plan and budget as well as  
2 policies and procedures governing the obligations and  
3 responsibilities of both parties to the contracts. Each contract  
4 with a CMHSP or PIHP that the department is authorized to enter  
5 into under this subsection shall include a provision that the  
6 contract is not valid unless the total dollar obligation for all of  
7 the contracts between the department and the CMHSPs or PIHPs  
8 entered into under this subsection for the current fiscal year does  
9 not exceed the amount of money appropriated in part 1 for the  
10 contracts authorized under this subsection.

11 (2) The department shall immediately report to the senate and  
12 house appropriations subcommittees on the department budget, the  
13 senate and house fiscal agencies, and the state budget director if  
14 either of the following occurs:

15 (a) Any new contracts with CMHSPs or PIHPs that would affect  
16 rates or expenditures are enacted.

17 (b) Any amendments to contracts with CMHSPs or PIHPs that  
18 would affect rates or expenditures are enacted.

19 (3) The report required by subsection (2) shall include  
20 information about the changes and their effects on rates and  
21 expenditures.

22 Sec. 904. (1) Not later than May 31 of the current fiscal  
23 year, the department shall provide a report on the CMHSPs, PIHPs,  
24 regional entities designated by the department as PIHPs, and  
25 managing entities for substance use disorders to the members of the  
26 house and senate appropriations subcommittees on the department  
27 budget, the house and senate fiscal agencies, and the state budget



1 director that includes the information required by this section.

2 (2) The report shall contain information for each CMHSP, PIHP,  
3 regional entity designated by the department as a PIHP, and  
4 managing entity for substance use disorders and a statewide  
5 summary, each of which shall include at least the following  
6 information:

7 (a) A demographic description of service recipients which,  
8 minimally, shall include reimbursement eligibility, client  
9 population, age, ethnicity, housing arrangements, and diagnosis.

10 (b) Per capita expenditures in total and by client population  
11 group and cultural and ethnic groups of the services area,  
12 including the deaf and hard of hearing population.

13 (c) Financial information that, minimally, includes a  
14 description of funding authorized; expenditures by diagnosis group,  
15 service category, and reimbursement eligibility; and cost  
16 information by Medicaid, Healthy Michigan plan, state-appropriated  
17 non-Medicaid mental health services, local funding, and other fund  
18 sources, including administration and funds specified for all  
19 outside contracts for services and products. Financial information  
20 must include the amount of funding, from each fund source, used to  
21 cover clinical services and supports. Service category includes all  
22 department-approved services.

23 (d) Data describing service outcomes that include, but are not  
24 limited to, an evaluation of consumer satisfaction, consumer  
25 choice, and quality of life concerns including, but not limited to,  
26 housing and employment.

27 (e) Information about access to community mental health



1 services programs that includes, but is not limited to, the  
2 following:

3 (i) The number of people receiving requested services.

4 (ii) The number of people who requested services but did not  
5 receive services.

6 (f) The number of second opinions requested under the code and  
7 the determination of any appeals.

8 (g) Lapses and carryforwards during the immediately preceding  
9 fiscal year for CMHSPs, PIHPs, regional entities designated by the  
10 department as PIHPs, and managing entities for substance use  
11 disorders.

12 (h) Performance indicator information required to be submitted  
13 to the department in the contracts with CMHSPs, PIHPs, regional  
14 entities designated by the department as PIHPs, and managing  
15 entities for substance use disorders.

16 (i) Administrative expenditures of each CMHSP, PIHP, regional  
17 entity designated by the department as a PIHP, and managing entity  
18 for substance use disorders that includes a breakout of the salary,  
19 benefits, and pension of each executive level staff and shall  
20 include the director, chief executive, and chief operating officers  
21 and other members identified as executive staff.

22 (j) Substance use disorder prevention, education, and  
23 treatment program expenditures stratified by department-designated  
24 community mental health entity, by central diagnosis and referral  
25 agency, by fund source, by population served, and by service type.

26 (k) Substance use disorder prevention, education, and  
27 treatment program expenditures per state client, with data on the



1 distribution of expenditures reported using a histogram approach.

2 (l) Substance use disorder prevention, education, and  
3 treatment program number of services provided by central diagnosis  
4 and referral agency and by service type. Additionally, data on  
5 length of stay, referral source, and participation in other state  
6 programs.

7 (m) Substance use disorder prevention, education, and  
8 treatment program collections from other first- or third-party  
9 payers, private donations, or other state or local programs, by  
10 department-designated community mental health entity, by population  
11 served, and by service type.

12 (3) The department shall include data reporting requirements  
13 listed in subsection (2) in the annual contract with each  
14 individual CMHSP, PIHP, regional entity designated by the  
15 department as a PIHP, and managing entity for substance use  
16 disorders.

17 (4) The department shall take all reasonable actions to ensure  
18 that the data required are complete and consistent among all  
19 CMHSPs, PIHPs, regional entities designated by the department as  
20 PIHPs, and managing entities for substance use disorders.

21 Sec. 906. (1) The funds appropriated in part 1 for the state  
22 disability assistance substance use disorder services program shall  
23 be used to support per diem room and board payments in substance  
24 use disorder residential facilities. Eligibility of clients for the  
25 state disability assistance substance use disorder services program  
26 shall include needy persons 18 years of age or older, or  
27 emancipated minors, who reside in a substance use disorder



1 treatment center.

2 (2) The department shall reimburse all licensed substance use  
3 disorder programs eligible to participate in the program at a rate  
4 equivalent to that paid by the department to adult foster care  
5 providers. Programs accredited by department-approved accrediting  
6 organizations shall be reimbursed at the personal care rate, while  
7 all other eligible programs shall be reimbursed at the domiciliary  
8 care rate.

9 Sec. 907. (1) The amount appropriated in part 1 for substance  
10 use disorder prevention, education, and treatment grants shall be  
11 expended to coordinate care and services provided to individuals  
12 with severe and persistent mental illness and substance use  
13 disorder diagnoses.

14 (2) The department shall approve managing entity fee schedules  
15 for providing substance use disorder services and charge  
16 participants in accordance with their ability to pay.

17 (3) The managing entity shall continue current efforts to  
18 collaborate on the delivery of services to those clients with  
19 mental illness and substance use disorder diagnoses with the goal  
20 of providing services in an administratively efficient manner.

21 Sec. 910. The department shall assure that substance use  
22 disorder treatment is provided to applicants and recipients of  
23 public assistance through the department who are required to obtain  
24 substance use disorder treatment as a condition of eligibility for  
25 public assistance.

26 Sec. 911. (1) The department shall ensure that each contract  
27 with a CMHSP or PIHP requires the CMHSP or PIHP to implement



1 programs to encourage diversion of individuals with serious mental  
2 illness, serious emotional disturbance, or developmental disability  
3 from possible jail incarceration when appropriate.

4 (2) Each CMHSP or PIHP shall have jail diversion services and  
5 shall work toward establishing working relationships with  
6 representative staff of local law enforcement agencies, including  
7 county prosecutors' offices, county sheriffs' offices, county  
8 jails, municipal police agencies, municipal detention facilities,  
9 and the courts. Written interagency agreements describing what  
10 services each participating agency is prepared to commit to the  
11 local jail diversion effort and the procedures to be used by local  
12 law enforcement agencies to access mental health jail diversion  
13 services are strongly encouraged.

14 Sec. 912. The department shall contract directly with the  
15 Salvation Army Harbor Light program to provide non-Medicaid  
16 substance use disorder services.

17 Sec. 918. On or before the twenty-fifth of each month, the  
18 department shall report to the senate and house appropriations  
19 subcommittees on the department budget, the senate and house fiscal  
20 agencies, and the state budget director on the amount of funding  
21 paid to PIHPs to support the Medicaid managed mental health care  
22 program in the preceding month. The information shall include the  
23 total paid to each PIHP, per capita rate paid for each eligibility  
24 group for each PIHP, and number of cases in each eligibility group  
25 for each PIHP, and year-to-date summary of eligibles and  
26 expenditures for the Medicaid managed mental health care program.

27 Sec. 920. (1) As part of the Medicaid rate-setting process for



1 behavioral health services, the department shall work with PIHP  
2 network providers and actuaries to include any state minimum wage  
3 increases that directly impact staff who provide Medicaid-funded  
4 community living supports, personal care services, respite  
5 services, skill-building services, and other similar supports and  
6 services as part of the Medicaid rate.

7 (2) It is the intent of the legislature that any increased  
8 Medicaid rate related to state minimum wage increases shall also be  
9 distributed to direct care employees.

10 Sec. 928. Each PIHP shall provide, from internal resources,  
11 local funds to be used as a part of the state match required under  
12 the Medicaid program in order to increase capitation rates for  
13 PIHPs. These funds shall not include either state funds received by  
14 a CMHSP for services provided to non-Medicaid recipients or the  
15 state matching portion of the Medicaid capitation payments made to  
16 a PIHP.

17 Sec. 935. A county required under the provisions of the mental  
18 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide  
19 matching funds to a CMHSP for mental health services rendered to  
20 residents in its jurisdiction shall pay the matching funds in equal  
21 installments on not less than a quarterly basis throughout the  
22 fiscal year, with the first payment being made by October 1 of the  
23 current fiscal year.

24 Sec. 958. Medicaid services shall include treatment for autism  
25 spectrum disorders as defined in the federally approved Medicaid  
26 state plan. These services may be coordinated with the Medicaid  
27 health plans and the Michigan Association of Health Plans.



