

**SUBSTITUTE FOR
HOUSE BILL NO. 4399**

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2022; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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, 2022, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	1.0
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Full-time equated classified positions	15,544.5
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1	Average population	770.0	
2	GROSS APPROPRIATION		\$ 28,697,831,300
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and		
5	intradepartmental transfers		3,932,000
6	ADJUSTED GROSS APPROPRIATION		\$ 28,693,899,300
7	Federal revenues:		
8	Social security act, temporary assistance for		
9	needy families		274,243,100
10	Capped federal revenues		342,991,000
11	Coronavirus state fiscal recovery fund		59,500,000
12	Total other federal revenues		20,512,639,000
13	Special revenue funds:		
14	Total local revenues		138,423,100
15	Total private revenues		100,815,500
16	Michigan merit award trust fund		61,268,700
17	Total other state restricted revenues		2,930,614,300
18	State general fund/general purpose		\$ 4,273,404,600
19	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
20	SUPPORT		
21	Full-time equated unclassified position	1.0	
22	Full-time equated classified positions	806.4	
23	Unclassified salaries--FTE position	1.0	\$ 45,600
24	Administrative hearings officers		9,834,500
25	Demonstration projects--FTEs	7.0	1,767,600
26	Departmental administration and management--		
27	FTEs	582.4	23,929,700
28	Office of inspector general--FTEs	197.0	6,341,500



1	Property management		15,946,000
2	Terminal leave payments		7,092,100
3	Training and program support--FTEs	20.0	643,300
4	Worker's compensation		7,740,500
5	GROSS APPROPRIATION		\$ 73,340,800
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDG from department of education		820,700
9	IDG from department of technology, management,		
10	and budget - office of retirement services		400
11	Federal revenues:		
12	Social security act, temporary assistance for		
13	needy families		8,058,500
14	Capped federal revenues		5,385,100
15	Total other federal revenues		23,424,000
16	Special revenue funds:		
17	Total local revenues		21,500
18	Total private revenues		961,800
19	Total other state restricted revenues		395,600
20	State general fund/general purpose		\$ 34,273,200
21	Sec. 103. CHILD SUPPORT ENFORCEMENT		
22	Full-time equated classified positions	193.7	
23	Child support enforcement operations--FTEs	187.7	\$ 5,197,900
24	Child support incentive payments		24,409,600
25	Legal support contracts		113,600,300
26	State disbursement unit--FTEs	6.0	1,836,100
27	GROSS APPROPRIATION		\$ 145,043,900
28	Appropriated from:		



1	Federal revenues:		
2	Capped federal revenues		14,839,600
3	Total other federal revenues		113,673,500
4	State general fund/general purpose	\$	16,530,800
5	Sec. 104. COMMUNITY SERVICES AND OUTREACH		
6	Full-time equated classified positions	75.6	
7	Bureau of community services and outreach--FTEs	24.0	\$ 854,900
8	Child advocacy centers--FTE	0.5	601,700
9	Community services and outreach administration--		
10	-FTEs	18.0	665,900
11	Community services block grant		25,840,000
12	Crime victim grants administration services--		
13	FTEs	17.0	750,300
14	Crime victim justice assistance grants		98,579,300
15	Crime victim rights services grants		19,869,900
16	Domestic violence prevention and treatment--		
17	FTEs	15.6	4,563,900
18	Homeless programs		23,282,500
19	Housing and support services		13,031,000
20	Human trafficking intervention services		200,000
21	Rape prevention and services--FTE	0.5	1,274,300
22	Runaway and homeless youth grants		7,784,000
23	School success partnership program		525,000
24	Uniform statewide sexual assault evidence kit		
25	tracking system		800,000
26	Weatherization assistance		15,505,000
27	GROSS APPROPRIATION	\$	214,127,700
28	Appropriated from:		



1	Federal revenues:		
2	Social security act, temporary assistance for		
3	needy families		11,765,400
4	Capped federal revenues		51,586,600
5	Total other federal revenues		114,530,700
6	Special revenue funds:		
7	Compulsive gambling prevention fund		260,100
8	Sexual assault evidence tracking fund		800,000
9	Sexual assault victims' prevention and		
10	treatment fund		750,000
11	Child advocacy centers fund		351,700
12	Crime victim's rights fund		17,285,100
13	State general fund/general purpose	\$	16,798,100
14	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD		
15	WELFARE		
16	Full-time equated classified positions	4,128.2	
17	Adoption subsidies		\$ 195,265,600
18	Adoption support services--FTEs	10.0	10,754,600
19	Attorney general contract		5,191,100
20	Child abuse and neglect - children's justice		
21	act--FTE	1.0	156,100
22	Child care fund		265,174,700
23	Child care fund - indirect cost allotment		3,500,000
24	Child protection		1,050,300
25	Child welfare administration travel		390,000
26	Child welfare field staff - noncaseload		
27	compliance--FTEs	353.0	10,069,700
28	Child welfare institute--FTEs	51.0	2,282,800



1	Child welfare licensing--FTEs	59.0	1,796,800
2	Child welfare medical/psychiatric evaluations		10,169,800
3	Children's indigent defense		500,000
4	Children's protective services - caseload		
5	staff--FTEs	1,615.0	41,722,700
6	Children's protective services supervisors--		
7	FTEs	387.0	11,686,900
8	Children's services administration--FTEs	196.2	5,582,400
9	Children's trust fund administration--FTEs	12.0	162,000
10	Children's trust fund grants		4,072,200
11	Contractual services, supplies, and materials		9,567,600
12	Court-appointed special advocates		500,000
13	Education planners--FTEs	15.0	406,800
14	Family preservation and prevention services		
15	administration--FTEs	9.0	313,000
16	Family preservation programs--FTEs	16.0	11,922,000
17	Foster care payments		298,912,400
18	Foster care services - caseload staff--FTEs	966.0	23,856,200
19	Foster care services supervisors--FTEs	227.0	7,555,500
20	Guardianship assistance program		10,449,400
21	Interstate compact		179,600
22	Peer coaches--FTEs	45.5	1,532,100
23	Performance based funding implementation--FTEs	3.0	340,800
24	Performance based funding model pilot		41,112,100
25	Permanency resource managers--FTEs	28.0	848,700
26	Prosecuting attorney contracts		8,142,800
27	Raise the age fund		9,150,000



1	Second line supervisors and technical staff--		
2	FTEs	126.0	4,843,500
3	Settlement monitor		2,219,900
4	Strong families/safe children		12,564,200
5	Title IV-E compliance and accountability		
6	office--FTEs	4.0	111,700
7	Youth in transition--FTEs	4.5	2,043,900
8	GROSS APPROPRIATION		\$ 1,016,099,900
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG from department of education		85,000
12	Federal revenues:		
13	Social security act, temporary assistance for		
14	needy families		143,111,600
15	Capped federal revenues		66,601,800
16	Total other federal revenues		225,798,200
17	Special revenue funds:		
18	Local funds - county chargeback		49,688,900
19	Private - collections		1,200,000
20	Children's trust fund		2,621,500
21	State general fund/general purpose		\$ 526,992,900
22	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE		
23	JUSTICE		
24	Full-time equated classified positions	120.5	
25	Bay Pines Center--FTEs	47.0	\$ 1,435,600
26	Committee on juvenile justice administration--		
27	FTEs	2.5	89,900
28	Committee on juvenile justice grants		3,000,000



1	Community support services--FTEs	3.0	532,900
2	County juvenile officers		3,904,300
3	Juvenile justice, administration and		
4	maintenance--FTEs	21.0	932,800
5	Shawono Center--FTEs	47.0	1,439,700
6	GROSS APPROPRIATION		\$ 11,335,200
7	Appropriated from:		
8	Federal revenues:		
9	Capped federal revenues		7,316,800
10	Special revenue funds:		
11	Local funds - state share education funds		337,800
12	Local funds - county chargeback		1,173,200
13	State general fund/general purpose		\$ 2,507,400
14	Sec. 107. PUBLIC ASSISTANCE		
15	Full-time equated classified positions	3.0	
16	Emergency services local office allocations		\$ 8,813,500
17	Family independence program		74,384,300
18	Food assistance program benefits		3,032,468,000
19	Food Bank Council of Michigan		2,045,000
20	Indigent burial		4,369,100
21	Low-income home energy assistance program		174,951,600
22	Michigan energy assistance program--FTE	1.0	12,500,000
23	Refugee assistance program--FTEs	2.0	763,500
24	State disability assistance payments		7,058,400
25	State supplementation		60,704,000
26	State supplementation administration		1,806,100
27	GROSS APPROPRIATION		\$ 3,379,863,500
28	Appropriated from:		



1	Federal revenues:		
2	Social security act, temporary assistance for		
3	needy families		65,996,900
4	Capped federal revenues		175,715,100
5	Total other federal revenues		3,027,758,000
6	Special revenue funds:		
7	Child support collections		9,841,900
8	Supplemental security income recoveries		1,602,000
9	Public assistance recoupment revenue		5,000,000
10	Low-income energy assistance fund		12,500,000
11	State general fund/general purpose	\$	81,449,600
12	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES		
13	Full-time equated classified positions	5,764.5	
14	Administrative support workers--FTEs	221.0	\$ 3,474,900
15	Adult services field staff--FTEs	520.0	15,226,900
16	Contractual services, supplies, and materials		17,595,000
17	Donated funds positions--FTEs	238.0	7,026,000
18	Elder Law of Michigan MiCAFE contract		350,000
19	Electronic benefit transfer (EBT)		7,989,000
20	Employment and training support services		4,219,100
21	Field policy and administration--FTEs	119.0	4,643,000
22	Field staff travel		8,109,900
23	Food assistance reinvestment--FTEs	16.0	2,746,200
24	Medical/psychiatric evaluations		1,120,100
25	Nutrition education--FTEs	2.0	8,264,000
26	Pathways to potential--FTEs	231.0	6,200,900
27	Public assistance field staff--FTEs	4,417.5	117,956,600
28	GROSS APPROPRIATION	\$	204,921,600



1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG from department of corrections		90,200
4	IDG from department of education		1,988,200
5	Federal revenues:		
6	Social security act, temporary assistance for		
7	needy families		26,656,800
8	Capped federal revenues		15,754,000
9	Total other federal revenues		73,706,600
10	Special revenue funds:		
11	Local funds - donated funds		1,051,500
12	Private funds - donated funds		2,396,900
13	State general fund/general purpose	\$	83,277,400
14	Sec. 109. DISABILITY DETERMINATION SERVICES		
15	Full-time equated classified positions	575.4	
16	Disability determination operations--FTEs	571.3	\$ 28,410,400
17	Retirement disability determination--FTEs	4.1	156,800
18	GROSS APPROPRIATION	\$	28,567,200
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from department of technology, management,		
22	and budget - office of retirement services		200,900
23	Federal revenues:		
24	Total other federal revenues		27,384,700
25	State general fund/general purpose	\$	981,600
26	Sec. 110. BEHAVIORAL HEALTH PROGRAM		
27	ADMINISTRATION AND SPECIAL PROJECTS		
28	Full-time equated classified positions	117.0	



1	Behavioral health program administration--FTEs	86.0	\$	11,449,200
2	Community substance use disorder prevention,			
3	education, and treatment--FTEs	9.0		19,501,200
4	Family support subsidy			11,832,400
5	Federal and other special projects			2,535,600
6	Gambling addiction--FTE	1.0		1,378,500
7	Mental health diversion council			3,850,000
8	Office of recipient rights--FTEs	21.0		714,100
9	Opioid response activities			67,155,600
10	Protection and advocacy services support			194,400
11	GROSS APPROPRIATION		\$	118,611,000
12	Appropriated from:			
13	Federal revenues:			
14	Social security act, temporary assistance for			
15	needy families			11,877,300
16	Total other federal revenues			92,981,800
17	Special revenue funds:			
18	Total private revenues			251,100
19	Total other state restricted revenues			1,949,500
20	State general fund/general purpose		\$	11,551,300
21	Sec. 111. BEHAVIORAL HEALTH SERVICES			
22	Full-time equated classified positions	12.0		
23	Autism services		\$	356,875,800
24	Behavioral health community supports and			
25	services			11,221,500
26	Certified community behavioral health clinic			
27	demonstration			25,597,300
28	Civil service charges			297,500



1	Community mental health non-Medicaid services		125,578,200
2	Federal mental health block grant--FTEs	5.0	5,148,900
3	Health homes		33,005,400
4	Healthy Michigan plan - behavioral health		540,551,700
5	Medicaid mental health services		2,775,817,800
6	Medicaid substance use disorder services		80,988,900
7	Multicultural integration funding		17,284,900
8	Nursing home PAS/ARR-OBRA--FTEs	7.0	3,485,000
9	State disability assistance program substance		
10	use disorder services		2,018,800
11	GROSS APPROPRIATION		\$ 3,977,871,700
12	Appropriated from:		
13	Federal revenues:		
14	Social security act, temporary assistance for		
15	needy families		421,000
16	Capped federal revenues		184,500
17	Total other federal revenues		2,713,403,800
18	Special revenue funds:		
19	Total local revenues		20,380,700
20	Total other state restricted revenues		43,509,100
21	State general fund/general purpose		\$ 1,199,972,600
22	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND		
23	FORENSIC MENTAL HEALTH SERVICES		
24	Full-time equated classified positions	2,453.6	
25	Average population	770.0	
26	Caro Regional Mental Health Center -		
27	psychiatric hospital - adult--FTEs	542.3	15,710,300
28	Average population	145.0	



1	Center for forensic psychiatry--FTEs	627.1	24,446,000
2	Average population	240.0	
3	Developmental disabilities council and		
4	projects--FTEs	10.0	784,000
5	Gifts and bequests for patient living and		
6	treatment environment		1,000,000
7	Hawthorn Center - psychiatric hospital -		
8	children and adolescents--FTEs	292.0	9,240,900
9	Average population	55.0	
10	IDEA, federal special education		120,000
11	Kalamazoo Psychiatric Hospital - adult--FTEs	564.8	18,527,600
12	Average population	170.0	
13	Purchase of medical services for residents of		
14	hospitals and centers		445,600
15	Revenue recapture		750,100
16	Special maintenance		924,600
17	Walter P. Reuther Psychiatric Hospital - adult-		
18	-FTEs	417.4	15,519,400
19	Average population	160.0	
20	GROSS APPROPRIATION		\$ 87,468,500
21	Appropriated from:		
22	Federal revenues:		
23	Coronavirus state fiscal recovery fund		22,500,000
24	Total other federal revenues		12,069,200
25	Special revenue funds:		
26	Total local revenues		5,783,400
27	Total private revenues		1,000,000
28	Total other state restricted revenues		4,311,900