1           Sec. 960. (1) From the funds appropriated in part 1 for  
2 university autism programs, the department shall continue a grant  
3 process for autism programs. These grants are intended to increase  
4 the number of applied behavioral analysts, increase the number of  
5 autism diagnostic services provided, or increase employment of  
6 individuals who are diagnosed with autism spectrum disorder.

7           (2) As a condition of accepting the grants described in  
8 subsection (1), each university shall track and report back to the  
9 department where the individuals who have completed the applied  
10 behavioral analysis training are initially employed and the  
11 location of the initial employment.

12           (3) Outcomes and performance measures related to this  
13 initiative include, but are not limited to, the following:

14           (a) An increase in applied behavioral analysts certified from  
15 university autism programs.

16           (b) The number of autism diagnostic services provided.

17           (c) The employment rate of employment program participants.

18           (d) The employment rate of applied behavioral analysts trained  
19 through the university autism programs.

20           Sec. 994. (1) Contingent upon federal approval, if a CMHSP,  
21 PIHP, or subcontracting provider agency is reviewed and accredited  
22 by a national accrediting entity for behavioral health care  
23 services, the department, by April 1 of the current fiscal year,  
24 shall consider that CMHSP, PIHP, or subcontracting provider agency  
25 in compliance with state program review and audit requirements that  
26 are addressed and reviewed by that national accrediting entity.

27           (2) By June 1 of the current fiscal year, the department shall



1 report to the house and senate appropriations subcommittees on the  
2 department budget, the house and senate fiscal agencies, and the  
3 state budget office all of the following:

4 (a) A list of each CMHSP, PIHP, and subcontracting provider  
5 agency that is considered in compliance with state program review  
6 and audit requirements under subsection (1).

7 (b) For each CMHSP, PIHP, or subcontracting provider agency  
8 described in subdivision (a), all of the following:

9 (i) The state program review and audit requirements that the  
10 CMHSP, PIHP, or subcontracting provider agency is considered in  
11 compliance with.

12 (ii) The national accrediting entity that reviewed and  
13 accredited the CMHSP, PIHP, or subcontracting provider agency.

14 (3) The department shall continue to comply with state and  
15 federal law and shall not initiate an action that negatively  
16 impacts beneficiary safety.

17 (4) As used in this section, "national accrediting entity"  
18 means the Joint Commission, formerly known as the Joint Commission  
19 on Accreditation of Healthcare Organizations, the Commission on  
20 Accreditation of Rehabilitation Facilities, the Council on  
21 Accreditation, the URAC, formerly known as the Utilization Review  
22 Accreditation Commission, the National Committee for Quality  
23 Assurance, or other appropriate entity, as approved by the  
24 department.

25 Sec. 995. From the funds appropriated in part 1 for behavioral  
26 health program administration, \$4,350,000.00 is intended to address  
27 the recommendations of the mental health diversion council.



1           Sec. 997. The population data used in determining the  
2 distribution of substance use disorder block grant funds shall be  
3 from the most recent federal census.

4           Sec. 998. For distribution of state general funds to CMHSPs,  
5 if the department decides to use census data, the department shall  
6 use the most recent federal decennial census data available.

7           Sec. 1003. The department shall notify the Michigan  
8 Association of Community Mental Health Boards when developing  
9 policies and procedures that will impact PIHPs or CMHSPs.

10           Sec. 1004. The department shall report on the implementation  
11 of recommendations to achieve more uniformity in capitation  
12 payments made to the PIHPs to the senate and house appropriations  
13 subcommittees on the department budget, the senate and house fiscal  
14 agencies, and the state budget director by March 1 of the current  
15 fiscal year.

16           Sec. 1005. For the purposes of special projects involving  
17 high-need children or adults, including the not guilty by reason of  
18 insanity population, the department may contract directly with  
19 providers of services to these identified populations.

20           Sec. 1007. (1) From the funds appropriated in part 1 for  
21 behavioral health program administration, the department shall  
22 maintain a psychiatric residential treatment facility and  
23 children's behavioral action team. These services will augment the  
24 continuum of behavioral health services for high-need youth and  
25 provide additional continuity of care and transition into  
26 supportive community-based services.

27           (2) Outcomes and performance measures for this initiative



1 include, but are not limited to, the following:

2 (a) The rate of rehospitalization for youth served through the  
3 program at 30 and 180 days.

4 (b) Measured change in the Child and Adolescent Functional  
5 Assessment Scale for children served through the program.

6 Sec. 1008. The PIHP shall do all of the following:

7 (a) Work to reduce administration costs by ensuring that PIHP  
8 responsible functions are efficient to allow optimal transition of  
9 dollars to direct services. This process must include limiting  
10 duplicate layers of administration and minimizing PIHP-delegated  
11 services that may result in higher costs or inconsistent service  
12 delivery, or both.

13 (b) Take an active role in managing mental health care by  
14 ensuring consistent and high-quality service delivery throughout  
15 its network and promote a conflict-free care management  
16 environment.

17 (c) Ensure that direct service rate variances are related to  
18 the level of need or other quantifiable measures to ensure that the  
19 most money possible reaches direct services.

20 (d) Whenever possible, promote fair and adequate direct care  
21 reimbursement, including fair wages for direct service workers.

22 Sec. 1009. The department shall provide a progress report on  
23 the implementation of recommendations from work with PIHP network  
24 providers to analyze the workforce challenges of recruitment and  
25 retention of staff who provide Medicaid-funded community living  
26 supports, personal care services, respite services, skill building  
27 services, and other similar supports and services by May 1 of the



1 current fiscal year to the senate and house appropriations  
2 subcommittees on the department budget, the senate and house fiscal  
3 agencies, and the state budget director.

4 Sec. 1010. From the funds appropriated in part 1 for  
5 behavioral health program administration, \$2,000,000.00 shall be  
6 allocated to address the implementation of court-ordered assisted  
7 outpatient treatment as provided under chapter 4 of the mental  
8 health code, 1974 PA 258, MCL 330.1400 to 330.1491.

9 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

10 Sec. 1051. The department shall continue a revenue recapture  
11 project to generate additional revenues from third parties related  
12 to cases that have been closed or are inactive. A portion of  
13 revenues collected through project efforts may be used for  
14 departmental costs and contractual fees associated with these  
15 retroactive collections and to improve ongoing departmental  
16 reimbursement management functions.

17 Sec. 1052. The purpose of gifts and bequests for patient  
18 living and treatment environments is to use additional private  
19 funds to provide specific enhancements for individuals residing at  
20 state-operated facilities. Use of the gifts and bequests shall be  
21 consistent with the stipulation of the donor. The expected  
22 completion date for the use of gifts and bequests donations is  
23 within 3 years unless otherwise stipulated by the donor.

24 Sec. 1055. (1) The department shall not implement any closures  
25 or consolidations of state hospitals, centers, or agencies until  
26 CMHSPs or PIHPs have programs and services in place for those



1 individuals currently in those facilities and a plan for service  
2 provision for those individuals who would have been admitted to  
3 those facilities.

4 (2) All closures or consolidations are dependent upon adequate  
5 department-approved CMHSP and PIHP plans that include a discharge  
6 and aftercare plan for each individual currently in the facility. A  
7 discharge and aftercare plan shall address the individual's housing  
8 needs. A homeless shelter or similar temporary shelter arrangements  
9 are inadequate to meet the individual's housing needs.

10 (3) Four months after the certification of closure required in  
11 section 19(6) of the state employees' retirement act, 1943 PA 240,  
12 MCL 38.19, the department shall provide a closure plan to the house  
13 and senate appropriations subcommittees on the department budget  
14 and the state budget director.

15 (4) Upon the closure of state-run operations and after  
16 transitional costs have been paid, the remaining balances of funds  
17 appropriated for that operation shall be transferred to CMHSPs or  
18 PIHPs responsible for providing services for individuals previously  
19 served by the operations.

20 Sec. 1056. The department may collect revenue for patient  
21 reimbursement from first- and third-party payers, including  
22 Medicaid and local county CMHSP payers, to cover the cost of  
23 placement in state hospitals and centers. The department is  
24 authorized to adjust financing sources for patient reimbursement  
25 based on actual revenues earned. If the revenue collected exceeds  
26 current year expenditures, the revenue may be carried forward with  
27 approval of the state budget director. The revenue carried forward



1 shall be used as a first source of funds in the subsequent year.

2       Sec. 1057. The department shall work with the department of  
3 technology, management, and budget to secure an appraisal of the  
4 Hawthorn center psychiatric hospital facility for children and  
5 adolescents and develop a proposal for possible replacement of the  
6 facility at the same location or at a new location.

7       Sec. 1058. Effective October 1 of the current fiscal year, the  
8 department, in consultation with the department of technology,  
9 management, and budget, may maintain a bid process to identify 1 or  
10 more private contractors to provide food service and custodial  
11 services for the administrative areas at any state hospital  
12 identified by the department as capable of generating savings  
13 through the outsourcing of such services.

14       Sec. 1059. (1) From the increased funds appropriated in part 1  
15 for center for forensic psychiatry, the department shall open an  
16 additional wing at the center for forensic psychiatry in the  
17 current fiscal year to provide additional capacity for specialized  
18 services to criminal defendants who are adjudicated as incompetent  
19 to stand trial or not guilty by reason of insanity.

20       (2) The department shall identify specific outcomes and  
21 performance measures for this initiative, including, but not  
22 limited to, the following:

23       (a) The average wait time for persons ruled incompetent to  
24 stand trial before admission to the center for forensic psychiatry.