1	State general fund/general purpose		\$ 41,804,000
2	Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND		
3	INITIATIVES		
4	Full-time equated classified positions	42.7	
5	Bone marrow donor and blood bank programs		\$ 750,000
6	Certificate of need program administration--		
7	FTEs	11.8	703,300
8	Michigan essential health provider		3,519,600
9	Minority health grants and contracts--FTEs	3.0	283,400
10	Nurse education and research program--FTEs	3.0	202,800
11	Policy and planning administration--FTEs	20.9	1,318,000
12	Primary care services--FTEs	3.0	947,900
13	Rural health services--FTE	1.0	388,900
14	GROSS APPROPRIATION		\$ 8,113,900
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from department of education		600
18	IDG from department of licensing and regulatory		
19	affairs		202,800
20	IDG from department of treasury, Michigan		
21	finance authority		29,400
22	Federal revenues:		
23	Social security act, temporary assistance for		
24	needy families		70,100
25	Capped federal revenues		30,100
26	Total other federal revenues		2,358,100
27	Special revenue funds:		
28	Total private revenues		857,500



1	Total other state restricted revenues		805,200
2	State general fund/general purpose	\$	3,760,100
3	Sec. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL		
4	SERVICES, AND LABORATORY		
5	Full-time equated classified positions	416.9	
6	Bioterrorism preparedness--FTEs	53.0	\$ 7,668,900
7	Childhood lead program--FTEs	4.5	789,800
8	Emergency medical services program--FTEs	20.0	1,738,700
9	Epidemiology administration--FTEs	82.5	6,361,300
10	Healthy homes program--FTEs	21.0	8,186,400
11	Laboratory services--FTEs	102.0	6,836,700
12	Newborn screening follow-up and treatment		
13	services--FTEs	10.5	1,974,500
14	PFAS and environmental contamination response--		
15	FTEs	48.0	5,069,200
16	Vital records and health statistics--FTEs	75.4	2,811,100
17	GROSS APPROPRIATION	\$	41,436,600
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG from department of environment, Great		
21	Lakes, and energy		248,900
22	Federal revenues:		
23	Capped federal revenues		20,300
24	Total other federal revenues		19,026,000
25	Special revenue funds:		
26	Total private revenues		85,700
27	Total other state restricted revenues		7,851,600
28	State general fund/general purpose	\$	14,204,100



1	Sec. 115. LOCAL HEALTH AND ADMINISTRATIVE		
2	SERVICES		
3	Full-time equated classified positions	157.1	
4	AIDS prevention, testing, and care programs--		
5	FTEs	57.5	\$ 26,985,100
6	Cancer prevention and control program--FTEs	18.0	3,953,500
7	Chronic disease control and health promotion		
8	administration--FTEs	19.4	2,055,800
9	Diabetes and kidney program--FTEs	8.0	1,029,100
10	Essential local public health services		51,419,300
11	Implementation of 1993 PA 133, MCL 333.17015		20,000
12	Local health services--FTEs	3.3	2,177,000
13	Medicaid outreach cost reimbursement to local		
14	health departments		12,500,000
15	Public health administration--FTEs	9.0	506,500
16	Sexually transmitted disease control program--		
17	FTEs	20.0	1,542,100
18	Smoking prevention program--FTEs	15.0	962,900
19	Violence prevention--FTEs	6.9	3,174,700
20	GROSS APPROPRIATION		\$ 106,326,000
21	Appropriated from:		
22	Federal revenues:		
23	Total other federal revenues		31,133,300
24	Special revenue funds:		
25	Total local revenues		5,150,000
26	Total private revenues		18,385,100
27	Total other state restricted revenues		2,515,500
28	State general fund/general purpose		\$ 49,142,100



1	Sec. 116. FAMILY HEALTH SERVICES		
2	Full-time equated classified positions	136.1	
3	Child and adolescent health care and centers		\$ 9,342,700
4	Dental programs--FTEs	5.3	1,306,000
5	Drinking water declaration of emergency		4,621,000
6	Family, maternal, and child health		
7	administration--FTEs	55.0	2,565,400
8	Family planning local agreements		7,138,000
9	Immunization program--FTEs	15.8	4,785,600
10	Local MCH services		7,854,500
11	Maternal navigator pilot program		3,000,000
12	Pregnancy prevention program		1,464,600
13	Pregnancy resource centers		1,500,000
14	Prenatal care and premature birth avoidance		
15	grant		1,000,000
16	Prenatal care outreach and service delivery		
17	support--FTEs	15.0	9,379,600
18	Special projects		6,289,100
19	Sudden and unexpected infant death and		
20	suffocation prevention program		321,300
21	Women, infants, and children program		
22	administration and special projects--FTEs	45.0	4,630,200
23	Women, infants, and children program local		
24	agreements and food costs		231,285,000
25	GROSS APPROPRIATION		\$ 296,483,000
26	Appropriated from:		
27	Federal revenues:		



1	Social security act, temporary assistance for		
2	needy families		175,000
3	Total other federal revenues		189,253,200
4	Special revenue funds:		
5	Total local revenues		9,736,500
6	Total private revenues		61,180,800
7	Total other state restricted revenues		1,658,400
8	State general fund/general purpose	\$	34,479,100
9	Sec. 117. CHILDREN'S SPECIAL HEALTH CARE		
10	SERVICES		
11	Full-time equated classified positions	46.8	
12	Bequests for care and services--FTEs	2.8	\$ 459,200
13	Children's special health care services		
14	administration--FTEs	44.0	1,836,500
15	Medical care and treatment		308,139,800
16	Nonemergency medical transportation		801,200
17	Outreach and advocacy		5,510,000
18	GROSS APPROPRIATION	\$	316,746,700
19	Appropriated from:		
20	Federal revenues:		
21	Total other federal revenues		174,567,500
22	Special revenue funds:		
23	Total private revenues		253,800
24	Total other state restricted revenues		3,566,500
25	State general fund/general purpose	\$	138,358,900
26	Sec. 118. AGING AND ADULT SERVICES AGENCY		
27	Full-time equated classified positions	47.0	
28	Aging and adult services administration--FTEs	47.0	\$ 2,327,900



1	Community services		47,806,100
2	Employment assistance		3,500,000
3	Nutrition services		46,554,200
4	Respite care program		6,468,700
5	Senior volunteer service programs		4,765,300
6	GROSS APPROPRIATION	\$	111,422,200
7	Appropriated from:		
8	Federal revenues:		
9	Capped federal revenues		62,400
10	Total other federal revenues		62,126,600
11	Special revenue funds:		
12	Total private revenues		480,000
13	Michigan merit award trust fund		4,068,700
14	Total other state restricted revenues		2,000,000
15	State general fund/general purpose	\$	42,684,500
16	Sec. 119. MEDICAL SERVICES ADMINISTRATION		
17	Full-time equated classified positions	423.0	
18	Electronic health record incentive program		\$ 37,477,500
19	Healthy Michigan plan administration--FTEs	36.0	7,930,300
20	Medical services administration--FTEs	387.0	21,015,900
21	GROSS APPROPRIATION	\$	66,423,700
22	Appropriated from:		
23	Federal revenues:		
24	Total other federal revenues		56,925,100
25	Special revenue funds:		
26	Total local revenues		9,400
27	Total private revenues		250,300
28	Total other state restricted revenues		84,000



1	State general fund/general purpose	\$ 9,154,900
2	Sec. 120. MEDICAL SERVICES	
3	Adult home help services	\$ 344,658,900
4	Ambulance services	9,930,400
5	Auxiliary medical services	6,676,000
6	Dental clinic program	1,000,000
7	Dental services	341,251,900
8	Federal Medicare pharmaceutical program	305,259,000
9	Health plan services	6,372,271,500
10	Healthy Michigan plan	5,083,402,900
11	Home health services	3,002,600
12	Hospice services	147,769,000
13	Hospital disproportionate share payments	45,000,000
14	Hospital services and therapy	836,974,600
15	Integrated care organizations	338,095,000
16	Long-term care services	1,936,281,000
17	Maternal and child health	32,717,000
18	Medicaid home- and community-based services	
19	waiver	403,354,000
20	Medicare premium payments	703,619,200
21	Personal care services	8,930,000
22	Pharmaceutical services	371,864,000
23	Physician services	254,548,800
24	Program of all-inclusive care for the elderly	192,315,900
25	School-based services	198,080,300
26	Special Medicaid reimbursement	354,314,700
27	Transportation	15,394,000
28	GROSS APPROPRIATION	\$ 18,306,710,700



1	Appropriated from:	
2	Federal revenues:	
3	Total other federal revenues	13,462,991,300
4	Special revenue funds:	
5	Total local revenues	45,090,200
6	Total private revenues	7,200,000
7	Michigan merit award trust fund	57,200,000
8	Total other state restricted revenues	2,810,458,600
9	State general fund/general purpose	\$ 1,923,770,600
10	Sec. 121. INFORMATION TECHNOLOGY	
11	Full-time equated classified positions	19.0
12	Bridges information system	\$ 15,841,700
13	Child support automation	10,954,900
14	Comprehensive child welfare information system-	
15	-FTEs	6.0 940,500
16	Information technology services and projects	63,591,000
17	Michigan Medicaid information system--FTEs	3.0 29,208,000
18	Michigan statewide automated child welfare	
19	information system	5,385,800
20	Technology supporting integrated service	
21	delivery--FTEs	10.0 3,996,100
22	GROSS APPROPRIATION	\$ 129,918,000
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from department of education	264,900
26	Federal revenues:	
27	Social security act, temporary assistance for	
28	needy families	6,110,500



1	Capped federal revenues		5,494,700
2	Total other federal revenues		82,283,500
3	Special revenue funds:		
4	Total private revenues		6,312,500
5	Total other state restricted revenues		496,100
6	State general fund/general purpose	\$	28,955,800
7	Sec. 122. ONE-TIME APPROPRIATIONS		
8	Full-time equated classified positions	6.0	
9	Behavioral health patient health information		
10	tool		100
11	Comprehensive child welfare information system-		
12	-FTEs	6.0	4,206,000
13	E-FMAP redetermination compliance		100
14	First responder and public safety staff mental		
15	health		2,500,000
16	Healthy communities grant		300,000
17	Home health and safety		100
18	Human trafficking victims inclusive services		
19	grant program		500,000
20	Injury control intervention - traumatic brain		
21	injury		100
22	Kids' food basket		250,000
23	Lead poisoning prevention fund		2,000,000
24	Legal assistance		20,000
25	Long-term care facility supports		37,500,000
26	Michigan Medicaid information system home help		
27	payments		5,250,000
28	Nonprofit mental health clinics		200,000



1	Nurse practitioner expansion program	1,573,000
2	Primary care and wellness services	250,000
3	Senior citizen center program grants	150,000
4	Special Olympics capital improvement project	1,000,000
5	Special residential care facility	300,000
6	Statewide health information exchange projects	100
7	Substance abuse community and school outreach	250,000
8	Unified clinics resiliency center for families	
9	and children	750,000
10	GROSS APPROPRIATION	\$ 56,999,500
11	Appropriated from:	
12	Federal revenues:	
13	Coronavirus state fiscal recovery fund	37,000,000
14	Total other federal revenues	7,243,900
15	State general fund/general purpose	\$ 12,755,600

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR

GENERAL SECTIONS

21 Sec. 201. Pursuant to section 30 of article IX of the state
 22 constitution of 1963, total state spending from state sources under
 23 part 1 for fiscal year 2021-2022 is \$7,265,287,600.00 and state
 24 spending from state sources to be paid to local units of government
 25 for fiscal year 2021-2022 is \$1,658,417,500.00. The itemized
 26 statement below identifies appropriations from which spending to
 27 local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES



1	DEPARTMENTAL ADMINISTRATION AND SUPPORT	
2	Departmental administration and management	\$ 300
3	CHILD SUPPORT ENFORCEMENT	
4	Child support incentive payments	9,570,000
5	Legal support contracts	4,000
6	COMMUNITY SERVICES AND OUTREACH	
7	Community services and outreach administration	1,000
8	Crime victim rights services grants	10,813,000
9	Domestic violence prevention and treatment	56,500
10	Homeless programs	6,000
11	Housing and support services	126,000
12	CHILDREN'S SERVICES AGENCY - CHILD WELFARE	
13	Child care fund	159,000,000
14	Child care fund - indirect cost allotment	3,483,000
15	Child welfare licensing	21,000
16	Child welfare medical/psychiatric evaluations	12,000
17	Children's trust fund grants	35,000
18	Contractual services, supplies, and materials	8,000
19	Foster care payments	1,377,000
20	Strong families/safe children	19,000
21	Youth in transition	4,000
22	CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE	
23	Bay Pines Center	7,500
24	Community support services	68,500
25	Shawono Center	9,000
26	PUBLIC ASSISTANCE	
27	Emergency services local office allocations	635,000
28	Indigent burial	3,000



1	Michigan energy assistance program	800
2	State disability assistance payments	258,000
3	FIELD OPERATIONS AND SUPPORT SERVICES	
4	Contractual services, supplies, and materials	23,000
5	Employment and training support services	9,000
6	DISABILITY DETERMINATION SERVICES	
7	Disability determination operations	1,000
8	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND	
9	SPECIAL PROJECTS	
10	Behavioral health program administration	343,000
11	Community substance use disorder prevention,	
12	education, and treatment	2,988,300
13	Gambling addiction	768,000
14	Mental health diversion council	1,348,000
15	BEHAVIORAL HEALTH SERVICES	
16	Autism services	117,632,400
17	Certified community behavioral health clinic	
18	demonstration	4,500,000
19	Community mental health non-Medicaid services	125,578,200
20	Health homes	37,000
21	Healthy Michigan plan - behavioral health	56,360,200
22	Medicaid mental health services	885,308,900
23	Medicaid substance use disorder services	26,513,700
24	Multicultural integration funding	1,494,000
25	Nursing home PAS/ARR-OBRA	869,000
26	State disability assistance program substance	
27	use disorder services	2,018,000



1	STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL	
2	HEALTH SERVICES	
3	Caro Regional Mental Health Center -	
4	psychiatric hospital - adult	228,000
5	Center for forensic psychiatry	504,000
6	Hawthorn Center - psychiatric hospital -	
7	children and adolescents	68,000
8	Kalamazoo Psychiatric Hospital - adult	40,000
9	Walter P. Reuther Psychiatric Hospital - adult	50,000
10	HEALTH AND HUMAN SERVICES POLICY AND	
11	INITIATIVES	
12	Primary care services	99,000
13	EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND	
14	LABORATORY	
15	Epidemiology administration	354,000
16	Healthy homes program	601,000
17	LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
18	AIDS prevention, testing, and care programs	1,233,400
19	Cancer prevention and control program	71,000
20	Chronic disease control and health promotion	
21	administration	280,000
22	Essential local public health services	46,269,300
23	Local health services	1,201,700
24	Public health administration	2,000
25	Sexually transmitted disease control program	484,000
26	Smoking prevention program	152,000
27	FAMILY HEALTH SERVICES	
28	Dental programs	440,000



1	Family planning local agreements	7,138,000
2	Immunization program	1,393,800
3	Local MCH services	7,854,500
4	Pregnancy prevention program	411,500
5	Prenatal care outreach and service delivery	
6	support	3,548,000
7	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
8	Medical care and treatment	897,000
9	Outreach and advocacy	2,755,000
10	AGING AND ADULT SERVICES AGENCY	
11	Aging and adult services administration	1,359,000
12	Community services	27,800,100
13	Nutrition services	12,597,200
14	Respite care program	6,468,700
15	Senior volunteer service programs	672,000
16	MEDICAL SERVICES	
17	Adult home help services	172,000
18	Ambulance services	527,000
19	Auxiliary medical services	1,000
20	Dental services	632,000
21	Healthy Michigan plan	1,089,000
22	Home health services	8,000
23	Hospice services	43,000
24	Hospital disproportionate share payments	20,000
25	Hospital services and therapy	3,274,000
26	Long-term care services	99,363,000
27	Medicaid home- and community-based services	
28	waiver	13,383,000



1	Personal care services	32,000
2	Pharmaceutical services	18,000
3	Physician services	3,376,000
4	Special Medicaid reimbursement	40,000
5	Transportation	158,000
6	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,658,417,500

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

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

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

12 (b) "CMHSP" means a community mental health services program
13 as that term is defined in section 100a of the mental health code,
14 1974 PA 258, MCL 330.1100a.

15 (c) "CMS" means the Centers for Medicare and Medicaid
16 Services.

17 (d) "Current fiscal year" means the fiscal year ending
18 September 30, 2022.

19 (e) "Department" means the department of health and human
20 services.

21 (f) "Director" means the director of the department.

22 (g) "DSH" means disproportionate share hospital.

23 (h) "EPSDT" means early and periodic screening, diagnosis, and
24 treatment.

25 (i) "Federal poverty level" means the poverty guidelines
26 published annually in the Federal Register by the United States
27 Department of Health and Human Services under its authority to
28 revise the poverty line under 42 USC 9902.

29 (j) "FTE" means full-time equated.



- 1 (k) "GME" means graduate medical education.
- 2 (l) "Health plan" means, at a minimum, an organization that
3 meets the criteria for delivering the comprehensive package of
4 services under the department's comprehensive health plan.
- 5 (m) "HEDIS" means healthcare effectiveness data and
6 information set.
- 7 (n) "HMO" means health maintenance organization.
- 8 (o) "IDEA" means the individuals with disabilities education
9 act, 20 USC 1400 to 1482.
- 10 (p) "IDG" means interdepartmental grant.
- 11 (q) "MCH" means maternal and child health.
- 12 (r) "Medicaid" means subchapter XIX of the social security
13 act, 42 USC 1396 to 1396w-5.
- 14 (s) "Medicare" means subchapter XVIII of the social security
15 act, 42 USC 1395 to 1395III.
- 16 (t) "MiCAFE" means Michigan's coordinated access to food for
17 the elderly.
- 18 (u) "MiChild" means the program described in section 1670 of
19 this part.
- 20 (v) "MiSACWIS" means Michigan statewide automated child
21 welfare information system.
- 22 (w) "PAS/ARR-OBRA" means the preadmission screening and annual
23 resident review required under the omnibus budget reconciliation
24 act of 1987, section 1919(e) (7) of the social security act, 42 USC
25 1396r.
- 26 (x) "PFAS" means perfluoroalkyl and polyfluoroalkyl
27 substances.
- 28 (y) "PIHP" means an entity designated by the department as a
29 regional entity or a specialty prepaid inpatient health plan for



1 Medicaid mental health services, services to individuals with
 2 developmental disabilities, and substance use disorder services.
 3 Regional entities are described in section 204b of the mental
 4 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
 5 inpatient health plans are described in section 232b of the mental
 6 health code, 1974 PA 258, MCL 330.1232b.

7 (z) "Previous fiscal year" means the fiscal year ending
 8 September 30, 2021.

9 (aa) "Quarterly reports" means 4 reports shall be submitted to
 10 the required recipients by the following dates: February 1, April
 11 1, July 1, and September 30 of the current fiscal year.

12 (bb) "Semiannual basis" means March 1 and September 30 of the
 13 current fiscal year.

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

17 (dd) "Temporary assistance for needy families" or "TANF" or
 18 "title IV-A" means part A of subchapter IV of the social security
 19 act, 42 USC 601 to 619.

20 (ee) "Title IV-B" means part B of title IV of the social
 21 security act, 42 USC 621 to 629m.

22 (ff) "Title IV-D" means part D of title IV of the social
 23 security act, 42 USC 651 to 669b.

24 (gg) "Title IV-E" means part E of title IV of the social
 25 security act, 42 USC 670 to 679c.

26 (hh) "Title X" means subchapter VIII of the public health
 27 service act, 42 USC 300 to 300a-8, which establishes grants to
 28 states for family planning services.

29 Sec. 204. The department and agencies receiving appropriations



1 in part 1 shall use the internet to fulfill the reporting
2 requirements of this part and part 1, including transmitting
3 reports by email to the recipients identified for each reporting
4 requirement and placing reports on the internet.

5 Sec. 205. Funds appropriated in part 1 shall not be used for
6 the purchase of foreign goods or services, or both, if
7 competitively priced and of comparable quality American goods or
8 services, or both, are available. Preference shall be given to
9 goods or services, or both, manufactured or provided by Michigan
10 businesses if they are competitively priced and of comparable
11 quality. In addition, preference shall be given to goods or
12 services, or both, that are manufactured or provided by Michigan
13 businesses owned and operated by veterans if they are competitively
14 priced and of comparable quality.

15 Sec. 206. To the extent permissible under the management and
16 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall
17 take all reasonable steps to ensure businesses in deprived and
18 depressed communities compete for and perform contracts to provide
19 services or supplies, or both. The director shall strongly
20 encourage firms with which the department contracts to subcontract
21 with certified businesses in depressed and deprived communities for
22 services, supplies, or both.

23 Sec. 207. Consistent with section 217 of the management and
24 budget act, 1984 PA 431, MCL 18.1217, the department and agencies
25 receiving appropriations in part 1 shall prepare a report on out-
26 of-state travel expenses not later than January 1 of each year. The
27 travel report shall list all travel by classified and unclassified
28 employees outside this state in the immediately preceding fiscal
29 year that was funded in whole or in part with funds appropriated in



1 the department's budget. The report shall be submitted to the
2 senate and house appropriations committees, the house and senate
3 fiscal agencies, and the state budget director. The report shall
4 include the following information:

5 (a) The dates of each travel occurrence.

6 (b) The transportation and related costs of each travel
7 occurrence, including the proportion funded with state general
8 fund/general purpose revenues, the proportion funded with state
9 restricted revenues, the proportion funded with federal revenues,
10 and the proportion funded with other revenues.

11 Sec. 208. Funds appropriated in part 1 shall not be used by a
12 principal executive department, state agency, or authority to hire
13 a person to provide legal services that are the responsibility of
14 the attorney general. This prohibition does not apply to legal
15 services for bonding activities and for those outside services that
16 the attorney general authorizes.

17 Sec. 209. Not later than November 30, the state budget office
18 shall prepare and transmit a report that provides for estimates of
19 the total general fund/general purpose appropriation lapses at the
20 close of the previous fiscal year. This report shall summarize the
21 projected year-end general fund/general purpose appropriation
22 lapses by major departmental program or program areas. The report
23 shall be transmitted to the chairpersons of the senate and house
24 appropriations committees, and the senate and house fiscal
25 agencies.

26 Sec. 210. (1) In addition to the funds appropriated in part 1,
27 there is appropriated an amount not to exceed \$20,000,000.00 for
28 federal contingency authorization. These funds are not available
29 for expenditure until they have been transferred to another line



1 item in part 1 under section 393(2) of the management and budget
2 act, 1984 PA 431, MCL 18.1393. These funds shall not be made
3 available to increase TANF authorization.

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

10 (3) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$5,000,000.00 for local
12 contingency authorization. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in part 1 under section 393(2) of the management and budget act,
15 1984 PA 431, MCL 18.1393.

16 (4) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$2,000,000.00 for private
18 contingency authorization. These funds are not available for
19 expenditure until they have been transferred to another line item
20 in part 1 under section 393(2) of the management and budget act,
21 1984 PA 431, MCL 18.1393.

22 Sec. 211. From the funds appropriated in part 1, the
23 department shall provide to the department of technology,
24 management, and budget information sufficient to maintain a
25 searchable website accessible by the public at no cost that
26 includes, but is not limited to, all of the following for each
27 department or agency:

- 28 (a) Fiscal year-to-date expenditures by category.
29 (b) Fiscal year-to-date expenditures by appropriation unit.



1 (c) Fiscal year-to-date payments to a selected vendor,
2 including the vendor name, payment date, payment amount, and
3 payment description.

4 (d) The number of active department employees by job
5 classification.

6 (e) Job specifications and wage rates.

7 Sec. 212. Within 14 days after the release of the executive
8 budget recommendation, the department shall cooperate with the
9 state budget office to provide the senate and house appropriations
10 chairs, the senate and house appropriations subcommittees chairs,
11 and the senate and house fiscal agencies with an annual report on
12 estimated state restricted fund balances, state restricted fund
13 projected revenues, and state restricted fund expenditures for the
14 previous fiscal year and the current fiscal year. The department
15 shall provide to the state budget office information sufficient to
16 complete the report required under this section.

17 Sec. 213. The department shall maintain, on a publicly
18 accessible website, a department scorecard that identifies, tracks,
19 and regularly updates key metrics that are used to monitor and
20 improve the department's performance.

21 Sec. 214. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the current fiscal year are
23 estimated at \$326,296,500.00. From this amount, total agency
24 appropriations for pension-related legacy costs are estimated at
25 \$182,808,800.00. Total agency appropriations for retiree health
26 care legacy costs are estimated at \$143,487,700.00.

27 Sec. 215. If either of the following events occurs, within 30
28 days after that event the department shall notify the state budget
29 director, the chairs of the house and senate appropriations



1 subcommittees on the department budget, and the house and senate
2 fiscal agencies and policy offices of that fact:

3 (a) A legislative objective of this part or of a bill or
4 amendment to a bill to amend the social welfare act, 1939 PA 280,
5 MCL 400.1 to 400.119b, cannot be implemented because implementation
6 would conflict with or violate federal regulations.

7 (b) A federal grant, for which a notice of an award has been
8 received, cannot be used, or will not be used.

9 Sec. 216. (1) In addition to funds appropriated in part 1 for
10 all programs and services, there is appropriated for write-offs of
11 accounts receivable, deferrals, and for prior year obligations in
12 excess of applicable prior year appropriations, an amount equal to
13 total write-offs and prior year obligations, but not to exceed
14 amounts available in prior year revenues.

15 (2) The department's ability to satisfy appropriation fund
16 sources in part 1 are not limited to collections and accruals
17 pertaining to services provided in the current fiscal year, but
18 also include reimbursements, refunds, adjustments, and settlements
19 from prior years.

20 Sec. 217. (1) By February 1 of the current fiscal year, the
21 department shall 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 detailed name and
24 amounts of estimated federal, restricted, private, and local
25 sources of revenue that support the appropriations in each of the
26 line items in part 1.

27 (2) Upon the release of the next fiscal year executive budget
28 recommendation, the department shall report to the same parties in
29 subsection (1) on the amounts and detailed sources of federal,



1 restricted, private, and local revenue proposed to support the
2 total funds appropriated in each of the line items in part 1 of the
3 next fiscal year executive budget proposal.

4 Sec. 218. (1) As required under part 23 of the public health
5 code, 1978 PA 368, MCL 333.2301 to 333.2321, the list of basic
6 health services to be funded in the current fiscal year from the
7 appropriations in part 1 shall include the following:

8 (a) Immunizations.

9 (b) Communicable disease control.

10 (c) Sexually transmitted disease control.

11 (d) Tuberculosis control.

12 (e) Prevention of gonorrhea eye infection in newborns.

13 (f) Screening newborns for the conditions listed in section
14 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
15 recommended by the newborn screening quality assurance advisory
16 committee created under section 5430 of the public health code,
17 1978 PA 368, MCL 333.5430.

18 (g) Health and human services annex of the Michigan emergency
19 management plan.

20 (h) Prenatal care.

21 (2) By January 1 of the current fiscal year, the department
22 shall report to the house and senate appropriations subcommittees
23 on the department budget, the house and senate fiscal agencies, the
24 house and senate policy offices, and the state budget office on the
25 revisions to the list of basic health services, listed in
26 subsection (1), and program statements that have been prepared and
27 published as required under section 2311 of the public health code,
28 1978 PA 368, MCL 333.2311.

29 Sec. 219. (1) The department may contract with the Michigan



1 Public Health Institute for the design and implementation of
2 projects and for other public health-related activities prescribed
3 in section 2611 of the public health code, 1978 PA 368, MCL
4 333.2611. The department may develop a master agreement with the
5 Michigan Public Health Institute to carry out these purposes for up
6 to a 3-year period.

7 (2) The Michigan Public Health Institute shall not be a
8 passthrough, contract manager, or indirect contract manager for a
9 contract with the department for a project or other public health-
10 related activity.

11 (3) The following shall apply:

12 (a) An individual who is a current employee of the department
13 shall not be simultaneously employed by or under contract for
14 services with the Michigan Public Health Institute.

15 (b) An individual who is a former employee of the department
16 shall not begin employment with or contractual services with the
17 Michigan Public Health Institute within 3 months after the date of
18 the cessation of the person's employment with the department.

19 (c) An individual who is a current employee of the department
20 or who is currently under contract with the department shall not
21 serve as a member of the board of directors of the Michigan Public
22 Health Institute during the duration of the employment or
23 contractual commitment with the department.

24 (4) On the fifteenth day of each month, the department shall
25 provide a report listing all active contracts between the
26 department and the Michigan Public Health Institute during the
27 previous month to the house and senate appropriations subcommittees
28 on the department budget, the house and senate fiscal agencies, the
29 house and senate policy offices, and the state budget director. The



1 list shall include, but not be limited to, the project, the purpose
2 of the project, the initial project date, the project period, the
3 contractual project amount, the cumulative annual expenditures
4 through the reporting period, and the source of the funds.

5 (5) A contract between the department and the Michigan Public
6 Health Institute for a project of \$5,000,000.00 or greater shall be
7 submitted to the legislature for approval at least 30 days in
8 advance of the effective date of the contract. If the legislature
9 does not take action, the contract may take effect.

10 (6) A request for extension of a contract between the
11 department and the Michigan Public Health Institute that is more
12 than 36 months beyond the initial effective date of the contract
13 shall be submitted to the legislature for approval at least 30 days
14 in advance of the effective date of the extension of the contract
15 extension. If the legislature does not take action, the extension
16 of the contract may take effect.

17 (7) The department shall report to the house and senate
18 appropriations subcommittees on the department budget, the house
19 and senate fiscal agencies, and the state budget director on or
20 before January 1 of the current fiscal year all of the following:

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

22 (b) The amount allocated for each project, the appropriation
23 line item from which the allocation is funded, and the source of
24 financing for each project.