25       (b) The average wait time for persons ruled incompetent to  
26 stand trial before admission to other state-operated psychiatric  
27 facilities.



1 (c) The number of persons waiting to receive services at the  
2 center for forensic psychiatry.

3 (d) The number of persons waiting to receive services at other  
4 state-operated hospitals and centers.

5 **HEALTH POLICY**

6 Sec. 1140. From the funds appropriated in part 1 for primary  
7 care services, \$250,000.00 shall be allocated to free health  
8 clinics operating in the state. The department shall distribute the  
9 funds equally to each free health clinic. For the purpose of this  
10 appropriation, "free health clinics" means nonprofit organizations  
11 that use volunteer health professionals to provide care to  
12 uninsured individuals.

13 Sec. 1142. The department shall continue to seek means to  
14 increase retention of Michigan medical school students for  
15 completion of their primary care residency requirements within this  
16 state and ultimately, for some period of time, to remain in this  
17 state and serve as primary care physicians. The department is  
18 encouraged to work with Michigan institutions of higher education.

19 Sec. 1143. The department may award health innovation grants  
20 to address emerging issues and encourage cutting edge advances in  
21 health care including strategic partners in both the public and  
22 private sectors.

23 Sec. 1144. (1) From the funds appropriated in part 1 for  
24 health policy administration, the department shall allocate the  
25 federal state innovation model grant funding that supports  
26 implementation of the health delivery system innovations detailed



1 in this state's "Reinventing Michigan's Health Care System:  
2 Blueprint for Health Innovation" document. This initiative will  
3 test new payment methodologies, support improved population health  
4 outcomes, and support improved infrastructure for technology and  
5 data sharing and reporting. The funds will be used to provide  
6 financial support directly to regions participating in the model  
7 test and to support statewide stakeholder guidance and technical  
8 support.

9 (2) Outcomes and performance measures for the initiative under  
10 subsection (1) include, but are not limited to, the following:

11 (a) Increasing the number of physician practices fulfilling  
12 patient-centered medical home functions.

13 (b) Reducing inappropriate health utilization, specifically  
14 reducing preventable emergency department visits, reducing the  
15 proportion of hospitalizations for ambulatory sensitive conditions,  
16 and reducing this state's 30-day hospital readmission rate.

17 (3) By March 1 and September 1 of the current fiscal year, the  
18 department shall submit a written report to the house and senate  
19 appropriations subcommittees on the department budget, the house  
20 and senate fiscal agencies, and the state budget office on the  
21 status of the program and progress made since the prior report.

## 22 **DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

23 Sec. 1180. (1) From the funds appropriated in part 1 for the  
24 healthy homes program, no less than \$1,750,000.00 shall be  
25 allocated for lead abatement of homes.

26 (2) By January 1 of the current fiscal year, the department



1 shall provide a report to the house and senate appropriations  
2 subcommittees on the department budget, the house and senate fiscal  
3 agencies, and the state budget director on the expenditures and  
4 activities undertaken by the lead abatement program in the previous  
5 fiscal year from the funds appropriated in part 1 for the healthy  
6 homes program. The report shall include, but is not limited to, a  
7 funding allocation schedule, expenditures by category of  
8 expenditure and by subcontractor, revenues received, description of  
9 program elements, and description of program accomplishments and  
10 progress.

11 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

12 Sec. 1220. The amount appropriated in part 1 for  
13 implementation of the 1993 additions of or amendments to sections  
14 9161, 16221, 16226, 17014, 17015, and 17515 of the public health  
15 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,  
16 333.17015, and 333.17515, shall be used to reimburse local health  
17 departments for costs incurred related to implementation of section  
18 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

19 Sec. 1221. If a county that has participated in a district  
20 health department or an associated arrangement with other local  
21 health departments takes action to cease to participate in such an  
22 arrangement after October 1 of the current fiscal year, the  
23 department shall have the authority to assess a penalty from the  
24 local health department's operational accounts in an amount equal  
25 to no more than 6.25% of the local health department's essential  
26 local public health services funding. This penalty shall only be



1 assessed to the local county that requests the dissolution of the  
2 health department.

3       Sec. 1222. (1) Funds appropriated in part 1 for essential  
4 local public health services shall be prospectively allocated to  
5 local health departments to support immunizations, infectious  
6 disease control, sexually transmitted disease control and  
7 prevention, hearing screening, vision services, food protection,  
8 public water supply, private groundwater supply, and on-site sewage  
9 management. Food protection shall be provided in consultation with  
10 the department of agriculture and rural development. Public water  
11 supply, private groundwater supply, and on-site sewage management  
12 shall be provided in consultation with the department of  
13 environmental quality.

14       (2) Local public health departments shall be held to  
15 contractual standards for the services in subsection (1).

16       (3) Distributions in subsection (1) shall be made only to  
17 counties that maintain local spending in the current fiscal year of  
18 at least the amount expended in fiscal year 1992-1993 for the  
19 services described in subsection (1).

20       (4) By December 1 of the current fiscal year, the department  
21 shall provide a report to the house and senate appropriations  
22 subcommittees on the department budget, the house and senate fiscal  
23 agencies, and the state budget director on the planned allocation  
24 of the funds appropriated for essential local public health  
25 services.

26       Sec. 1223. (1) From the funds appropriated in part 1 for  
27 dental programs, \$150,000.00 shall be allocated to the Michigan



1 Dental Association for the administration of a volunteer dental  
2 program that provides dental services to the uninsured.

3 (2) Not later than December 1 of the current fiscal year, the  
4 department shall report to the senate and house appropriations  
5 subcommittees on the department budget, the senate and house  
6 standing committees on health policy, the senate and house fiscal  
7 agencies, and the state budget office the number of individual  
8 patients treated, number of procedures performed, and approximate  
9 total market value of those procedures from the immediately  
10 preceding fiscal year.

11 Sec. 1224. The department shall use revenue from mobile  
12 dentistry facility permit fees received under section 21605 of the  
13 public health code, 1978 PA 368, MCL 333.21605, to offset the cost  
14 of the permit program.

15 Sec. 1225. The department shall work with the Michigan health  
16 endowment fund corporation established under section 653 of the  
17 nonprofit health care corporation reform act, 1980 PA 350, MCL  
18 550.1653, to explore ways to fund and evaluate current and future  
19 policies and programs.

20 Sec. 1226. From the funds appropriated in part 1 for health  
21 and wellness initiatives, \$1,000,000.00 shall be allocated for a  
22 school children's healthy exercise program to promote and advance  
23 physical health for school children in kindergarten through grade  
24 8. The department shall recommend model programs for sites to  
25 implement that incorporate evidence-based best practices. The  
26 department shall grant no less than 1/2 of the funds appropriated  
27 in part 1 for before- and after-school programs. The department



1 shall establish guidelines for program sites, which may include  
2 schools, community-based organizations, private facilities,  
3 recreation centers, or other similar sites. The program format  
4 shall encourage local determination of site activities and shall  
5 encourage local inclusion of youth in the decision-making regarding  
6 site activities. Program goals shall include children experiencing  
7 improved physical health and access to physical activity  
8 opportunities, the reduction of obesity, providing a safe place to  
9 play and exercise, and nutrition education. To be eligible to  
10 participate, program sites shall provide a 20% match to the state  
11 funding, which may be provided in full, or in part, by a  
12 corporation, foundation, or private partner. The department shall  
13 seek financial support from corporate, foundation, or other private  
14 partners for the program or for individual program sites.

15       Sec. 1227. The department shall establish criteria for all  
16 funds allocated under part 1 for health and wellness initiatives.  
17 The criteria must include a requirement that all programs funded be  
18 evidence-based and supported by research, include interventions  
19 that have been shown to demonstrate outcomes that lower cost and  
20 improve quality, and be designed for statewide impact. Preference  
21 must be given to programs that utilize the funding as match for  
22 additional resources, including, but not limited to, federal  
23 sources.

#### 24 **FAMILY, MATERNAL, AND CHILD HEALTH**

25       Sec. 1300. The department shall monitor estimated public funds  
26 administered by the department for family planning, sexually



1 transmitted infection prevention and treatment, and pregnancies and  
2 births, as well as demographics collected by the department as  
3 voluntarily self-reported by individuals utilizing those services.  
4 The department shall monitor the actual expenditures by marital  
5 status or, where actual expenditures are not available, shall  
6 monitor estimated expenditures by marital status. The department  
7 may utilize the DCH-1426 application for health coverage and help  
8 paying costs or any other official application for public  
9 assistance for medical coverage to determine the actual or  
10 estimated public expenditures based on marital status. The  
11 department shall provide this information upon request of the  
12 legislature.

13       Sec. 1301. (1) Before April 1 of the current fiscal year, the  
14 department shall submit a report to the house and senate fiscal  
15 agencies and the state budget director on planned allocations from  
16 the amounts appropriated in part 1 for local MCH services, prenatal  
17 care outreach and service delivery support, family planning local  
18 agreements, and pregnancy prevention programs. Using applicable  
19 federal definitions, the report shall include information on all of  
20 the following:

21       (a) Funding allocations.

22       (b) Actual number of women, children, and adolescents served  
23 and amounts expended for each group for the immediately preceding  
24 fiscal year.

25       (c) A breakdown of the expenditure of these funds between  
26 urban and rural communities.

27       (2) The department shall ensure that the distribution of funds



1 through the programs described in subsection (1) takes into account  
2 the needs of rural communities.

3 (3) For the purposes of this section, "rural" means a county,  
4 city, village, or township with a population of 30,000 or less,  
5 including those entities if located within a metropolitan  
6 statistical area.