25 (c) The expected project duration.

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

29 (8) On or before December 31 of the current fiscal year, the



1 department shall provide to the same parties listed in subsection
2 (1) a copy of all reports, studies, and publications produced by
3 the Michigan Public Health Institute, its subcontractors, or the
4 department with the funds appropriated in the department's budget
5 in the previous fiscal year and allocated to the Michigan Public
6 Health Institute.

7 Sec. 219a. (1) An individual who is a current employee of the
8 department shall not be simultaneously employed by or under
9 contract for services with an outside agency that is currently
10 under contract with the department.

11 (2) An individual who is a former employee of the department
12 shall not begin employment with or contractual services with an
13 outside agency that is currently under contract with the department
14 within 3 months after the date of the cessation of the individual's
15 employment with the department.

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

22 Sec. 221. According to section 1b of the social welfare act,
23 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
24 part as a time-limited addendum to the social welfare act, 1939 PA
25 280, MCL 400.1 to 400.119b.

26 Sec. 222. (1) The department shall provide written
27 notification to the senate and house appropriations subcommittees
28 on the department budget, the senate and house fiscal agencies, the
29 senate and house policy offices, and the state budget office of any



1 major policy changes at least 30 days before the implementation
2 date of those policy changes.

3 (2) The department shall make the entire policy and procedures
4 manual available and accessible to the public via the department
5 website.

6 (3) The department shall report by April 1 of the current
7 fiscal year on each specific policy change made to implement a
8 public act affecting the department that took effect during the
9 prior calendar year to the house and senate appropriations
10 subcommittees on the budget for the department, the joint committee
11 on administrative rules, the senate and house fiscal agencies, and
12 policy offices. The department shall attach each policy bulletin
13 issued during the prior calendar year to this report.

14 Sec. 223. The department may establish and collect fees for
15 publications, videos and related materials, conferences, and
16 workshops. Collected fees are appropriated when received and shall
17 be used to offset expenditures to pay for printing and mailing
18 costs of the publications, videos and related materials, and costs
19 of the workshops and conferences. The department shall not collect
20 fees under this section that exceed the cost of the expenditures.
21 If collected fees are appropriated under this section in an amount
22 that exceeds the current fiscal year appropriation, within 30 days
23 after the department shall notify the chairs of the house and
24 senate appropriations subcommittees on the department budget, the
25 house and senate fiscal agencies and policy offices, and the state
26 budget director of that fact.

27 Sec. 224. The department may retain all of the state's share
28 of food assistance overissuance collections as an offset to general
29 fund/general purpose costs. Retained collections shall be applied



1 against federal funds deductions in all appropriation units where
2 department costs related to the investigation and recoupment of
3 food assistance overissuances are incurred. Retained collections in
4 excess of those costs shall be applied against the federal funds
5 deducted in the departmental administration and support
6 appropriation unit.

7 Sec. 225. (1) For providers and entities receiving funds from
8 the appropriations in part 1, sanctions, suspensions, conditions
9 for provisional license status, and other penalties shall not be
10 more stringent for private service providers than for public
11 entities performing equivalent or similar services.

12 (2) For services to be provided from the appropriations in
13 part 1, both of the following apply:

14 (a) Neither the department nor private service providers or
15 licensees shall be granted preferential treatment or considered
16 automatically to be in compliance with administrative rules based
17 on whether they have collective bargaining agreements with direct
18 care workers.

19 (b) Private service providers or licensees without collective
20 bargaining agreements shall not be subjected to additional
21 requirements or conditions of licensure based on their lack of
22 collective bargaining agreements.

23 Sec. 226. If the revenue collected by the department from fees
24 and collections exceeds the amount appropriated in part 1, the
25 revenue may be carried forward with the approval of the state
26 budget director into the subsequent fiscal year. The revenue
27 carried forward under this section shall be used as the first
28 source of funds in the subsequent fiscal year.

29 Sec. 227. The state departments, agencies, and commissions



1 receiving tobacco tax funds and Healthy Michigan fund revenue from
2 part 1 shall report by April 1 of the current fiscal year to the
3 senate and house appropriations committees, the senate and house
4 fiscal agencies, and the state budget director on the following:

5 (a) A detailed spending plan by appropriation line item
6 including description of programs and a summary of organizations
7 receiving these funds.

8 (b) A description of allocations or bid processes including
9 need or demand indicators used to determine allocations.

10 (c) Eligibility criteria for program participation and maximum
11 benefit levels where applicable.

12 (d) Outcome measures used to evaluate programs, including
13 measures of the effectiveness of these programs in improving the
14 health of residents of this state.

15 Sec. 228. (1) If the department is authorized under state or
16 federal law to collect an overpayment owed to the department, the
17 department may assess a penalty of 1% per month beginning 60 days
18 after notification. If an overpayment is caused by department
19 error, a penalty may not be assessed until 6 months after the
20 initial notification date of the overpayment amount. The department
21 shall not collect penalty interest in an amount that exceeds the
22 amount of the original overpayment. The state share of any funds
23 collected under this section shall be deposited in the state
24 general fund.

25 (2) By September 30 of the current fiscal year, the department
26 shall report to the house and senate appropriations subcommittees
27 on the department budget, the house and senate fiscal agencies, and
28 the state budget office on penalty amounts assessed and paid by
29 account during the current fiscal year, the reason for the penalty,



1 and the current status of the account.

2 Sec. 229. The department shall coordinate with the office of
3 employment and training within the department of labor and economic
4 opportunity on reporting regarding the interagency agreement which
5 concerns TANF funding in the department of labor and economic
6 opportunity budget to provide job readiness and welfare-to-work
7 programming. The department shall request that reporting regarding
8 the interagency agreement by the office of employment and training
9 within the department of labor and economic opportunity include the
10 following specific outcome and performance measures and is reported
11 to the senate and house appropriations subcommittees on the
12 department budget, the senate and house appropriations
13 subcommittees on general government, the senate and house fiscal
14 agencies, the senate and house policy offices, and the state budget
15 office by January 1 of the current fiscal year for the previous
16 fiscal year:

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

19 (i) Direct services to recipients.

20 (ii) Administrative expenditures.

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

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

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

27 (iii) Average TANF spending per recipient.

28 (iv) The number and percentage of recipients who were referred
29 to Michigan Works! but did not receive a job or job readiness



1 placement and the reasons why.

2 (c) The following data itemized by Michigan Works! agency:

3 (i) The number of referrals to Michigan Works! job readiness
4 programs.

5 (ii) The number of referrals to Michigan Works! job readiness
6 programs who became a participant in the Michigan Works! job
7 readiness programs.

8 (iii) The number of participants who obtained employment, and
9 the cost per participant case.

10 Sec. 230. By December 31 of the current fiscal year, the
11 department shall report to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies and policy offices, and the state budget office on the
14 status of the implementation of any noninflationary, noncaseload,
15 programmatic funding increases in the current fiscal year from the
16 previous fiscal year. The report shall confirm the implementation
17 of already implemented funding increases and provide explanations
18 for any planned implementation of funding increases that have not
19 yet occurred. For any planned implementation of funding increases
20 that have not yet occurred, the department shall provide an
21 expected implementation date and the reasons for delayed
22 implementation.

23 Sec. 232. (1) The department shall provide the approved
24 spending plan for each line item receiving an appropriation in the
25 current fiscal year to the senate and house appropriations
26 subcommittees on the department budget and the senate and house
27 fiscal agencies within 60 days of approval by the department but
28 not later than January 15 of the current fiscal year. Compliance
29 with this section is not met unless a line-item appropriation name



1 is included in all places that a line-item appropriation number is
2 listed. The spending plan shall include the following information
3 regarding planned expenditures for each category: allocation in the
4 previous period, change in the allocation, and new allocation. The
5 spending plan shall include the following information regarding
6 each revenue source for the line item: category of the fund source
7 indicated by general fund/general purpose, state restricted, local,
8 private, or federal. Figures included in the approved spending plan
9 shall not be assumed to constitute the actual final expenditures,
10 as line items may be updated on an as-needed basis to reflect
11 changes in projected expenditures and projected revenue. The
12 department shall supplement the spending plan information by
13 providing a list of all active contracts and grants in the
14 department's contract system. For amounts listed in the other
15 contracts category of each spending plan, the department shall
16 provide a list of all contracts and grants and amounts for the
17 current fiscal year, and include the name of the line item and the
18 name of the fund source related to each contract or grant and
19 amount. For amounts listed in the all other costs category of each
20 spending plan, the department shall provide a list detailing
21 planned expenditures and amounts for the current fiscal year, and
22 include the name of the line item and the name of the fund source
23 related to each amount and expenditure.

24 (2) Notwithstanding any other appropriation authority granted
25 in part 1, the department shall not appropriate any additional
26 general fund/general purpose funds or any related federal and state
27 restricted funds without providing a written 30-day notice to the
28 senate and house appropriations subcommittees on the department
29 budget, the senate and house fiscal agencies, and the senate and



1 house policy offices.

2 Sec. 233. If the state administrative board, acting under
3 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
4 appropriated under this article, the legislature may, by a
5 concurrent resolution adopted by a majority of the members elected
6 to and serving in each house, inter-transfer funds within this
7 article for the particular department, board, commission, officer,
8 or institution.

9 Sec. 234. The departments and agencies receiving
10 appropriations in part 1 shall receive and retain copies of all
11 reports funded from appropriations in part 1. Federal and state
12 guidelines for short-term and long-term retention of records shall
13 be followed. The department may electronically retain copies of
14 reports unless otherwise required by federal and state guidelines.

15 Sec. 236. (1) From the funds appropriated in part 1, the
16 department shall do all of the following:

17 (a) Report to the house and senate appropriations committees,
18 the house and senate fiscal agencies, the house and senate policy
19 offices, and the state budget office any amount of severance pay
20 for a department director, deputy director, or other high-ranking
21 department official not later than 14 days after a severance
22 agreement with the director or official is signed. The name of the
23 director or official and the amount of severance pay must be
24 included in the report required by this subdivision.

25 (b) Maintain an internet website that posts any severance pay
26 in excess of 6 weeks of wages, regardless of the position held by
27 the former department employee receiving severance pay.

28 (c) By February 1, report to the house and senate
29 appropriations subcommittees on the department budget, the house



1 and senate fiscal agencies, the house and senate policy offices,
2 and the state budget office on the total amount of severance pay
3 remitted to former department employees during the fiscal year
4 ending September 30, 2021 and the total number of former department
5 employees that were remitted severance pay during the fiscal year
6 ending September 30, 2021.

7 (2) As used in this section, "severance pay" means
8 compensation that is both payable or paid upon the termination of
9 employment and in addition to either wages or benefits earned
10 during the course of employment or generally applicable retirement
11 benefits.

12 Sec. 237. Any department, agency, board, commission,
13 subdivision, or other executive branch entity or official of this
14 state that receives funding under part 1 shall not do the
15 following:

16 (a) Require as a condition of accessing any state services or
17 facilities that an individual provide proof that he or she has
18 received a COVID-19 vaccine.

19 (b) Produce, develop, and issue a COVID-19 vaccine passport
20 for the purpose of certifying that an individual has received a
21 COVID-19 vaccine.

22 (c) Provide information of an individual's COVID-19 vaccine
23 status to any person, company, or governmental entity for inclusion
24 in a COVID-19 vaccine passport.

25 Sec. 238. The funds appropriated in part 1 shall not be used
26 to vaccinate an individual for the COVID-19 virus under a mandatory
27 vaccination program of his or her employer or of the state
28 government.

29 Sec. 240. Appropriations in part 1 shall, to the extent



1 possible by the department, not be expended in cases where existing
2 work project authorization is available for the same expenditures.

3 Sec. 241. By March 1 of the current fiscal year, the
4 department shall report to the house and senate appropriations
5 subcommittees on the department budget, the house and senate fiscal
6 agencies, the house and senate policy offices, and the state budget
7 director on total actual expenditures in the previous fiscal year
8 for advertising and media outreach, including the purpose and
9 amount by program or appropriation line-item.

10 Sec. 251. On a monthly basis, the department shall report to
11 the senate and house appropriations subcommittees on the department
12 budget, the senate and house fiscal agencies, and the state budget
13 office on any line-item appropriation for which the department
14 estimates total annual expenditures would exceed the funds
15 appropriated for that line-item appropriation by 5% or more. The
16 department shall provide a detailed explanation for any relevant
17 line-item appropriation exceedance and shall identify the
18 corrective actions undertaken to mitigate line-item appropriation
19 expenditures from exceeding the funds appropriated for that line-
20 item appropriation by a greater amount. This section does not apply
21 for line-item appropriations that are part of the May revenue
22 estimating conference caseload and expenditure estimates.

23 Sec. 252. The appropriations in part 1 for Healthy Michigan
24 plan - behavioral health, Healthy Michigan plan administration, and
25 Healthy Michigan plan are contingent on the provisions of the
26 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were
27 contained in 2013 PA 107 not being amended, repealed, or otherwise
28 altered to eliminate the Healthy Michigan plan. If that occurs,
29 then, upon the effective date of the amendatory act that amends,



1 repeals, or otherwise alters those provisions, the remaining funds
2 in the Healthy Michigan plan - behavioral health, Healthy Michigan
3 plan administration, and Healthy Michigan plan line items shall
4 only be used to pay previously incurred costs and any remaining
5 appropriations shall not be allotted to support those line items.

6 Sec. 253. (1) From the funds appropriated in part 1 for any
7 information technology system or project, the department shall
8 implement an agile software development plan that is funded with a
9 time and materials contract.

10 (2) The state shall be the owner of software described in
11 subsection (1) or it shall be committed to the public domain.

12 (3) The department shall choose a product owner that will
13 implement a user-centered design that includes user stories into
14 the development of any information technology system. The product
15 owner must be an employee of the department who has specific work
16 experience relevant to the information technology system or
17 project.

18 (4) At the commencement of the project, the department shall
19 report to the house and senate appropriations subcommittees on the
20 department budget, the house and senate fiscal agencies, and the
21 state budget office on the individual who has been chosen as the
22 product owner.

23 (5) For any expenditures associated with the development of
24 systems or projects subject to this section, the department shall
25 provide updates as requested by the chairs of the house and senate
26 appropriations committees or the chairs of the house and senate
27 appropriations subcommittees on the department budget. Information
28 updates provided by the department, upon request, shall also be
29 accessible to the house and senate fiscal agencies, the house and



1 senate policy offices, and the state budget office on the status of
2 the work completed to date. The updates shall include
3 demonstrations of the completed work during the sprint period.
4 During these demonstrations, the department shall provide a quality
5 assessment surveillance plan as shown in appendix B of "De-risking
6 custom technology projects" from the United States General Services
7 Administration. At each demonstration, the department shall
8 validate which user stories have been included into the software
9 development and the remaining user stories that will be included
10 into the product.

11 (6) As used in this section:

12 (a) "Agile software development" means the use of development
13 methodologies using iterative development with work completed by
14 cross-functional teams of software development.

15 (b) "Product owner" means a department employee who
16 iteratively prioritizes and defines the work for the product team,
17 works with users, stakeholders, technologists, and the software
18 vendor to envision the direction for the product, and ensures that
19 value is being delivered to end users as quickly as possible.

20 (c) "User centered design" means software development that
21 places the highest priority on the needs of the specific people who
22 are expected to use the software.

23 (d) "User stories" means a task that the agile software
24 development team will focus on over a given 2-week development
25 period and includes clearly labeled progress towards meeting the
26 needs of the end users.

27 Sec. 258. (1) In collaboration with the department of
28 education, the department shall promote and support initiatives in
29 schools and other educational organizations that include, but are



1 not limited to, training for educators, teachers, and other
2 personnel in school settings for all of the following:

3 (a) The utilization of trauma-informed practices.

4 (b) Age-appropriate education and information on human
5 trafficking.

6 (c) Age-appropriate education and information on sexual abuse
7 prevention.

8 (2) The collaboration shall include the child welfare
9 institute within the department, which provides training and
10 education for public and private employees who work within the
11 child protective services, foster care, adoption, and juvenile
12 justice systems.

13 (3) The department shall report by March 1 of the current
14 fiscal year on the activities and status of implementation of the
15 requirements described in subsections (1) and (2) to the house and
16 senate appropriations subcommittees on the department budget, the
17 house and senate fiscal agencies, the house and senate policy
18 offices, and the state budget office.

19 Sec. 263. (1) Except as otherwise provided in this subsection,
20 before submission of a waiver, a state plan amendment, or a similar
21 proposal to CMS or other federal agency, the department shall
22 provide written notification of the planned submission to the house
23 and senate appropriations subcommittees on the department budget,
24 the house and senate fiscal agencies and policy offices, and the
25 state budget office. This subsection does not apply to the
26 submission of a waiver, a state plan amendment, or similar proposal
27 that does not propose a material change or is outside of the
28 ordinary course of waiver, state plan amendment, or similar
29 proposed submissions.



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

11 Sec. 264. The department shall not take disciplinary action
12 against an employee of the department or departmental agency in the
13 state classified civil service because the employee communicates
14 with a member of the legislature or his or her staff, unless the
15 communication is prohibited by law and the department or agency
16 taking disciplinary action is exercising its authority as provided
17 by law.

18 Sec. 270. The department shall advise the legislature of the
19 receipt of a notification from the attorney general's office of a
20 legal action in which expenses had been recovered according to
21 section 106(6) of the social welfare act, 1939 PA 280, MCL 400.106.
22 By February 1 of the current fiscal year, the department shall
23 submit a written report to the house and senate appropriations
24 subcommittees on the department budget, the house and senate fiscal
25 agencies, and the state budget office that includes, at a minimum,
26 all of the following:

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

28 (b) The program or service for which the money was originally
29 expended.



1 (c) Details on the disposition of the funds recovered such as
2 the appropriation or revenue account in which the money was
3 deposited.

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

5 Sec. 274. (1) The department, in collaboration with the state
6 budget office, shall submit to the house and senate appropriations
7 subcommittees on the department budget, the house and senate fiscal
8 agencies, and the house and senate policy offices 1 week after the
9 day the governor submits to the legislature the budget for the
10 ensuing fiscal year a report on spending and revenue projections
11 for each of the capped federal funds listed below. The report shall
12 contain actual spending and revenue in the previous fiscal year,
13 spending and revenue projections for the current fiscal year as
14 enacted, and spending and revenue projections within the executive
15 budget proposal for the fiscal year beginning October 1, 2022 for
16 each individual line item for the department budget. The report
17 shall also include federal funds transferred to other departments.
18 The capped federal funds shall include, but not be limited to, all
19 of the following:

20 (a) TANF.

21 (b) Title XX social services block grant.

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

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

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

26 (2) It is the intent of the legislature that the department,
27 in collaboration with the state budget office, not utilize capped
28 federal funding for economics adjustments for FTEs or other
29 economics costs that are included as part of the budget submitted



1 to the legislature by the governor for the ensuing fiscal year,
2 unless there is a reasonable expectation for increased federal
3 funding to be available to the department from that capped revenue
4 source in the ensuing fiscal year.

5 (3) By February 15 of the current fiscal year, the department
6 shall prepare an annual report of its efforts to identify TANF
7 maintenance of effort sources and rationale for any increases or
8 decreases from all of the following, but not limited to:

- 9 (a) Other departments.
10 (b) Local units of government.
11 (c) Private sources.

12 Sec. 275. (1) On a quarterly basis, the department, with the
13 approval of the state budget director, is authorized to realign
14 sources between other federal, TANF, and capped federal financing
15 authorizations in order to maximize federal revenues. This
16 realignment of financing shall not produce a gross increase or
17 decrease in the department's total individual line item
18 authorizations, nor will it produce a net increase or decrease in
19 total federal revenues, or a net increase in TANF authorization.

20 (2) On a quarterly basis the department shall report to the
21 house and senate appropriations subcommittees on the department
22 budget, the house and senate fiscal agencies, and the house and
23 senate policy offices on the realignment of federal fund sources
24 transacted to date in the current fiscal year under the authority
25 of subsection (1), including the dates, line items, and amounts of
26 the transactions.

27 (3) Within 30 days after the date on which year-end book
28 closing is completed, the department shall submit to the house and
29 senate appropriations subcommittees on the department budget, the



1 house and senate fiscal agencies, and the house and senate policy
 2 offices a report on the realignment of federal fund sources that
 3 took place as part of the year-end closing process for the previous
 4 fiscal year.

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

13 (a) FTE authorization.

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

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

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

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

23 Sec. 288. (1) Beginning October 1 of the current fiscal year,
 24 no less than 90% of a new department contract supported solely from
 25 state restricted funds or general fund/general purpose funds and
 26 designated in this part or part 1 for a specific entity for the
 27 purpose of providing services to individuals shall be expended for
 28 those services after the first year of the contract.

29 (2) The department may allow a contract to exceed the



1 limitation on administrative and services costs under subsection
2 (1) if a grantee can demonstrate to the department that an
3 exception should be made to the provision in subsection (1).

4 (3) By September 30 of the current fiscal year, the department
5 shall report to the house and senate appropriations subcommittees
6 on the department budget, house and senate fiscal agencies, and
7 state budget office on the rationale for all exceptions made to
8 subsection (1) and the number of contracts terminated due to
9 violations of subsection (1).

10 Sec. 289. By March 1 of the current fiscal year, the
11 department shall provide to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies, and the senate and house policy offices an annual report
14 on the supervisor-to-staff ratio by department divisions and
15 subdivisions.

16 Sec. 290. Any public advertisement for public assistance shall
17 also inform the public of the welfare fraud hotline operated by the
18 department.

19 Sec. 296. From the funds appropriated in part 1, the
20 department to the extent permissible under section 8 of 1964 PA
21 170, MCL 691.1408, is responsible for the necessary and reasonable
22 attorney fees and costs incurred by private and independent legal
23 counsel chosen by current and former classified and unclassified
24 department employees in the defense of the employees in any state
25 or federal lawsuit or investigation related to the water system in
26 a city or community in which a declaration of emergency was issued
27 because of drinking water contamination.

28 Sec. 297. (1) On a quarterly basis, the department shall
29 report to the senate and house appropriations committees, the



1 senate and house appropriations subcommittees on the department
 2 budget, and the senate and house fiscal agencies the following
 3 information:

4 (a) The number of FTEs in pay status by type of staff and
 5 civil service classification.

6 (b) A comparison by line item of the number of FTEs authorized
 7 from funds appropriated in part 1 to the actual number of FTEs
 8 employed by the department at the end of the reporting period.

9 (2) By April 1 of the current fiscal year and semiannually
 10 thereafter, the department shall report to the senate and house
 11 appropriations committees, the senate and house appropriations
 12 subcommittees on the department budget, and the senate and house
 13 fiscal agencies the following information:

14 (a) The number of employees of the department that were
 15 engaged in remote work in 2020.

16 (b) The number of employees of the department authorized to
 17 work remotely and the actual number of those working remotely in
 18 the current reporting period.

19 (c) The estimated net cost savings achieved by the department
 20 by remote work.

21 (d) The reduced use of office space associated with remote
 22 work for the department.

23

24 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

25 Sec. 301. From the funds appropriated in part 1 for terminal
 26 leave payments, the department shall not spend in excess of its
 27 annual gross appropriation unless it identifies and requests a
 28 legislative transfer from another budgetary line item supporting
 29 administrative costs, as provided by section 393(2) of the



1 management and budget act, 1984 PA 431, MCL 18.1393.

2
3 **CHILD SUPPORT ENFORCEMENT**

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

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

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

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

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

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

25 Sec. 409. (1) If statewide retained child support collections
26 exceed \$38,300,000.00, 75% of the amount in excess of
27 \$38,300,000.00 is appropriated to legal support contracts. This
28 excess appropriation may be distributed to eligible counties to
29 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 fiscal year
 5 and fiscal year 2004-2005, shall receive its proportional share of
 6 the 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 after the
 19 authorization adjustment in subsection (1).
 20

21 **COMMUNITY SERVICES AND OUTREACH**

22 Sec. 450. (1) From the funds appropriated in part 1 for school
 23 success partnership program, the department shall allocate
 24 \$525,000.00 of TANF revenue by December 1 of the current fiscal
 25 year to support the Northeast Michigan Community Service Agency
 26 programming. The department shall require the following performance
 27 objectives be measured and reported for the duration of the state
 28 funding for the school success partnership program:

29 (a) Increasing school attendance and decreasing chronic



1 absenteeism.

2 (b) Increasing academic performance based on grades with
3 emphasis on math and reading.

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

6 (d) Increasing parent involvement with the parent's child's
7 school and community.

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

17 Sec. 452. From the funds appropriated in part 1 for crime
18 victim justice assistance grants, the department shall continue to
19 support forensic nurse examiner programs to facilitate training for
20 improved evidence collection for the prosecution of sexual assault.
21 The funds shall be used for program coordination and training.

22 Sec. 453. (1) From the funds appropriated in part 1 for
23 homeless programs, the department shall allocate funds to the
24 emergency shelter program to support efforts of shelter providers
25 to move homeless individuals and households into permanent housing
26 as quickly as possible. Funding provided shall be equal to or
27 exceed the amount a provider would receive if paid an \$18.00 per
28 diem rate per bed night. Expected outcomes are increased shelter
29 discharges to stable housing destinations, decreased recidivism



1 rates for shelter clients, and a reduction in the average length of
2 stay in emergency shelters.

3 (2) By March 1 of the current fiscal year, the department
4 shall submit to the house and senate appropriations subcommittees
5 on the department budget, the house and senate fiscal agencies, the
6 house and senate policy offices, and the state budget office a
7 report on the total amount expended for the program in the previous
8 year, the total number of shelter nights provided, and the average
9 length of stay in an emergency shelter.

10 Sec. 454. The department shall allocate the full amount of
11 funds appropriated in part 1 for homeless programs to provide
12 services for homeless individuals and families, including, but not
13 limited to, third-party contracts for emergency shelter services.

14 Sec. 455. As a condition of receipt of federal TANF revenue,
15 homeless shelters and human services agencies shall collaborate
16 with the department to obtain necessary TANF eligibility
17 information on families as soon as possible after admitting a
18 family to the homeless shelter. From the funds appropriated in part
19 1 for homeless programs, the department is authorized to make
20 allocations of TANF revenue only to the homeless shelters and human
21 services agencies that report necessary data to the department for
22 the purpose of meeting TANF eligibility reporting requirements.
23 Homeless shelters or human services agencies that do not report
24 necessary data to the department for the purpose of meeting TANF
25 eligibility reporting requirements will not receive reimbursements
26 that exceed the per diem amount they received in fiscal year 2000.
27 The use of TANF revenue under this section is not an ongoing
28 commitment of funding.

29 Sec. 456. From the funds appropriated in part 1 for homeless



1 programs, the department shall allocate \$90,000.00 to reimburse
2 public service agencies that provide documentation of paying birth
3 certificate fees on behalf of category 1 homeless clients at county
4 clerk's offices. Public service agencies shall be reimbursed for
5 the cost of the birth certificate fees quarterly until this
6 allocation is fully spent.

7 Sec. 457. (1) From the funds appropriated in part 1 for the
8 uniform statewide sexual assault evidence kit tracking system, in
9 accordance with the final report of the Michigan sexual assault
10 evidence kit tracking and reporting commission, \$800,000.00 is
11 allocated from the sexual assault evidence tracking fund to
12 contract for the administration of a uniform statewide sexual
13 assault evidence kit tracking system. The system shall include the
14 following:

15 (a) A uniform statewide system to track the submission and
16 status of sexual assault evidence kits.

17 (b) A uniform statewide system to audit untested kits that
18 were collected on or before March 1, 2015 and were released by
19 victims to law enforcement.

20 (c) Secure electronic access for victims.

21 (d) The ability to accommodate concurrent data entry with kit
22 collection through various mechanisms, including web entry through
23 computer or smartphone, and through scanning devices.

24 (2) By March 30 of the current fiscal year, the department
25 shall submit to the senate and house appropriations subcommittees
26 on the department budget, the senate and house fiscal agencies, the
27 senate and house policy offices, and the state budget office a
28 status report on the administration of the uniform statewide sexual
29 assault evidence kit tracking system, including operational status



1 and any known issues regarding implementation.

2 (3) The sexual assault evidence tracking fund established in
3 section 1451 of 2017 PA 158 shall continue to be maintained in the
4 department of treasury. Money in the sexual assault evidence
5 tracking fund at the close of a fiscal year remains in the sexual
6 assault evidence tracking fund, does not revert to the general
7 fund, and shall be appropriated as provided by law for the
8 development and implementation of a uniform statewide sexual
9 assault evidence kit tracking system as described in subsection
10 (1).

11 (4) By September 30 of the current fiscal year, the department
12 shall submit to the senate and house appropriations subcommittees
13 on the department budget, the senate and house fiscal agencies, the
14 senate and house policy offices, and the state budget office a
15 report on the findings of the annual audit of the proper submission
16 of sexual assault evidence kits as required by and in compliance
17 with the sexual assault kit evidence submission act, 2014 PA 227,
18 MCL 752.931 to 752.935. The report must include, but is not limited
19 to, a detailed county-by-county compilation of the number of sexual
20 assault evidence kits that were properly submitted and the number
21 that met or did not meet deadlines established in the sexual
22 assault kit evidence submission act, 2014 PA 227, MCL 752.931 to
23 752.935, the number of sexual assault evidence kits retrieved by
24 law enforcement after analysis, and the physical location of all
25 released sexual assault evidence kits collected by health care
26 providers in that year, as of the date of the annual draft report
27 for each reporting agency.