7 Sec. 1302. Each family planning program receiving federal  
8 title X family planning funds under 42 USC 300 to 300a-8 shall be  
9 in compliance with all performance and quality assurance indicators  
10 that the office of population affairs within the United States  
11 Department of Health and Human Services specifies in the program  
12 guidelines for project grants for family planning services. An  
13 agency not in compliance with the indicators shall not receive  
14 supplemental or reallocated funds.

15 Sec. 1303. The department shall not contract with an  
16 organization which provides elective abortions, abortion  
17 counseling, or abortion referrals, for services that are to be  
18 funded with state restricted or state general fund/general purpose  
19 funds appropriated in part 1 for family planning local agreements.  
20 An organization under contract with the department shall not  
21 subcontract with an organization which provides elective abortions,  
22 abortion counseling, or abortion referrals, for services that are  
23 to be funded with state restricted or state general fund/general  
24 purpose funds appropriated in part 1 for family planning local  
25 agreements.

26 Sec. 1304. The department shall not use state restricted funds  
27 or state general funds appropriated in part 1 in the pregnancy



1 prevention program or family planning local agreements  
2 appropriation line items for abortion counseling, referrals, or  
3 services.

4       Sec. 1307. (1) From the funds appropriated in part 1 for  
5 prenatal care outreach and service delivery support, \$400,000.00  
6 shall be allocated for a pregnancy and parenting support services  
7 program, which program must promote childbirth, alternatives to  
8 abortion, and grief counseling. The department shall establish a  
9 program with a qualified contractor that will contract with  
10 qualified service providers to provide free counseling, support,  
11 and referral services to eligible women during pregnancy through 12  
12 months after birth. As appropriate, the goals for client outcomes  
13 shall include an increase in client support, an increase in  
14 childbirth choice, an increase in adoption knowledge, an  
15 improvement in parenting skills, and improved reproductive health  
16 through abstinence education. The contractor of the program shall  
17 provide for program training, client educational material, program  
18 marketing, and annual service provider site monitoring. The  
19 department shall submit a report to the house and senate  
20 appropriations subcommittees on the department budget and the house  
21 and senate fiscal agencies by April 1 of the current fiscal year on  
22 the number of clients served.

23       (2) Unexpended funds appropriated in part 1 to pay for the  
24 pregnancy and parenting support program described in subsection (1)  
25 are designated as work project appropriations, and any unencumbered  
26 or unallotted funds shall not lapse at the end of the fiscal year  
27 and shall be available for expenditures for the pregnancy and



1 parenting support program under this section until the project has  
2 been completed. All of the following are in compliance with section  
3 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the project is to provide pregnancy and  
5 parenting support services, and the program must promote  
6 childbirth, alternatives to abortion, and grief counseling.

7 (b) The project will be carried out through a contract with a  
8 qualified contractor that will contract with qualified service  
9 providers to provide free counseling, support, and referral  
10 services to eligible women during pregnancy through 12 months after  
11 birth.

12 (c) The estimated cost of this work project is \$400,000.00.

13 (d) The estimated work project completion date is September  
14 30, 2021.

15 Sec. 1308. From the funds appropriated in part 1 for prenatal  
16 care outreach and service delivery support, not less than  
17 \$500,000.00 of funding shall be allocated for evidence-based  
18 programs to reduce infant mortality including nurse family  
19 partnership programs. The funds shall be used for enhanced support  
20 and education to nursing teams or other teams of qualified health  
21 professionals, client recruitment in areas designated as  
22 underserved for obstetrical and gynecological services and other  
23 high-need communities, strategic planning to expand and sustain  
24 programs, and marketing and communications of programs to raise  
25 awareness, engage stakeholders, and recruit nurses.

26 Sec. 1309. The department shall allocate funds appropriated in  
27 section 117 of part 1 for family, maternal, and child health



1 according to section 1 of 2002 PA 360, MCL 333.1091.

2       Sec. 1310. The department shall continue to work jointly with  
3 the Michigan state housing development authority and the joint task  
4 force established under article IV of 2014 PA 252 to review housing  
5 rehabilitation, energy and weatherization, and hazard abatement  
6 program policies and to make recommendations for integrating and  
7 coordinating project delivery with the goals of serving more  
8 families and achieving better outcomes by maximizing state and  
9 federal resources. The joint task force may provide recommendations  
10 to the department. Recommendations of the joint task force must  
11 give consideration to best practices and cost-effectiveness.

12       Sec. 1311. From the funds appropriated in part 1 for prenatal  
13 care outreach and service delivery support, equal consideration  
14 shall be given to all eligible evidence-based providers in all  
15 regions in contracting for rural home visitation services.

16       Sec. 1313. (1) The department shall continue developing an  
17 outreach program on fetal alcohol syndrome services, targeting  
18 health promotion, prevention, and intervention as described in the  
19 Michigan fetal alcohol spectrum disorders five year plan 2015-2020.

20       (2) The department shall explore federal grant funding to  
21 address prevention services for fetal alcohol syndrome and reduce  
22 alcohol consumption among pregnant women.

23       Sec. 1340. For the women, infants, and children special  
24 supplemental food and nutrition program, the department shall make  
25 national brand products available if it is determined by the  
26 department that the price per unit is more cost-effective and  
27 satisfies nutritional requirements of the federal program. The



1 determination must be made during the biannual food authorization  
2 evaluation.

3 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

4 Sec. 1360. The department may do 1 or more of the following:

5 (a) Provide special formula for eligible clients with  
6 specified metabolic and allergic disorders.

7 (b) Provide medical care and treatment to eligible patients  
8 with cystic fibrosis who are 21 years of age or older.

9 (c) Provide medical care and treatment to eligible patients  
10 with hereditary coagulation defects, commonly known as hemophilia,  
11 who are 21 years of age or older.

12 (d) Provide human growth hormone to eligible patients.

13 Sec. 1361. From the funds appropriated in part 1 for medical  
14 care and treatment, the department is authorized to spend those  
15 funds for the continued development and expansion of telemedicine  
16 capacity to allow families with children in the children's special  
17 health care services program to access specialty providers more  
18 readily and in a more timely manner.

19 **AGING AND ADULT SERVICES AGENCY**

20 Sec. 1403. (1) By February 1 of the current fiscal year, the  
21 aging and adult services agency shall require each region to report  
22 to the aging and adult services agency and to the legislature home-  
23 delivered meals waiting lists based upon standard criteria.

24 Determining criteria shall include all of the following:

25 (a) The recipient's degree of frailty.



1 (b) The recipient's inability to prepare his or her own meals  
2 safely.

3 (c) Whether the recipient has another care provider available.

4 (d) Any other qualifications normally necessary for the  
5 recipient to receive home-delivered meals.

6 (2) Data required in subsection (1) shall be recorded only for  
7 individuals who have applied for participation in the home-  
8 delivered meals program and who are initially determined as likely  
9 to be eligible for home-delivered meals.

10 Sec. 1417. The department shall provide to the senate and  
11 house appropriations subcommittees on the department budget, senate  
12 and house fiscal agencies, and state budget director a report by  
13 March 30 of the current fiscal year that contains all of the  
14 following:

15 (a) The total allocation of state resources made to each area  
16 agency on aging by individual program and administration.

17 (b) Detail expenditure by each area agency on aging by  
18 individual program and administration including both state-funded  
19 resources and locally funded resources.

20 Sec. 1421. From the funds appropriated in part 1 for community  
21 services, \$1,100,000.00 shall be allocated to area agencies on  
22 aging for locally determined needs.

23 Sec. 1422. From the funds appropriated in part 1 for aging and  
24 adult services administration, not less than \$300,000.00 shall be  
25 allocated for the department to contract with the Prosecuting  
26 Attorneys Association of Michigan to provide the support and  
27 services necessary to increase the capability of the state's



1 prosecutors, adult protective service system, and criminal justice  
2 system to effectively identify, investigate, and prosecute elder  
3 abuse and financial exploitation.

4 **MEDICAL SERVICES ADMINISTRATION**

5 Sec. 1501. The unexpended funds appropriated in part 1 for the  
6 electronic health records incentive program are considered work  
7 project appropriations, and any unencumbered or unallotted funds  
8 are carried forward into the following fiscal year. The following  
9 is in compliance with section 451a(1) of the management and budget  
10 act, 1984 PA 431, MCL 18.1451a:

11 (a) The purpose of the project to be carried forward is to  
12 implement the Medicaid electronic health record program that  
13 provides financial incentive payments to Medicaid health care  
14 providers to encourage the adoption and meaningful use of  
15 electronic health records to improve quality, increase efficiency,  
16 and promote safety.

17 (b) The projects will be accomplished according to the  
18 approved federal advanced planning document.

19 (c) The estimated cost of this project phase is identified in  
20 the appropriation line item.

21 (d) The tentative completion date for the work project is  
22 September 30, 2021.

23 Sec. 1503. From the funds appropriated in part 1 for Healthy  
24 Michigan plan administration, the department shall maintain an  
25 accounting structure within the Michigan administrative information  
26 network that will allow expenditures associated with the



1 administration of the Healthy Michigan plan to be identified.

2 Sec. 1505. By March 1 and September 1 of the current fiscal  
3 year, the department shall submit a report to the senate and house  
4 appropriations subcommittees on the department budget, the senate  
5 and house fiscal agencies, and the state budget office including  
6 both of the following:

7 (a) The department's projected annual increase in  
8 reimbursement savings and cost offsets that will result from the  
9 funds appropriated in part 1 for the office of inspector general  
10 and third party liability efforts.