28 Sec. 458. From the funds appropriated in part 1 for crime
29 victim rights services grants, the department shall allocate



1 \$2,000,000.00 from the crime victim's rights fund to maintain
2 increased grant funding to support the further use of crime victim
3 advocates in the criminal justice system. The purpose of the
4 additional funding is to increase available grant funding for crime
5 victim advocates to ensure that the advocates have the resources,
6 training, and funding needed to respond to the physical and
7 emotional needs of crime victims and to provide victims with the
8 necessary services, information, and assistance in order to help
9 them understand and participate in the criminal justice system and
10 experience a measure of safety and security throughout the legal
11 process.

12 Sec. 459. From the funds appropriated in part 1 for child
13 advocacy centers, the department shall allocate \$1,000,000.00 to
14 continue to provide additional funding to child advocacy centers to
15 support the general operations of child advocacy centers. The
16 purpose of this additional funding is to increase the amount of
17 services provided to children and their families who are victims of
18 abuse over the amount provided in the previous fiscal year. The
19 additional funding directed in this section shall only be used for
20 the purposes described under section 4 of the children's advocacy
21 center act, 2008 PA 544, MCL 722.1044.

22 Sec. 461. (1) From the funds appropriated in part 1 for
23 runaway and homeless youth grants, the department shall maintain
24 the recent \$500,000.00 state general fund/general purpose revenue
25 increase to funding to support the runaway and homeless youth
26 services program. The purpose of the additional funding is to
27 support current programs for contracted providers that provide
28 emergency shelter and services to homeless and runaway youth.

29 (2) From the funds appropriated in part 1 for runaway and



1 homeless youth grants, the department shall allocate \$400,000.00 to
2 support runaway and homeless youth services programs. The purpose
3 of the additional funding is to support current programs for
4 contracted providers that provide emergency shelter and services to
5 homeless and runaway youth.

6 (3) By March 1 of the current fiscal year, the department
7 shall submit to the house and senate appropriations subcommittees
8 on the department budget, the house and senate fiscal agencies, the
9 house and senate policy offices, and the state budget office a
10 report on the total amount expended for runaway and homeless youth
11 services programs in the previous year, and the total number of
12 shelter nights for youth provided.

13 Sec. 462. (1) From the funds appropriated in part 1 for crime
14 victim justice assistance grants, the department shall allocate
15 \$4,000,000.00 to implement 4 trauma recovery center program pilot
16 projects. The pilot projects shall utilize the evidence-informed
17 integrated trauma recovery services model developed by the
18 University of California - San Francisco for service provision and
19 shall be located in a city with a population between 52,300 and
20 55,000 according to the most recent federal decennial census, in a
21 city with a population between 100,000 and 105,000 according to the
22 most recent federal decennial census, in a city with a population
23 between 150,000 and 200,000 according to the most recent federal
24 decennial census, and in a city with a population greater than
25 500,000 according to the most recent federal decennial census.

26 (2) It is the intent of the legislature that each pilot
27 project shall be designed to last at least 3 years.

28 (3) By March 1 of the current fiscal year, the department
29 shall report to the senate and house subcommittees on the



1 department budget, the senate and house fiscal agencies, the senate
2 and house policy offices, and the state budget office on all of the
3 following:

4 (a) The number of participants by pilot project site.

5 (b) The number of participants by crime type, broken down by
6 pilot project site.

7 (c) The number of direct service providers by pilot project
8 site.

9 (d) The number of direct services provided, broken down by
10 type of service and by pilot project site.

11 (e) The administrative costs by pilot project site.

12 (f) The average length of service provision by pilot project
13 site.

14 (g) The average length of service provision, broken down by
15 type of service and by pilot project site.

16 (h) The average cost per participant by pilot project site.

17 (4) The department may explore the development of a mobile
18 trauma recovery center to provide services to rural areas in this
19 state.

20

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

22 Sec. 501. (1) A goal is established that not more than 25% of
23 all children in foster care at any given time during the current
24 fiscal year, if in the best interest of the child, will have been
25 in foster care for 24 months or more.

26 (2) By March 1 of the current fiscal year, the department
27 shall provide to the senate and house appropriations subcommittees
28 on the department budget, the senate and house fiscal agencies, the
29 senate and house policy offices, and the state budget office a



1 report describing the steps that will be taken to achieve the
2 specific goal established in this section and on the percentage of
3 children who currently are in foster care and who have been in
4 foster care a total of 24 or more months.

5 Sec. 502. From the funds appropriated in part 1 for foster
6 care, the department shall provide 50% reimbursement to Indian
7 tribal governments for foster care expenditures for children who
8 are under the jurisdiction of Indian tribal courts and who are not
9 otherwise eligible for federal foster care cost sharing. The
10 department may provide up to 100% reimbursement to Indian tribal
11 governments that enter into a state-tribal title IV-E agreement
12 allowed under this state's title IV-E state plan.

13 Sec. 503. (1) In accordance with the final report of the
14 Michigan child welfare performance-based funding task force issued
15 in response to section 503 of article X of 2013 PA 59, the
16 department shall continue to review, update, or develop an
17 actuarially sound global capitated payment model for child welfare
18 foster care case management services that achieve permanency by the
19 department and private child placing agencies in a prospective
20 payment system under a performance-based funding model.

21 (2) In accordance with the final report of the Michigan child
22 welfare performance-based funding task force issued in response to
23 section 503 of article X of 2013 PA 59, the department shall
24 continue an independent, third-party evaluation of the performance-
25 based funding model.

26 (3) The department shall only implement the performance-based
27 funding model into additional counties where the department,
28 private child welfare agencies, the county, and the court operating
29 within that county have signed a memorandum of understanding that



1 incorporates the intentions of the concerned parties in order to
2 implement the performance-based funding model.

3 (4) The department, in conjunction with members from both the
4 house of representatives and senate, private child placing
5 agencies, the courts, and counties shall continue to implement the
6 recommendations that are described in the workgroup report that was
7 provided in section 503 of article X of 2013 PA 59 to establish a
8 performance-based funding model pilot for public and private child
9 welfare services providers. The department shall provide quarterly
10 reports on the status of the performance-based contracting model to
11 the senate and house appropriations subcommittees on the department
12 budget, the senate and house standing committees on families and
13 human services, and the senate and house fiscal agencies and policy
14 offices.

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

29 Sec. 504. (1) From the funds appropriated in part 1, the



1 department shall continue the master agreement with the West
2 Michigan Partnership for Children Consortium for the fifth year of
3 the planned 5-year agreement to pilot a performance-based child
4 welfare contracting pilot program. The consortium shall consist of
5 a network of affiliated child welfare service providers that will
6 accept and comprehensively assess referred youth, assign cases to
7 members of its continuum or leverage services from other entities,
8 and make appropriate case management decisions during the duration
9 of a case.

10 (2) As a condition for receiving the funding in part 1, the
11 West Michigan Partnership of Children Consortium shall maintain a
12 revised contract agreement with the department that supports a
13 global capitated payment model. The capitated payment amount shall
14 be based on historical averages of the number of children served in
15 Kent County and for the costs per foster care case. The West
16 Michigan Partnership for Children Consortium is required to manage
17 the cost of the child population it serves. The capitated payment
18 amount shall be reviewed and adjusted no less than twice during the
19 current fiscal year or due to any policy changes implemented by the
20 department that result in a volume of placements that differ in a
21 statistically significant manner from the amount allocated in the
22 annual contract between the department and the West Michigan
23 Partnership for Children as determined by an independent actuary as
24 well as to account for changes in case volumes and any statewide
25 rate increases that are implemented. The contract agreement
26 requires that the West Michigan Partnership for Children Consortium
27 shall maintain the following stipulations and conditions:

28 (a) That the service component of the capitated payment will
29 be calculated assuming rates paid to providers under the pilot



1 program are generally consistent with the department's payment
2 policies for providers throughout the rest of this state.

3 (b) To maintain a risk reserve of at least \$1,500,000.00 to
4 ensure it can meet unanticipated expenses within a given fiscal
5 year.

6 (c) That until the risk reserve is established, the West
7 Michigan Partnership for Children Consortium shall submit to the
8 department a plan for how they will manage expenses to fit within
9 their capitated payment revenue. The department shall review and
10 approve any new investments in provider payments above statewide
11 rates and norms to ensure they are supported by offsetting savings
12 so that costs remain within available revenue.

13 (d) To cooperate with the department on an independent fiscal
14 analysis of costs incurred and revenues received during the course
15 of the pilot program to date.

16 (3) By March 1 of the current fiscal year, the consortium
17 shall provide to the department and the house and senate
18 appropriations subcommittees on the department budget a report on
19 the consortium, including, but not limited to, actual expenditures,
20 number of children placed by agencies in the consortium, fund
21 balance of the consortium, and the outcomes measured.

22 Sec. 505. By March 1 of the current fiscal year, the
23 department shall provide to the senate and house appropriations
24 subcommittees on the department budget, the senate and house fiscal
25 agencies and policy offices, and the state budget office a report
26 on youth referred or committed to the department for care or
27 supervision in the previous fiscal year and in the first quarter of
28 the current fiscal year outlining the number of youth served by the
29 department within the juvenile justice system, the type of setting



1 for each youth, performance outcomes, and financial costs or
2 savings.

3 Sec. 506. From the funds appropriated in part 1 for attorney
4 general contract, by March 1 of the current fiscal year, the
5 department shall cooperate with the attorney general to submit to
6 the senate and house appropriations subcommittees on the department
7 budget, the senate and house appropriations subcommittees on
8 general government, the senate and house fiscal agencies, the
9 senate and house policy offices, and the state budget office, a
10 report on the juvenile justice system in any county in which funds
11 appropriated in part 1 are expended. The report shall include, but
12 not be limited to, the following:

13 (a) The number of youth referred or committed to the
14 department for care or supervision in the previous fiscal year and
15 in the first quarter of the current fiscal year.

16 (b) The number of youth referred or committed to the care or
17 supervision of the county in which funds appropriated in part 1
18 were expended for the previous fiscal year and the first quarter of
19 the current fiscal year.

20 (c) The type of setting for each youth referred or committed
21 for care or supervision, any applicable performance outcomes, and
22 identified financial costs or savings.

23 Sec. 507. The department's ability to satisfy appropriation
24 deducts in part 1 for foster care private collections are not
25 limited to collections and accruals pertaining to services provided
26 only in the current fiscal year but may include revenues collected
27 during the current fiscal year for services provided in prior
28 fiscal years.

29 Sec. 508. (1) In addition to the amount appropriated in part 1



1 for children's trust fund grants, money granted or money received
2 as gifts or donations to the children's trust fund created by 1982
3 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

4 (2) For the funds described in subsection (1), the department
5 shall ensure that administrative delays are avoided and the local
6 grant recipients and direct service providers receive money in an
7 expeditious manner. The department and board shall make available
8 the children's trust fund contract funds to grantees within 31 days
9 of the start date of the funded project.

10 Sec. 509. By October 1 of the current fiscal year, from the
11 funds appropriated in part 1 for adoption support services, the
12 department shall maintain the increase from the previous year and
13 allocate it to increase contracted rates paid to private child
14 placing agencies for adoption placement rates.

15 Sec. 511. The department shall provide reports on a semiannual
16 basis to the senate and house appropriations subcommittees on the
17 department budget, the senate and house standing committees on
18 families and human services, and the senate and house fiscal
19 agencies and policy offices on the number and percentage of
20 children who received timely physical and mental health
21 examinations after entry into foster care. The goal of the program
22 is that at least 85% of children shall have an initial medical and
23 mental health examination within 30 days after entry into foster
24 care.

25 Sec. 512. By March 1 of the current fiscal year, the
26 department shall report to the senate and house appropriations
27 subcommittees on the department budget, the senate and house fiscal
28 agencies, the senate and house policy offices, and the state budget
29 office on the following information for cases of child abuse or



1 child neglect from the previous fiscal year:

2 (a) The total number of relative care placements.

3 (b) The total number of relatives with a placement who became
4 licensed.

5 (c) A list of the reasons from a sample of cases where
6 relatives were denied foster home licensure as documented by the
7 department.

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

12 (a) There is no appropriate placement available in this state
13 as determined by the department's interstate compact office.

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

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

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

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

25 (2) The department shall not expend money for a child placed
26 in an out-of-state facility without approval of the executive
27 director of the children's services agency.

28 (3) The department shall submit an annual report by March 1 of
29 the current fiscal year to the state court administrative office,



1 the house and senate appropriations subcommittees on the department
2 budget, the house and senate fiscal agencies, the house and senate
3 policy offices, and the state budget office on the number of
4 Michigan children residing in out-of-state facilities in the
5 previous fiscal year and shall include the total cost and average
6 per diem cost of these out-of-state placements to this state, and a
7 list of each such placement arranged by the Michigan county of
8 residence for each child.

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

14 (a) Statistical information including, but not limited to, all
15 of the following:

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

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

27 (iii) The mandatory reporter category in which the individual
28 who made the report fits, or other categorization if the individual
29 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 the
3 child from the parent or guardian and the period of time of that
4 separation, up to and including termination of parental rights.

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

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

15 (b) New policies related to children's protective services
16 including, but not limited to, major policy changes and court
17 decisions affecting the children's protective services system
18 during the immediately preceding 12-month period. The report shall
19 also include a summary of the actions undertaken and applicable
20 expenditures to achieve compliance with the office of the auditor
21 general audit number 431-1285-16.

22 (c) Statistical information regarding families that were
23 classified in category III, including, but not limited to, all of
24 the following:

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

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

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



1 (iv) The number of cases in category III for which the
2 department entered more than 1 determination that there was
3 evidence of child abuse or child neglect.

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

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

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

11 (d) Statistical information regarding category III open/close
12 policy including the number of cases that were open/closed, the
13 number of cases that were opened for monitoring, and the 12-month
14 recidivism rate for both.

15 (e) The department policy, or changes to the department
16 policy, regarding children who have been exposed to the production
17 or manufacture of methamphetamines.

18 Sec. 515. If a child protective services caseworker requests
19 approval for another child protective services caseworker or other
20 department employee to accompany them on a home visit because the
21 caseworker believes it would be unsafe to conduct the home visit
22 alone, the department shall not deny the request.

23 Sec. 516. From funds appropriated in part 1 for child care
24 fund, the administrative or indirect cost payment equal to 10% of a
25 county's total monthly gross expenditures shall be distributed to
26 the county on a monthly basis and a county is not required to
27 submit documentation to the department for any of the expenditures
28 that are covered under the 10% payment as described in section
29 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL



1 400.117a.

2 Sec. 517. The department shall retain the same title IV-E
3 appeals policy in place as of the fiscal year ending September 30,
4 2017.

5 Sec. 518. Supervisors must make an initial read of a
6 caseworker's report on a child abuse or child neglect investigation
7 and note any corrections required, or approve the report, within 5
8 business days after the report is submitted by the caseworker. The
9 caseworker must resubmit a report that needs corrections within 3
10 business days after the report is returned by the supervisor.

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

15 Sec. 520. (1) The department shall submit a report to the
16 house and senate appropriations subcommittees on the department
17 budget, the house and senate fiscal agencies, the house and senate
18 policy offices, and the state budget office by February 15 of the
19 current fiscal year on the number of days of care and expenditures
20 by funding source for the previous fiscal year for out-of-home
21 placements by specific placement programs for child abuse or child
22 neglect and juvenile justice, including, but not limited to, paid
23 relative placement, department direct family foster care, private
24 agency supervised foster care, private child caring institutions,
25 county-supervised facilities, court-supervised facilities, and
26 independent living. The report shall also include the number of
27 days of care for department-operated residential juvenile justice
28 facilities by security classification.

29 (2) For the purposes of the report in subsection (1), living



1 arrangements include, but are not limited to, paid relative
2 placement, department direct family foster care, private agency
3 supervised foster care, private child caring institutions, county-
4 supervised facilities, court-supervised facilities, and independent
5 living.

6 Sec. 521. (1) From the funds appropriated in part 1 for child
7 care fund - indirect cost allotment, the department shall allocate
8 \$3,500,000.00 to counties and tribal governments that receive
9 reimbursements in part 1 from child care fund.

10 (2) The amount described in subsection (1) shall be
11 distributed to each county or tribal government in the same
12 proportion as indirect cost allotments are provided to counties in
13 the manner described in section 117a of the social welfare act,
14 1939 PA 280, MCL 400.117a.

15 Sec. 522. (1) From the funds appropriated in part 1 for youth
16 in transition, the department shall allocate \$750,000.00 for
17 scholarships through the fostering futures scholarship program in
18 the Michigan education trust to youths who were in foster care
19 because of child abuse or child neglect and are attending a college
20 or a career technical educational institution located in this
21 state. Of the funds appropriated, 100% shall be used to fund
22 scholarships for the youths described in this section.

23 (2) On a semiannual basis, the department shall provide a
24 report to the senate and house appropriations subcommittees on the
25 department budget, the senate and house fiscal agencies, the senate
26 and house policy offices, and the state budget office that includes
27 the number of youths who received scholarships under this section
28 and the amount of each scholarship, and the total amount of funds
29 spent or encumbered in the current fiscal year.



1 Sec. 523. (1) By February 15 of the current fiscal year, the
2 department shall submit to the senate and house appropriations
3 subcommittees on the department budget, the senate and house fiscal
4 agencies, the senate and house policy offices, and the state budget
5 office a report on the families first, family reunification, and
6 families together building solutions family preservation programs.
7 The report shall provide population and outcome data based on
8 contractually required follow-up evaluations for families who
9 received family preservation services and shall include information
10 for each program on any innovations that may increase child safety
11 and risk reduction.

12 (2) From the funds appropriated in part 1 for runaway and
13 homeless youth grants and domestic violence prevention and
14 treatment, the department is authorized to make allocations of TANF
15 revenue only to agencies that report necessary data to the
16 department for the purpose of meeting TANF eligibility reporting
17 requirements.

18 (3) By October 1 of the current fiscal year, from the funds
19 appropriated in part 1 for family preservation services, the
20 department shall retain the rates established by the increase
21 provided in 2020 PA 166.

22 Sec. 524. As a condition of receiving funds appropriated in
23 part 1 for strong families/safe children, counties must submit the
24 service spending plan to the department by October 1 of the current
25 fiscal year for approval. The department shall approve the service
26 spending plan within 30 calendar days after receipt of a properly
27 completed service spending plan.

28 Sec. 525. The department shall implement the same on-site
29 evaluation processes for privately operated child welfare and



1 juvenile justice residential facilities as is used to evaluate
2 state-operated facilities. Penalties for noncompliance shall be the
3 same for privately operated child welfare and juvenile justice
4 residential facilities and state-operated facilities.

5 Sec. 526. From the funds appropriated in part 1 for court-
6 appointed special advocates, the department shall allocate
7 \$500,000.00 to fund a project with a nonprofit, community-based
8 organization organized under the laws of this state that are exempt
9 from federal income tax under section 501(c)(3) of the internal
10 revenue code of 1986, 26 USC 501, located in a charter township
11 with a population of between 16,000 and 17,000 according to the
12 most recent federal decennial census that is located in a county
13 with a population of between 600,000 and 605,000 according to the
14 most recent federal decennial census. The nonprofit organization
15 recipient shall have an existing network of affiliate programs
16 operating in at least 25 counties in this state. The nonprofit
17 organization shall use the funds to recruit, screen, train, and
18 supervise volunteers who provide advocacy services on behalf of
19 abused and neglected children.

20 Sec. 527. With the approval of the settlement monitor, for the
21 purposes of calculating adoption worker caseloads for private child
22 placing agencies, the department shall exclude the following case
23 types:

24 (a) Cases in which there are multiple applicants as that term
25 is defined in section 22(e) of chapter X of the probate code of
26 1939, 1939 PA 288, MCL 710.22, also known as a competing party
27 case, in which the case has a consent motion pending from
28 Michigan's children's institute or the court for more than 30 days.

29 (b) Cases in which a birth parent has an order or motion for a



1 rehearing or an appeal as of right that has been pending for more
2 than 15 days.

3 Sec. 528. From the funds appropriated in part 1 for adoption
4 support services, the department shall allocate \$10,000,000.00 to
5 fund marketing programs that promote the adoption of infants and to
6 develop factual educational information materials on adoption as an
7 alternative to abortion including the ability of the birth mother
8 to establish a pre-birth plan. The department shall issue a request
9 for proposal for a contract for the development of marketing
10 programs and information materials. The department shall notify the
11 senate and house appropriations subcommittees on the department
12 budget, the senate and house fiscal agencies, and the senate and
13 house policy offices on vendors submitting bids for the contract,
14 vendors receiving the contract, the evaluation process, and
15 criteria used by the department to award the contract for marketing
16 programs.

17 Sec. 530. (1) All master contracts relating to foster care and
18 adoption services as funded by the appropriations in section 105 of
19 part 1 shall be performance-based contracts that employ a client-
20 centered results-oriented process that is based on measurable
21 performance indicators and desired outcomes and includes the annual
22 assessment of the quality of services provided.

23 (2) By February 1 of the current fiscal year, the department
24 shall provide the senate and house appropriations subcommittees on
25 the department budget, the senate and house fiscal agencies and
26 policy offices, and the state budget office a report detailing
27 measurable performance indicators, desired outcomes, and an
28 assessment of the quality of services provided by the department
29 during the previous fiscal year.



1 Sec. 531. The department shall notify the house and senate
2 appropriations subcommittees on the department budget, the house
3 and senate fiscal agencies, and the house and senate policy offices
4 of any changes to a child welfare master contract template,
5 including the adoption master contract template, the independent
6 living plus master contract template, the child placing agency
7 foster care master contract template, and the residential foster
8 care juvenile justice master contract template, not less than 30
9 days before the change takes effect.

10 Sec. 533. The department shall make payments to child placing
11 facilities for in-home and out-of-home care services and adoption
12 services within 30 days after receiving all necessary documentation
13 from those agencies. It is the intent of the legislature that the
14 burden of ensuring that these payments are made in a timely manner
15 and no payments are in arrears is upon the department.

16 Sec. 534. The department shall submit to the senate and house
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, the senate and house policy offices, and
19 the state budget office by March 1 of the current fiscal year a
20 report on the adoption subsidies expenditures from the previous
21 fiscal year. The report shall include, but is not limited to, the
22 range of annual adoption support subsidy amounts, for both title
23 IV-E eligible cases and state-funded cases, paid to adoptive
24 families, the number of title IV-E and state-funded cases, the
25 number of cases in which the adoption support subsidy request of
26 adoptive parents for assistance was denied by the department, and
27 the number of adoptive parents who requested a redetermination of
28 adoption support subsidy.

29 Sec. 535. By December 1 of the current fiscal year, the



1 department shall create a process in which unlicensed relatives are
2 reviewed and approved as meeting the standards established for
3 state licensing for foster care. For any placements approved as
4 meeting the standards established for state licensing for foster
5 care, the department shall seek title IV-E claims for foster care
6 maintenance payments and foster care administrative payments.

7 Sec. 536. By March 1 of the current fiscal year, the
8 department shall submit to the senate and house appropriations
9 subcommittees on the department budget, the senate and house fiscal
10 agencies, and the policy offices a report on the status of the
11 department's planned and achieved implementation of the federal
12 family first prevention services act, Public Law 115-123. The
13 report shall include, but not be limited to, an estimate of the 5-
14 year spending plan for administrative and compliance costs, a
15 summary of all historical expenditures made to date for
16 implementation by line-item appropriation and program type,
17 information regarding compliance with title IV-E prevention
18 requirements, the status of statewide compliance with the qualified
19 residential treatment program requirements, a summary of provider
20 concerns with respect to requirements under the qualified
21 residential treatment program as that term is defined in section 1
22 of 1973 PA 116, MCL 722.111, a detailed methodology in determining
23 any savings realized or estimated from a reduction in congregate
24 care or residential placements, the department's conformity with
25 federal model licensing standards, the department's plan for
26 tracking and preventing child maltreatment deaths, and the
27 department's plan for extending John H. Chafee foster care
28 independence programs up to age 23.

29 Sec. 537. By March 1 of the current fiscal year, the



1 department shall submit to the senate and house appropriations
2 subcommittees on the department budget, the senate and house fiscal
3 agencies, and the senate and house policy offices a report on the
4 number of unlicensed relative placements not approved as meeting
5 the standards established for state licensing for foster care. The
6 report shall also include the status of title IV-E claims for
7 foster care maintenance payments and foster care administrative
8 payments for unlicensed relative placements that have been approved
9 for state licensing.

10 Sec. 538. By October 1 of the current fiscal year, the
11 department shall submit to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies, and the policy offices a report on the status of the
14 department's program improvement plan associated with round 3 of
15 the child and family services review (CFSR). The report shall also
16 include, but not be limited to, a specific and detailed plan to
17 provide an update on areas of substantial nonconformity identified
18 in the CFRS such as the inadequacy of caseworker training provided
19 by the department, the estimated costs necessary to reduce travel
20 time for service delivery to rural areas, plans to improve
21 caseworker engagement to reduce maltreatment in care, and steps
22 undertaken by the department to emphasize permanency in case
23 planning. Additionally, the department shall include the status for
24 items currently being implemented and the description and cost
25 estimate for the implementation for items that will be implemented
26 in the current fiscal year.

27 Sec. 540. If a physician or psychiatrist who is providing
28 services to state or court wards placed in a residential facility
29 submits a formal request to the department to change the



1 psychotropic medication of a ward, the department shall, if the
2 ward is a state ward, make a determination on the proposed change
3 within 7 business days after the request or, if the ward is a
4 temporary court ward, seek parental consent within 7 business days
5 after the request. If parental consent is not provided within 7
6 business days, the department shall petition the court on the
7 eighth business day.

8 Sec. 541. It is the intent of the legislature that the
9 department shall explore the implementation of a program to help
10 foster care caseworkers achieve forgiveness for their student loan
11 debt. By July 1 of the current fiscal year, the department shall
12 submit to the house and senate appropriations subcommittees on the
13 department budget, the house and senate fiscal agencies, and the
14 house and senate policy offices a report on the department's
15 findings.

16 Sec. 542. The department shall develop and implement
17 strategies to prioritize the use of the input from court-appointed
18 special advocates and foster care parents throughout case
19 management and any legal proceedings for abused and neglected
20 children in foster care.

21 Sec. 543. The department shall develop a clear policy that
22 caseworkers ensure that children who are victims of child abuse or
23 child neglect have the ability either in the courtroom or in the
24 judge's chambers to speak directly to, or be interviewed by, the
25 judge or magistrate who is overseeing their case, in order to give
26 children the opportunity to provide input into the legal
27 proceedings.

28 Sec. 544. The department shall require all foster care
29 parents, caseworkers, and guardians ad litem to receive trauma-



1 informed training.

2 Sec. 545. From the funds appropriated in part 1 for the child
3 welfare institute, the department shall develop a program to offer
4 trauma support directly to all child welfare caseworkers to help
5 deal with the effects of secondary trauma.

6 Sec. 546. (1) From the funds appropriated in part 1 for foster
7 care payments and from child care fund, the department shall pay
8 providers of general foster care, independent living, and trial
9 reunification services not less than a \$55.20 administrative rate,
10 that would include a 19.5% rate increase over the rate in place on
11 April 1, 2021. It is the intent of the legislature that the
12 administrative rate increase provided in the current fiscal year
13 would, in part, help provide funding to increase the compensation
14 of foster care caseworkers employed by the agencies.

15 (2) From the funds appropriated in part 1, the department
16 shall pay providers of independent living plus services statewide
17 per diem rates for staff-supported housing and host-home housing
18 based on proposals submitted in response to a solicitation for
19 pricing. The independent living plus program provides staff-
20 supported housing and services for foster youth ages 16 through 19
21 who, because of their individual needs and assessments, are not
22 initially appropriate for general independent living foster care.
23 By October 1 of the current fiscal year, the department shall
24 increase rates paid to independent living plus service providers by
25 12% for all independent living plus rate categories.

26 (3) If required by the federal government to meet title IV-E
27 requirements, providers of foster care services shall submit
28 quarterly reports on expenditures to the department to identify
29 actual costs of providing foster care services.



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

5 (2) The department shall report quarterly to the state budget
6 office, the senate and house appropriations subcommittees on the
7 department budget, the senate and house fiscal agencies, and the
8 senate and house policy offices on the number of children enrolled
9 in the guardianship assistance and foster care - children with
10 serious emotional disturbance waiver programs.

11 Sec. 550. (1) The department shall not offset against
12 reimbursement payments to counties or seek reimbursement from
13 counties for charges that were received by the department more than
14 12 months before the department seeks to offset against
15 reimbursement. A county shall not request reimbursement for and
16 reimbursement payments shall not be paid for a charge that is more
17 than 12 months after the date of service or original status
18 determination when initially submitted by the county.

19 (2) All service providers shall submit a request for payment
20 within 12 months after the date of service. Any request for payment
21 submitted 12 months or more after the date of service requires the
22 provider to submit an exception request to the county or the
23 department for approval or denial.

24 (3) The county is not subject to any offset, chargeback, or
25 reimbursement liability for prior expenditures resulting from an
26 error in foster care fund source determinations.

27 Sec. 551. The department shall respond to counties within 30
28 days regarding any request for a clarification requested through
29 the department's child care fund management unit email address.



1 Sec. 552. Sixty days after a county's child care fund on-site
2 review is completed, including the receipt of all requested
3 documentation from the county, the department shall provide the
4 results of the review to the county. The department shall not
5 evaluate the relevancy, quality, effectiveness, efficiency, or
6 impact of the services provided to youth of the county's child care
7 fund programs in the review. Pursuant to state law, the department
8 shall not release the results of the review to a third-party
9 without the permission of the county being reviewed.

10 Sec. 553. A child protective services caseworker shall not be
11 allowed to place an individual on the child abuse registry without
12 prior court approval.