11 (b) The actual increase in reimbursement savings and cost  
12 offsets that have resulted from the funds appropriated in part 1  
13 for the office of inspector general and third party liability  
14 efforts.

15 Sec. 1506. The department shall submit to the senate and house  
16 appropriations subcommittees on the department budget, the senate  
17 and house fiscal agencies, the senate and house policy offices, and  
18 the state budget office a quarterly report on the implementation  
19 status of the Healthy Michigan call center that includes all of the  
20 following information:

21 (a) Call volume during the prior quarter.

22 (b) Percentage of calls resolved through the Healthy Michigan  
23 plan call center.

24 (c) Percentage of calls transferred to a local department  
25 office or other office for resolution.

26 (d) Number of Medicaid applications completed by the Healthy  
27 Michigan call center staff and submitted on behalf of clients.



1           Sec. 1507. (1) From the funds appropriated in part 1 for  
2 technology supporting integrated service delivery, the department  
3 shall establish new information technology tools and enhance  
4 existing systems to improve the eligibility and enrollment process  
5 for citizens accessing department-administered programs. This  
6 information technology system will consolidate beneficiary  
7 information, support department caseworker efforts in building a  
8 success plan for beneficiaries, and better support department staff  
9 in supporting enrollees in assistance programs.

10           (2) Outcomes and performance measures for the initiative under  
11 subsection (1) include, but are not limited to, the following:

12           (a) Successful consolidation of data warehouses maintained by  
13 the department.

14           (b) The amount of time a department caseworker devotes to data  
15 entry when initiating an enrollee application.

16           (c) A reduction in wait times for persons enrolled in  
17 assistance programs to speak with department staff and get  
18 necessary changes made.

19           (d) A reduction in department caseworker workload.

20           (3) By December 1 of the current fiscal year, the department  
21 shall report to the senate and house appropriations subcommittees  
22 on the department budget and the senate and house fiscal agencies  
23 all of the following information:

24           (a) The process used to define requests for proposal for each  
25 element of the integrated service delivery plan, including  
26 timelines, project milestones, and intended outcomes.

27           (b) If the department decides not to contract the services out



1 to design and implement each element of the integrated service  
2 delivery plan, the department shall submit its own project plan  
3 that includes, at a minimum, the requirements in subdivision (a).

4 (c) A recommended project management plan with milestones and  
5 time frames.

6 (d) The proposed benefits from implementing the integrated  
7 service delivery plan, including customer service improvement, form  
8 reductions, potential time savings, caseload reduction, and return  
9 on investment.

10 (4) The information in subsection (3)(d) shall be posted on  
11 the department's website.

## 12 **MEDICAL SERVICES**

13 Sec. 1601. The cost of remedial services incurred by residents  
14 of licensed adult foster care homes and licensed homes for the aged  
15 shall be used in determining financial eligibility for the  
16 medically needy. Remedial services include basic self-care and  
17 rehabilitation training for a resident.

18 Sec. 1603. (1) The department may establish a program for  
19 individuals to purchase medical coverage at a rate determined by  
20 the department.

21 (2) The department may receive and expend premiums for the  
22 buy-in of medical coverage in addition to the amounts appropriated  
23 in part 1.

24 (3) The premiums described in this section shall be classified  
25 as private funds.

26 Sec. 1605. The protected income level for Medicaid coverage



1 determined pursuant to section 106(1)(b) (iii) of the social welfare  
2 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public  
3 assistance standard.

4 Sec. 1606. For the purpose of guardian and conservator  
5 charges, the department may deduct up to \$60.00 per month as an  
6 allowable expense against a recipient's income when determining  
7 medical services eligibility and patient pay amounts.

8 Sec. 1607. (1) An applicant for Medicaid, whose qualifying  
9 condition is pregnancy, shall immediately be presumed to be  
10 eligible for Medicaid coverage unless the preponderance of evidence  
11 in her application indicates otherwise. The applicant who is  
12 qualified as described in this subsection shall be allowed to  
13 select or remain with the Medicaid participating obstetrician of  
14 her choice.

15 (2) An applicant qualified as described in subsection (1)  
16 shall be given a letter of authorization to receive Medicaid  
17 covered services related to her pregnancy. All qualifying  
18 applicants shall be entitled to receive all medically necessary  
19 obstetrical and prenatal care without preauthorization from a  
20 health plan. All claims submitted for payment for obstetrical and  
21 prenatal care shall be paid at the Medicaid fee-for-service rate in  
22 the event a contract does not exist between the Medicaid  
23 participating obstetrical or prenatal care provider and the managed  
24 care plan. The applicant shall receive a listing of Medicaid  
25 physicians and managed care plans in the immediate vicinity of the  
26 applicant's residence.

27 (3) In the event that an applicant, presumed to be eligible



1 pursuant to subsection (1), is subsequently found to be ineligible,  
2 a Medicaid physician or managed care plan that has been providing  
3 pregnancy services to an applicant under this section is entitled  
4 to reimbursement for those services until such time as they are  
5 notified by the department that the applicant was found to be  
6 ineligible for Medicaid.

7 (4) If the preponderance of evidence in an application  
8 indicates that the applicant is not eligible for Medicaid, the  
9 department shall refer that applicant to the nearest public health  
10 clinic or similar entity as a potential source for receiving  
11 pregnancy-related services.

12 (5) The department shall develop an enrollment process for  
13 pregnant women covered under this section that facilitates the  
14 selection of a managed care plan at the time of application.

15 (6) The department shall mandate enrollment of women, whose  
16 qualifying condition is pregnancy, into Medicaid managed care  
17 plans.

18 (7) The department shall encourage physicians to provide  
19 women, whose qualifying condition for Medicaid is pregnancy, with a  
20 referral to a Medicaid participating dentist at the first  
21 pregnancy-related appointment.

22 Sec. 1611. (1) For care provided to medical services  
23 recipients with other third-party sources of payment, medical  
24 services reimbursement shall not exceed, in combination with such  
25 other resources, including Medicare, those amounts established for  
26 medical services-only patients. The medical services payment rate  
27 shall be accepted as payment in full. Other than an approved



1 medical services co-payment, no portion of a provider's charge  
2 shall be billed to the recipient or any person acting on behalf of  
3 the recipient. Nothing in this section shall be considered to  
4 affect the level of payment from a third-party source other than  
5 the medical services program. The department shall require a  
6 nonenrolled provider to accept medical services payments as payment  
7 in full.

8 (2) Notwithstanding subsection (1), medical services  
9 reimbursement for hospital services provided to dual  
10 Medicare/medical services recipients with Medicare part B coverage  
11 only shall equal, when combined with payments for Medicare and  
12 other third-party resources, if any, those amounts established for  
13 medical services-only patients, including capital payments.

14 Sec. 1620. (1) Pursuant to the federal covered outpatient drug  
15 final rule with comment (CMS-2345-FC), the department shall  
16 establish a professional pharmaceutical dispensing fee for pharmacy  
17 benefits that are reimbursed on a fee-for-service basis. In  
18 establishing this fee, the department shall comply with federal law  
19 while taking into consideration the state's long-term financial  
20 exposure and Medicaid beneficiaries' access to care. The  
21 established fee shall not be lower than the amount in effect on  
22 October 1, 2015.

23 (2) The department shall require a prescription co-payment for  
24 Medicaid recipients not enrolled in the Healthy Michigan plan or  
25 with an income less than 100% of the federal poverty level of \$1.00  
26 for a generic drug and \$3.00 for a brand-name drug, except as  
27 prohibited by federal or state law or regulation.



1 (3) The department shall require a prescription co-payment for  
2 Medicaid recipients enrolled in the Healthy Michigan plan with an  
3 income of at least 100% of the federal poverty level of \$4.00 for a  
4 generic drug and \$8.00 for a brand-name drug, except as prohibited  
5 by federal or state law or regulation. Administration of this co-  
6 payment shall be consistent with the terms and conditions  
7 established by the Centers for Medicare and Medicaid Services  
8 linked to the federal waiver authorizing the Healthy Michigan plan.

9 Sec. 1629. The department shall utilize maximum allowable cost  
10 pricing for generic drugs that is based on wholesaler pricing to  
11 providers that is available from at least 2 wholesalers who deliver  
12 in this state.

13 Sec. 1631. (1) The department shall require co-payments on  
14 dental, podiatric, and vision services provided to Medicaid  
15 recipients, except as prohibited by federal or state law or  
16 regulation.

17 (2) Except as otherwise prohibited by federal or state law or  
18 regulation, the department shall require Medicaid recipients not  
19 enrolled in the Healthy Michigan plan or with an income less than  
20 100% of the federal poverty level to pay not less than the  
21 following co-payments:

22 (a) Two dollars for a physician office visit.

23 (b) Three dollars for a hospital emergency room visit.

24 (c) Fifty dollars for the first day of an inpatient hospital  
25 stay.

26 (d) One dollar for an outpatient hospital visit.

27 (3) Except as otherwise prohibited by federal or state law or



1 regulation, and consistent with the terms and conditions  
2 established by the Centers for Medicare and Medicaid Services  
3 linked to the federal waiver authorizing the Healthy Michigan plan,  
4 the department shall require Medicaid recipients enrolled in the  
5 Healthy Michigan plan with an income of at least 100% of the  
6 federal poverty level to pay the following co-payments:

7 (a) Four dollars for a physician office visit.

8 (b) Eight dollars for a hospital emergency room visit.

9 (c) One hundred dollars for the first day of an inpatient  
10 hospital stay.

11 (d) Four dollars for an outpatient hospital visit or any other  
12 medical provider visit to the extent allowed by federal or state  
13 law or regulation.

14 Sec. 1641. An institutional provider that is required to  
15 submit a cost report under the medical services program shall  
16 submit cost reports completed in full within 5 months after the end  
17 of its fiscal year.

18 Sec. 1645. The department shall review and recalculate the  
19 prior year nursing facility quality assessment fee computation to  
20 reflect actual days of care provided by each nursing home and  
21 hospital long-term care unit instead of using projected days of  
22 care provided by each nursing home and hospital long-term care  
23 unit.

24 Sec. 1657. (1) Reimbursement for medical services to screen  
25 and stabilize a Medicaid recipient, including stabilization of a  
26 psychiatric crisis, in a hospital emergency room shall not be made  
27 contingent on obtaining prior authorization from the recipient's



1 HMO. If the recipient is discharged from the emergency room, the  
2 hospital shall notify the recipient's HMO within 24 hours of the  
3 diagnosis and treatment received.

4 (2) If the treating hospital determines that the recipient  
5 will require further medical service or hospitalization beyond the  
6 point of stabilization, that hospital shall receive authorization  
7 from the recipient's HMO prior to admitting the recipient.

8 (3) Subsections (1) and (2) do not require an alteration to an  
9 existing agreement between an HMO and its contracting hospitals and  
10 do not require an HMO to reimburse for services that are not  
11 considered to be medically necessary.

12 Sec. 1659. The following sections of this part are the only  
13 sections that shall apply to the following Medicaid managed care  
14 programs, including the comprehensive plan, MIChoice long-term care  
15 plan, and the mental health, substance use disorder, and  
16 developmentally disabled services program: 298, 904, 911, 918, 920,  
17 928, 994, 1008, 1607, 1657, 1662, 1699, 1764, 1806, 1810, 1820,  
18 1850, and 1888.

19 Sec. 1662. (1) The department shall assure that an external  
20 quality review of each contracting HMO is performed that results in  
21 an analysis and evaluation of aggregated information on quality,  
22 timeliness, and access to health care services that the HMO or its  
23 contractors furnish to Medicaid beneficiaries.

24 (2) The department shall require Medicaid HMOs to provide  
25 EPSDT utilization data through the encounter data system, and HEDIS  
26 well child health measures in accordance with the National  
27 Committee for Quality Assurance prescribed methodology.



1 (3) The department shall provide a copy of the analysis of the  
2 Medicaid HMO annual audited HEDIS reports and the annual external  
3 quality review report to the senate and house of representatives  
4 appropriations subcommittees on the department budget, the senate  
5 and house fiscal agencies, and the state budget director, within 30  
6 days of the department's receipt of the final reports from the  
7 contractors.

8 Sec. 1670. (1) The appropriation in part 1 for the MIChild  
9 program is to be used to provide comprehensive health care to all  
10 children under age 19 who reside in families with income at or  
11 below 212% of the federal poverty level, who are uninsured and have  
12 not had coverage by other comprehensive health insurance within 6  
13 months of making application for MIChild benefits, and who are  
14 residents of this state. The department shall develop detailed  
15 eligibility criteria through the medical services administration  
16 public concurrence process, consistent with the provisions of this  
17 part and part 1.

18 (2) The department may provide up to 1 year of continuous  
19 eligibility to children eligible for the MIChild program unless the  
20 family fails to pay the monthly premium, a child reaches age 19, or  
21 the status of the children's family changes and its members no  
22 longer meet the eligibility criteria as specified in the state  
23 plan.

24 (3) To be eligible for the MIChild program, a child must be  
25 residing in a family with an adjusted gross income of less than or  
26 equal to 212% of the federal poverty level. The department's  
27 verification policy shall be used to determine eligibility.



1 (4) The department may make payments on behalf of children  
2 enrolled in the MICHild program as described in the MICHild state  
3 plan approved by the United States Department of Health and Human  
4 Services, or from other medical services.

5 Sec. 1673. The department may establish premiums for MICHild  
6 eligible individuals in families with income at or below 212% of  
7 the federal poverty level. The monthly premiums shall be \$10.00 per  
8 month.

9 Sec. 1677. The MICHild program shall provide, at a minimum,  
10 all benefits available under the Michigan benchmark plan that are  
11 delivered through contracted providers and consistent with federal  
12 law, including, but not limited to, the following medically  
13 necessary services:

14 (a) Inpatient mental health services, other than substance use  
15 disorder treatment services, including services furnished in a  
16 state-operated mental hospital and residential or other 24-hour  
17 therapeutically planned structured services.

18 (b) Outpatient mental health services, other than substance  
19 use disorder services, including services furnished in a state-  
20 operated mental hospital and community-based services.

21 (c) Durable medical equipment and prosthetic and orthotic  
22 devices.

23 (d) Dental services as outlined in the approved MICHild state  
24 plan.

25 (e) Substance use disorder treatment services that may include  
26 inpatient, outpatient, and residential substance use disorder  
27 treatment services.



1 (f) Care management services for mental health diagnoses.

2 (g) Physical therapy, occupational therapy, and services for  
3 individuals with speech, hearing, and language disorders.

4 (h) Emergency ambulance services.

5 Sec. 1682. (1) In addition to the appropriations in part 1,  
6 the department is authorized to receive and spend penalty money  
7 received as the result of noncompliance with medical services  
8 certification regulations. Penalty money, characterized as private  
9 funds, received by the department shall increase authorizations and  
10 allotments in the long-term care accounts.

11 (2) Any unexpended penalty money, at the end of the year,  
12 shall carry forward to the following year.

13 Sec. 1692. (1) The department is authorized to pursue  
14 reimbursement for eligible services provided in Michigan schools  
15 from the federal Medicaid program. The department and the state  
16 budget director are authorized to negotiate and enter into  
17 agreements, together with the department of education, with local  
18 and intermediate school districts regarding the sharing of federal  
19 Medicaid services funds received for these services. The department  
20 is authorized to receive and disburse funds to participating school  
21 districts pursuant to such agreements and state and federal law.

22 (2) From the funds appropriated in part 1 for medical services  
23 school-based services payments, the department is authorized to do  
24 all of the following:

25 (a) Finance activities within the medical services  
26 administration related to this project.

27 (b) Reimburse participating school districts pursuant to the



1 fund-sharing ratios negotiated in the state-local agreements  
2 authorized in subsection (1).

3 (c) Offset general fund costs associated with the medical  
4 services program.

5 Sec. 1693. The special Medicaid reimbursement appropriation in  
6 part 1 may be increased if the department submits a medical  
7 services state plan amendment pertaining to this line item at a  
8 level higher than the appropriation. The department is authorized  
9 to appropriately adjust financing sources in accordance with the  
10 increased appropriation.

11 Sec. 1694. From the funds appropriated in part 1 for special  
12 Medicaid reimbursement, \$386,700.00 of general fund/general purpose  
13 revenue and any associated federal match shall be distributed for  
14 poison control services to an academic health care system that  
15 includes a children's hospital that has a high indigent care  
16 volume.

17 Sec. 1699. (1) The department may make separate payments in  
18 the amount of \$45,000,000.00 directly to qualifying hospitals  
19 serving a disproportionate share of indigent patients and to  
20 hospitals providing GME training programs. If direct payment for  
21 GME and DSH is made to qualifying hospitals for services to  
22 Medicaid clients, hospitals shall not include GME costs or DSH  
23 payments in their contracts with HMOs.

24 (2) The department shall allocate \$45,000,000.00 in DSH  
25 funding using the distribution methodology used in fiscal year  
26 2003-2004.

27 Sec. 1700. (1) By December 1 of the current fiscal year, the



1 department shall report to the senate and house appropriations  
2 subcommittees on the department budget, the senate and house fiscal  
3 agencies, and the state budget office on the distribution of  
4 funding provided, and the net benefit if the special hospital  
5 payment is not financed with general fund/general purpose revenue,  
6 to each eligible hospital during the prior fiscal year from the  
7 following special hospital payments:

8 (a) DSH, separated out by unique DSH pool.

9 (b) GME.

10 (c) Special rural hospital payments provided under section  
11 1866.

12 (d) Lump-sum payments to rural hospitals for obstetrical care  
13 provided under section 1802.

14 (2) By May 1 of the current fiscal year, the department shall  
15 report to the senate and house appropriations subcommittees on the  
16 department budget, the senate and house fiscal agencies, and the  
17 state budget office on the projected distribution of funding, and  
18 the projected net benefit if the special hospital payment is not  
19 financed with general fund/general purpose revenue, to each  
20 eligible hospital from the following special hospital payments:

21 (a) DSH, separated out by unique DSH pool.

22 (b) GME.

23 (c) Special rural hospital payments provided under section  
24 1866.

25 (d) Lump-sum payments to rural hospitals for obstetrical care  
26 provided under section 1802.

27 Sec. 1701. The department shall consider implementing a direct



1 primary care pilot program for Medicaid enrollees. Each Medicaid  
2 enrollee who participates in the pilot program shall be enrolled in  
3 a direct primary care provider plan that is under contract with 1  
4 or more Medicaid managed care health plans. Outcomes and  
5 performance measures for the direct primary care pilot program  
6 include, but are not limited to, the following:

7 (a) The number of enrollees in the pilot program by Medicaid  
8 eligibility category.

9 (b) Direct primary care cost per enrollee.

10 (c) Other Medicaid managed care cost savings generated from  
11 direct primary care.

12 Sec. 1702. From the funds appropriated in part 1, the  
13 department shall provide a 10% rate increase for private duty  
14 nursing services for Medicaid beneficiaries under the age of 21.  
15 These additional funds must be used to attract and retain highly  
16 qualified registered nurses and licensed practical nurses to  
17 provide private duty nursing services so that medically frail  
18 children can be cared for in the most homelike setting possible.

19 Sec. 1703. The department, in cooperation with the department  
20 of education, shall investigate funding opportunities for Early On  
21 early intervention services for eligible children with  
22 developmental delays and disabilities. The department shall  
23 commission a study with expert input on funding strategies utilized  
24 in other states that includes the feasibility of maximizing  
25 Medicaid reimbursement for children eligible for Early On services.  
26 The report shall also include any barriers identified to maximizing  
27 Medicaid funds for Early On services in this state and



1 recommendations for future action. The department shall report to  
2 the senate and house appropriations subcommittees on the department  
3 budget and the senate and house fiscal agencies by January 1 of the  
4 current fiscal year on the findings of the report.

5 Sec. 1704. (1) The department and its contractual agents may  
6 not subject Medicaid prescriptions to prior authorization  
7 procedures with respect to the following drugs:

8 (a) A prescription drug that is generally recognized in a  
9 standard medical reference of the American Psychiatric  
10 Association's Diagnostic and Statistical Manual for the treatment  
11 of a psychiatric disorder.

12 (b) A prescription that is generally recognized in a standard  
13 medical reference for the treatment of cancer, HIV-AIDS, epilepsy  
14 or seizure disorder, or organ replacement therapy.

15 (2) As used in this section, "prior authorization" means a  
16 process implemented by the department or its contractual agents  
17 that conditions, delays, or denies delivery of particular pharmacy  
18 services to Medicaid beneficiaries upon application of  
19 predetermined criteria by the department or its contractual agents  
20 to those pharmacy services. The process of prior authorization  
21 often requires that a prescriber do 1 or both of the following:

22 (a) Obtain preapproval from the department or its contractual  
23 agents before prescribing a given drug.

24 (b) Verify to the department or its contractual agents that  
25 the use of a drug prescribed for an individual meets predetermined  
26 criteria from the department or its contractual agents for a  
27 prescription drug that is otherwise available under the Medicaid



1 program in this state.

2       Sec. 1724. The department shall allow licensed pharmacies to  
3 purchase injectable drugs for the treatment of respiratory  
4 syncytial virus for shipment to physicians' offices to be  
5 administered to specific patients. If the affected patients are  
6 Medicaid eligible, the department shall reimburse pharmacies for  
7 the dispensing of the injectable drugs and reimburse physicians for  
8 the administration of the injectable drugs.

9       Sec. 1730. (1) The department shall work with the department  
10 of education to evaluate the feasibility of including an assessment  
11 tool to promote literacy development of pregnant women and new  
12 mothers in the maternal infant health program.

13       (2) By March 1 of the current fiscal year, the department  
14 shall provide a report to the house and senate appropriations  
15 subcommittees on the department budget, the house and senate fiscal  
16 agencies, and the state budget office on the findings of the  
17 feasibility study on including an assessment tool to promote  
18 literacy development of pregnant women and new mothers in the  
19 maternal infant health program.

20       Sec. 1757. The department shall obtain proof from all Medicaid  
21 recipients that they are legal United States citizens or otherwise  
22 legally residing in this country and that they are residents of  
23 this state before approving Medicaid eligibility.

24       Sec. 1764. The department shall annually certify whether rates  
25 paid to Medicaid health plans and specialty prepaid inpatient  
26 health plans are actuarially sound in accordance with federal  
27 requirements and shall provide a copy of the rate certification and



1 approval of rates paid to Medicaid health plans and specialty  
2 prepaid inpatient health plans within 5 business days after  
3 certification or approval to the house and senate appropriations  
4 subcommittees on the department budget, the house and senate fiscal  
5 agencies, and the state budget office. When calculating the annual  
6 actuarial soundness adjustment, the department shall take into  
7 account all Medicaid policy bulletins affecting Medicaid health  
8 plans or specialty prepaid inpatient health plans issued after the  
9 most recent actuarial soundness process concluded.

10       Sec. 1775. (1) By March 1 and September 1 of the current  
11 fiscal year, the department shall report to the senate and house  
12 appropriations subcommittees on the department budget, the senate  
13 and house fiscal agencies, and the state budget office on progress  
14 in implementing the waiver to implement managed care for  
15 individuals who are eligible for both Medicare and Medicaid, known  
16 as MI Health Link, including, but not limited to, a description of  
17 how the department intends to ensure that service delivery is  
18 integrated, how key components of the proposal are implemented  
19 effectively, and any problems and potential solutions as identified  
20 by the ombudsman described in subsection (2).

21       (2) The department shall ensure the existence of an ombudsman  
22 program that is not associated with any project service manager or  
23 provider to assist MI Health Link beneficiaries with navigating  
24 complaint and dispute resolution mechanisms and to identify  
25 problems in the demonstrations and in the complaint and dispute  
26 resolution mechanisms.

27       Sec. 1800. For the distribution of each of the pools within



1 the \$85,000,000.00 outpatient disproportionate share hospital  
2 payment, the department shall develop a formula for the  
3 distribution of each pool based on the quality of care, cost,  
4 traditional disproportionate share hospital factors such as  
5 Medicaid utilization and uncompensated care, and any other factor  
6 that the department determines should be considered.

7       Sec. 1801. From the funds appropriated in part 1 for physician  
8 services and health plan services, the department shall use  
9 \$33,318,800.00 in general fund/general purpose plus associated  
10 federal match to continue the increase to Medicaid rates for  
11 primary care services provided only by primary care providers. For  
12 the purpose of this section, a primary care provider is a  
13 physician, or a practitioner working under the personal supervision  
14 of a physician, who is board-eligible or certified with a specialty  
15 designation of family medicine, general internal medicine, or  
16 pediatric medicine, or a provider who provides the department with  
17 documentation of equivalency. Providers performing a service and  
18 whose primary practice is as a non-primary-care subspecialty is not  
19 eligible for the increase. The department shall establish policies  
20 that most effectively limit the increase to primary care providers  
21 for primary care services only.

22       Sec. 1802. From the funds appropriated in part 1, a lump-sum  
23 payment shall be made to hospitals that qualified for rural  
24 hospital access payments in fiscal year 2013-2014 and that provide  
25 obstetrical care in the current fiscal year. The payment shall be  
26 calculated as \$830.00 for each obstetrical care case payment and  
27 each newborn care case payment for all such cases billed by the



1 qualified hospitals for fiscal year 2012-2013 and shall be paid  
2 through the Medicaid health plan hospital rate adjustment process  
3 by January 1 of the current fiscal year.

4 Sec. 1804. The department, in cooperation with the department  
5 of military and veterans affairs, shall work with the federal  
6 public assistance reporting information system to identify Medicaid  
7 recipients who are veterans and who may be eligible for federal  
8 veterans health care benefits or other benefits.

9 Sec. 1805. Hospitals receiving medical services payments for  
10 graduate medical education shall submit fully completed quality  
11 data to a national nonprofit organization with extensive experience  
12 in collecting and reporting hospital quality data on a public  
13 website or to the Centers for Medicare and Medicaid Services  
14 hospital compare quality reporting website. The reporting must  
15 utilize consensus-based nationally endorsed standards that meet  
16 National Quality Forum-endorsed safe practices. The organization  
17 collecting the data must be one that uses severity-adjusted risk  
18 models and measures that will help patients and payers identify  
19 hospital campuses likely to have superior outcomes.

20 Sec. 1806. (1) The department may establish performance  
21 standards to measure progress in the implementation of the common  
22 formulary used by all contracting Medicaid health plans.

23 (2) The ongoing implementation of the common formulary must  
24 include consideration of the department's preferred drug list.

25 (3) To achieve the objective of low net cost, the contracted  
26 health plans may use evidence-based utilization management  
27 techniques in the development and implementation of the common



1 formulary.

2 (4) The contracted health plans and the department shall  
3 continue to facilitate and emphasize the value of increased  
4 participation in the use of e-prescribing and electronic medical  
5 records.

6 Sec. 1810. The department shall enhance encounter data  
7 reporting processes and develop rules that would make each health  
8 plan's encounter data as complete as possible, provide a fair  
9 measure of acuity for each health plan's enrolled population for  
10 risk adjustment purposes, capitation rate setting, diagnosis-  
11 related group rate setting, and research and analysis of program  
12 efficiencies while minimizing health plan administrative expense.

13 Sec. 1812. (1) By June 1 of the current fiscal year, and using  
14 the most recent available cost reports, the department shall  
15 complete a report of all direct and indirect costs associated with  
16 residency training programs for each hospital that receives funds  
17 appropriated in part 1 for graduate medical education. The report  
18 shall be submitted to the house and senate appropriations  
19 subcommittees on the department budget, the house and senate fiscal  
20 agencies, and the state budget office.

21 (2) By August 1 of the current fiscal year, the department  
22 shall develop a template for hospitals receiving funds appropriated  
23 in part 1 for graduate medical education to report the following in  
24 a standard format:

25 (a) The marginal cost to add 1 additional residency training  
26 program slot.

27 (b) The number of additional slots that would result in the



1 need to add additional administrative costs to oversee the  
2 residents in the training program.

3 (c) The postresidency retention rate for the residency  
4 training program.

5 (3) The department shall convene a workgroup to use the  
6 reports submitted under subsections (1) and (2) to assist in the  
7 development of metrics for distribution of graduate medical  
8 education funds and shall report to the senate and house  
9 appropriations subcommittees on the department budget and the  
10 senate and house fiscal agencies on the results of the workgroup by  
11 September 30 of the current fiscal year. It is the intent of the  
12 legislature that, beginning with the budget for the fiscal year  
13 ending September 30, 2018, the metrics developed by this workgroup  
14 be used to determine the distribution of funds for graduate medical  
15 education.

16 (4) If needed, the department shall seek a federal waiver to  
17 fulfill the requirements of this section.

18 Sec. 1820. (1) In order to avoid duplication of efforts, the  
19 department shall utilize applicable national accreditation review  
20 criteria to determine compliance with corresponding state  
21 requirements for Medicaid health plans that have been reviewed and  
22 accredited by a national accrediting entity for health care  
23 services.

24 (2) The department shall continue to comply with state and  
25 federal law and shall not initiate an action that negatively  
26 impacts beneficiary safety.

27 (3) As used in this section, "national accrediting entity"



1 means the National Committee for Quality Assurance, the URAC,  
2 formerly known as the Utilization Review Accreditation Commission,  
3 or other appropriate entity, as approved by the department.

4 (4) By July 1 of the current fiscal year, the department shall  
5 provide a progress report to the house and senate appropriations  
6 subcommittees on the department budget, the house and senate fiscal  
7 agencies, and the state budget office on implementation of this  
8 section.

9 Sec. 1837. The department shall continue, and expand where  
10 appropriate, utilization of telemedicine and telepsychiatry as  
11 strategies to increase access to services for Medicaid recipients  
12 in medically underserved areas.

13 Sec. 1846. From the funds appropriated in part 1 for graduate  
14 medical education, the department shall distribute the funds with  
15 an emphasis on the following health care workforce goals:

16 (a) The encouragement of the training of physicians in  
17 specialties, including primary care, that are necessary to meet the  
18 future needs of residents of this state.

19 (b) The training of physicians in settings that include  
20 ambulatory sites and rural locations.

21 Sec. 1850. The department may allow Medicaid health plans to  
22 assist with the redetermination process through outreach activities  
23 to ensure continuation of Medicaid eligibility and enrollment in  
24 managed care. This may include mailings, telephone contact, or  
25 face-to-face contact with beneficiaries enrolled in the individual  
26 Medicaid health plan. Health plans may offer assistance in  
27 completing paperwork for beneficiaries enrolled in their plan.



1           Sec. 1861. The department shall encourage cooperation between  
2 the Medicaid managed care health plans, other health providers, and  
3 nonprofit entities to continue the facilitation of a pilot  
4 nonemergency transportation system.

5           Sec. 1862. From the funds appropriated in part 1, the  
6 department shall maintain payment rates for Medicaid obstetrical  
7 services at 95% of Medicare levels effective October 1, 2014.

8           Sec. 1866. (1) From the funds appropriated in part 1 for  
9 hospital services and therapy and health plan services,  
10 \$12,000,000.00 in general fund/general purpose revenue and any  
11 associated federal match shall be awarded to hospitals that meet  
12 criteria established by the department for services to low-income  
13 rural residents. One of the reimbursement components of the  
14 distribution formula shall be assistance with labor and delivery  
15 services.

16           (2) No hospital or hospital system shall receive more than  
17 10.0% of the total funding referenced in subsection (1).

18           (3) To allow hospitals to understand their rural payment  
19 amounts under this section, the department shall provide hospitals  
20 with the methodology for distribution under this section and  
21 provide each hospital with its applicable data that are used to  
22 determine the payment amounts by August 1 of the current fiscal  
23 year. The department shall publish the distribution of payments for  
24 the current fiscal year and the immediately preceding fiscal year.

25           Sec. 1870. The department shall continue to work with the  
26 MiDocs consortium to explore alternative graduate medical education  
27 financing sources and mechanisms that expand residency



1 opportunities for primary care training, per approval from the  
2 Centers for Medicare and Medicaid Services. By December 1 of the  
3 current fiscal year, the MiDocs consortium shall submit a report  
4 presenting a comprehensive funding plan to the senate and house  
5 appropriations subcommittees on the department budget and the  
6 senate and house fiscal agencies.

7       Sec. 1888. The department shall establish contract performance  
8 standards associated with the capitation withhold provisions for  
9 Medicaid health plans at least 3 months in advance of the  
10 implementation of those standards. The determination of whether  
11 performance standards have been met shall be based primarily on  
12 recognized concepts such as 1-year continuous enrollment and the  
13 healthcare effectiveness data and information set, HEDIS, audited  
14 data.

15       Sec. 1894. (1) From the funds appropriated in part 1 for  
16 dental services, the department shall expand the Healthy Kids  
17 Dental program to all eligible children in Kent, Oakland, and Wayne  
18 Counties. This program expansion will improve access to necessary  
19 dental services for Medicaid-enrolled children.

20       (2) Outcomes and performance measures for the initiative under  
21 subsection (1) include, but are not limited to, the following:

22       (a) The number of Medicaid-enrolled children in Kent, Oakland,  
23 and Wayne Counties who visited the dentist in the prior year.

24       (b) The number of dentists in Kent, Oakland, and Wayne  
25 Counties who will accept Medicaid payment for services to children.

26       (c) The change in dental utilization in Kent, Oakland, and  
27 Wayne Counties, before and after full implementation of the Healthy



1 Kids Dental expansion in these counties.

2 Sec. 1899. From the funds appropriated in part 1 for personal  
3 care services, the department shall maintain the personal care  
4 services rate at the level in effect October 1, 2014.

5 **ONE-TIME BASIS ONLY APPROPRIATIONS**

6 Sec. 1909. (1) From the increased funds appropriated in part 1  
7 for family preservation and support services, the department shall  
8 expand the parent partner program and the family reunification  
9 program. The purpose of these program expansions will be to enhance  
10 family preservation and support services to prevent the need for  
11 foster care, shorten the length of time between foster care entry  
12 and reunification, and sustain parental progress following  
13 reunification.

14 (2) The department shall identify specific outcomes and  
15 performance measures for this initiative, including, but not  
16 limited to, the following:

17 (a) Percentage of children who were discharged from foster  
18 care to reunification in less than 12 months from the date of the  
19 latest removal from home.

20 (b) Median length of stay in months from the date of the  
21 latest removal from home until the date of discharge to  
22 reunification.

23 (c) Percentage of children who reentered foster care in less  
24 than 12 months from the date of discharge to reunification.

25 (d) Percentage of children, who were victims of a  
26 substantiated or indicated maltreatment allegation, who were not



1 victims of another substantiated or indicated maltreatment  
2 allegation within a 6-month period from the date of discharge to  
3 reunification.

4 (e) Measurable effects of this program expansion on reducing  
5 the rate of children who live in families with incomes below the  
6 federal poverty level.

7 (3) The projects will be carried out through contracts with  
8 private and not-for-profit vendors to expand the parent partner  
9 program and family reunification program to additional counties  
10 throughout the state.

11 Sec. 1910. From the funds appropriated in part 1 for drinking  
12 water declaration of emergency, the department shall allocate funds  
13 to address needs in a city in which a declaration of emergency was  
14 issued on January 5, 2016 because of drinking water contamination.  
15 These funds may support, but are not limited to, the following  
16 activities:

17 (a) Emergency nutrition assistance, nutritional and community  
18 education, food bank resources, food inspections.

19 (b) Epidemiological analysis and case management of  
20 individuals at risk of elevated blood lead levels.

21 (c) Support for child and adolescent health centers,  
22 children's health care access program and pathways to potential  
23 programming.

24 (d) Nursing services, evidence-based home visiting programs,  
25 intensive services and outreach for children exposed to lead  
26 coordinated through local community mental health organizations.

27 (e) Department field operations costs.



1 (f) Assessment of potential linkages to other diseases.  
2 Sec. 1911. From the funds appropriated in part 1 for opiate  
3 prevention pilot, the department shall develop a pilot program to  
4 develop a genomic based test to predict opioid response and abuse.  
5 The pilot program shall be operated by Western Michigan University  
6 Homer Stryker MD School of Medicine and shall identify relevant  
7 biomarkers that predict risk of opioid abuse and overdose by  
8 analyzing archived blood samples from opiate overdose cases. The  
9 pilot program shall utilize a custom screening panel developed by a  
10 genomics lab that is certified under the clinical laboratory  
11 improvement amendments of 1988, Public Law 100-578, with an  
12 existing statewide capacity. The genomics lab selected by the  
13 department will conduct the tests of the blood samples using the  
14 customized screening panel. Archived blood samples from multiple  
15 counties in Michigan shall be analyzed. The results of the pilot  
16 program shall be presented to the department, the senate and house  
17 appropriations subcommittees on the department budget, and the  
18 senate and house fiscal agencies by June 1 of the current fiscal  
19 year.

20 Sec. 1912. From the funds appropriated in part 1 for mobile  
21 electronic service verification study, the department shall  
22 allocate \$25,000.00 to commission a study to review the outcomes  
23 and performance improvements of developing and piloting a mobile  
24 electronic service verification solution for home help services  
25 that shall include biometric identity verification to create  
26 administrative efficiencies, reduce error, and minimize fraud.



PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS  
FOR FISCAL YEAR 2017-2018

**GENERAL SECTIONS**

Sec. 2001. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2018 for the line items listed in part 1. The fiscal year 2017-2018 appropriations are anticipated to be the same as those for fiscal year 2016-2017, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2017 consensus revenue estimating conference.