13 Sec. 554. From the funds appropriated in part 1 for foster
14 care payments, the department shall allocate \$50,000.00 to a
15 nonprofit organization organized under the laws of this state that
16 is exempt from federal income tax under section 501(c)(3) of the
17 internal revenue code of 1986, 26 USC 501, that currently has
18 locations in 3 cities and operates on a 100% volunteer basis with a
19 board of directors consisting of up to 15 members, and are a
20 dedicated community of individuals that give their time, talent,
21 and resources to provide the best quality shopping environment they
22 can to local children in need and provide clothing, shoes, toys,
23 linens, nursery furniture, strollers, car seats, school supplies,
24 hygiene products, and safety equipment to local foster children and
25 their families free of charge.

26 Sec. 555. The department shall require that foster care
27 parents caring for a foster child for whom a petition of adoption
28 has been filed with the court shall continue to receive the
29 regularly scheduled maintenance payments until the child is no



1 longer in their care.

2 Sec. 556. From the funds appropriated in part 1 for child
3 welfare licensing, the department shall work to develop and
4 implement a simpler and more streamlined process for the annual
5 renewal of the license for family foster care homes, and shall
6 explore the development of a simpler and more efficient version of
7 the application form for renewal of the license for family foster
8 care homes. By July 1 of the current fiscal year, the department
9 shall submit to the house and senate appropriations subcommittees
10 on the department budget, the house and senate fiscal agencies, and
11 the house and senate policy offices a report on the department's
12 efforts and recommendations.

13 Sec. 557. If a vehicle that is owned by the state is available
14 and not scheduled for use by other state workers, the department
15 may consider it an allowable use of the vehicle for a child
16 protective services caseworker or a foster care caseworker to drive
17 it to foster home visits or to drive it to their own home if it
18 would be helpful to the worker in conducting their work.

19 Sec. 558. From the funds appropriated in part 1 for child
20 welfare institute, by January 1 of the current fiscal year, the
21 department shall provide all the necessary training and materials
22 to designated private child placing agency staff in order for all
23 pre-service training requirements specified by the settlement to be
24 completed by private child placing agency staff at agency
25 facilities. It shall be department policy that the designated
26 private child placing agency staff trained by the department to
27 deliver training are authorized to deliver pre-service training to
28 any private child placing agency staff, regardless of agency. This
29 section does not modify or amend current licensing, certification,



1 or subject matter standards required by federal law, state law, or
2 the settlement.

3 Sec. 559. (1) From the funds appropriated in part 1 for
4 adoption support services, the department shall allocate
5 \$250,000.00 to the Adoptive Family Support Network by December 1 of
6 the current fiscal year to operate and expand its adoptive parent
7 mentor program to provide a listening ear, knowledgeable guidance,
8 and community connections to adoptive parents and children who were
9 adopted in this state or another state.

10 (2) The Adoptive Family Support Network shall submit to the
11 senate and house appropriations subcommittees on the department
12 budget, the senate and house fiscal agencies, the senate and house
13 policy offices, and the state budget office by March 1 of the
14 current fiscal year a report on the program described in subsection
15 (1), including, but not limited to, the number of cases served and
16 the number of cases in which the program prevented an out-of-home
17 placement.

18 Sec. 562. The department shall provide time and travel
19 reimbursements for foster parents who transport a foster child to
20 parent-child visitations. As part of the foster care parent
21 contract, the department shall provide written confirmation to
22 foster parents that states that the foster parents have the right
23 to request these reimbursements for all parent-child visitations.
24 The department shall provide these reimbursements within 60 days
25 after receiving a request for eligible reimbursements from a foster
26 parent.

27 Sec. 564. (1) The department shall maintain a clear policy for
28 parent-child visitations. The local county offices, caseworkers,
29 and supervisors shall meet an 85% success rate, after accounting



1 for factors outside of the caseworkers' control.

2 (2) Per the court-ordered number of required meetings between
3 caseworkers and a parent, the caseworkers shall achieve a success
4 rate of 85%, after accounting for factors outside of the
5 caseworkers' control.

6 (3) By March 1 of the current fiscal year, the department
7 shall provide to the senate and house appropriations subcommittees
8 on the department budget, the senate and house fiscal agencies, the
9 senate and house policy offices, and the state budget office a
10 report on the following:

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

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

16 Sec. 567. The department shall submit to the senate and house
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, the senate and house policy offices, and
19 the state budget office by March 1 of the current fiscal year a
20 report on transfer of medical passports for children in foster
21 care, including the following:

22 (a) From the total medical passports transferred, the
23 percentage that transferred within 2 weeks after the date of
24 placement or return to the home.

25 (b) From the total school records, the percentage that
26 transferred within 2 weeks after the date of placement or return to
27 the home.

28 (c) The implementation steps that have been taken to improve
29 the outcomes for the measures in subdivision (a).



1 Sec. 569. The department shall reimburse private child placing
2 agencies that complete adoptions at the rate according to the date
3 on which the petition for adoption and required support
4 documentation was accepted by the court and not according to the
5 date the court's order placing for adoption was entered.

6 Sec. 573. (1) From the funds appropriated in part 1 for foster
7 care payments and child care fund, the department shall, if funds
8 become available, pay providers of foster care services a per diem
9 daily administrative rate for every case on a caseworker's caseload
10 for the duration of a case from referral acceptance to the
11 discharge of wardship.

12 (2) The department shall complete an actuarial study to review
13 case rates paid to private child placing agencies every even-
14 numbered year.

15 (3) The department shall submit a request to the settlement
16 monitor to define caseload ratios in the settlement to only include
17 active cases or to designate a zero case weight for cases that are
18 routed for case closure but remain open to complete administrative
19 activities.

20 Sec. 574. (1) From the funds appropriated for foster care
21 payments, \$400,000.00 is allocated to support family incentive
22 grants to private and community-based foster care service providers
23 to assist with home improvements or payment for physical exams for
24 applicants needed by foster families and unlicensed relatives
25 caring for a family member through the child welfare system to
26 accommodate children in foster care.

27 (2) By March 1 of the current fiscal year, the department
28 shall submit to the house and senate appropriations subcommittees
29 on the department budget, the house and senate fiscal agencies, the



1 house and senate policy offices, and the state budget office a
2 report on the total amount expended in the previous year for grants
3 to private and community-based foster care service providers for
4 home improvements or physical exams as referenced in subsection (1)
5 and the number of grants issued.

6 Sec. 575. From the funds appropriated in part 1 for children's
7 services administration, the department shall allocate \$200,000.00
8 to provide support and coordinated services to the kinship
9 caregiver advisory council created in section 576.

10 Sec. 576. (1) The kinship caregiver advisory council is
11 created within the department.

12 (2) The department shall provide support and coordinated
13 services to the council sufficient to carry out the council's
14 duties, powers, and responsibilities.

15 (3) The council shall be composed of all of the following
16 members:

17 (a) The director of the department's children services agency
18 or his or her designee.

19 (b) The director of the department's aging and adult services
20 agency, or his or her designee.

21 (c) The superintendent of public instruction, or his or her
22 designee.

23 (d) The state court administrator, or his or her designee.

24 (e) Nineteen public members appointed by the governor with the
25 advice and consent of the senate as follows:

26 (i) Three members who are kinship caregivers, 1 who represents
27 kinship caregivers over 60 years old, 1 who represents kinship
28 caregivers in the formal child welfare system, and 1 who represents
29 kinship caregivers who had children informally placed with them.



1 (ii) One member who is an adult who was raised by a kinship
2 caregiver.

3 (iii) Two members who represent nonprofit child advocacy
4 organizations.

5 (iv) Four members who represent private agencies that contract
6 with the state to provide child welfare services, with at least 1
7 member who represents agencies that make foster care placements, 1
8 member who represents agencies that provide postadoption or
9 postguardianship services, 1 member who represents agencies that
10 provide adoption services, and 1 member who represents agencies
11 that provide prevention and family preservation services.

12 (v) Two members who represent mental health professionals with
13 1 member who has expertise in dealing with adverse childhood
14 experiences and 1 member who has expertise in substance use
15 disorder. One member appointed under this subparagraph must be a
16 licensed psychologist or psychiatrist and the other member must be
17 a licensed master's social worker.

18 (vi) Two members who are licensed attorneys.

19 (vii) One member who represents local area agencies on aging.

20 (viii) One member who represents all the federally recognized
21 tribes in this state.

22 (ix) One member who represents an agency that provides kinship
23 navigation services.

24 (x) One member who is a parent who previously had a child in a
25 kinship care arrangement but has since been reunited with that
26 child.

27 (xi) One member who has demonstrated expertise in domestic
28 violence victim services and advocacy.

29 (4) The members first appointed to the council must be



1 appointed within 90 days after the effective date of this act.
2 Public members of the council shall serve for terms of 3 years or
3 until a successor is appointed, whichever is later, except that of
4 the public members first appointed, 6 shall serve for 1 year, 6
5 shall serve for 2 years, and 5 shall serve for 3 years. If a
6 vacancy occurs on the council, the governor shall make an
7 appointment for the unexpired term in the same manner as the
8 original appointment.

9 (5) The governor shall designate a chairperson of the council.
10 The chairperson shall serve in that position at the pleasure of the
11 governor. The council may elect other officers and establish
12 committees as it considers appropriate.

13 (6) To the extent practicable, the council must be composed of
14 geographic, ethnic, age, and gender diversity and represent the
15 demographic composition of this state. Every public member of the
16 council must have experience and knowledge in kinship caregiver
17 issues. Members of the council shall serve without compensation.
18 Subject to appropriation, members of the council may be reimbursed
19 for actual and necessary expenses incurred in performing their
20 duties as members of the council.

21 (7) The council shall meet not less than 4 times per year and
22 shall hold at least 2 public meetings across the state to address
23 local issues regarding kinship caregiving and to provide a process
24 that incorporates the public in the development of the council's
25 recommendations.

26 (8) The council shall conduct its business at a public meeting
27 held in compliance with the open meetings act, 1976 PA 267, MCL
28 15.261 to 15.275. Public notice of the time, date, and place of the
29 meeting must be given in the manner required by the open meetings



1 act, 1976 PA 267, MCL 15.261 to 15.275. The council shall establish
2 its own procedures and requirements with respect to quorum, place,
3 and conduct of its meetings and other matters. A writing prepared,
4 owned, used, in the possession of, or retained by the council in
5 the performance of an official function is subject to the freedom
6 of information act, 1976 PA 442, MCL 15.231 to 15.246.

7 (9) The council may remove a member for misfeasance,
8 malfeasance, or nonfeasance in office, after notice and a hearing.
9 Missing 3 or more consecutive meetings is considered malfeasance.

10 (10) The council may do all of the following:

11 (a) Establish a public awareness campaign to educate the
12 public about kinship caregivers and the state's efforts to better
13 serve kinship caregivers.

14 (b) Consult and coordinate with the kinship caregiver
15 navigator program to collect aggregate data on individuals being
16 served by the kinship caregiver navigator program, including
17 information on what services these individuals need.

18 (c) Consult and collaborate with the provider of the kinship
19 caregiver navigator program on the design and administration of
20 that program.

21 (d) Establish, maintain, and update a list of local support
22 groups and programs that provide services to kinship families.
23 Devise a plan of action for engaging with the groups and programs
24 on the list in order to obtain a better understanding of the issues
25 facing kinship families.

26 (e) Develop methods to promote and improve collaboration
27 between state, county, and local governments and agencies, and
28 private stakeholders to obtain a broad understanding of the
29 characteristics and prevalence of kinship caregiving, to improve



1 service delivery, and to include these in the council's
2 recommendations under subsection (14).

3 (11) For the purposes of carrying out its duties under this
4 section, the council may do both of the following:

5 (a) Accept federal money granted for the purposes of this act
6 as well as gifts, grants, bequests, or donations from individuals,
7 private organizations, or foundations. Accepting or using federal
8 money does not commit state money and does not place an obligation
9 on the legislature to continue the purposes for which the federal
10 money is made available.

11 (b) Plan, manage, or conduct a campaign to solicit gifts,
12 bequests, grants, or donations of money or property, or pledges of
13 gifts, bequests, grants, or donations.

14 (12) Money received in the manner described in subsection (11)
15 shall be transmitted to the state treasurer for deposit in the
16 general fund and made available only to the council for carrying
17 out its duties under this section.

18 (13) Subject to receiving funds through grants from nonprofit
19 entities or other third parties or appropriations from the
20 legislature, the council shall conduct an assessment on kinship
21 caregivers and children being raised by kinship caregivers. The
22 council may contract with a third party to conduct the assessment
23 required under this subsection. The assessment required under this
24 subsection must be submitted to the council not more than 12 months
25 after the date of the council's first meeting and must do all of
26 the following:

27 (a) Address the prevalence, challenges, and needs of kinship
28 families.

29 (b) Identify and evaluate current state and federal policies,



1 programs, and services for kinship caregivers in this state and
2 other states.

3 (c) Investigate the benefits of creating a program dedicated
4 to providing support and assistance to kinship families utilizing
5 child placing agencies or similar agencies.

6 (d) Provide policy options for supporting and empowering
7 kinship caregivers.

8 (14) By no later than 18 months after the date of the
9 council's first meeting, subject to receiving funds in the manner
10 described in subsection (13), the council shall provide an initial
11 report to the legislature, the governor, the department, the foster
12 care review board program, the children's trust fund, and the
13 governor's task force on child abuse and neglect that includes all
14 of the following:

15 (a) The findings of the assessment under subsection (13).

16 (b) Items not listed in the assessment, such as barriers that
17 block access to services for kinship families, best practices, or
18 other challenges identified that kinship caregivers and kinship
19 families encounter.

20 (c) Concerns or public comments from kinship caregivers.

21 (d) Identification of applicable policy areas, including
22 federal and state guidelines, related to kinship caregivers and
23 kinship families.

24 (e) Recommendations on how to improve services, systems,
25 programs, state law, executive policy, and administrative rules to
26 become more responsive to kinship caregivers.

27 (15) The council shall provide a follow-up report each year to
28 the legislature, the governor, the department, the foster care
29 review board program, the children's trust fund, and the governor's



1 task force on child abuse and neglect. The annual follow-up report
2 must include all of the following:

3 (a) A summary of previous report recommendations, including
4 action taken to implement the recommendations.

5 (b) An update on the status and characteristics of kinship
6 families.

7 (c) An update on the public awareness campaign and the kinship
8 caregiver navigator program.

9 (d) A description of ongoing projects regarding local support
10 groups.

11 (e) New recommendations.

12 (16) The department shall promulgate rules to implement this
13 section according to the administrative procedures act of 1969,
14 1969 PA 306, MCL 24.201 to 24.328.

15 Sec. 577. (1) The department shall establish and maintain the
16 kinship caregiver navigator program. Before establishing the
17 navigator program, the department must submit to the United States
18 Department of Health and Human Services Administration on Children,
19 Youth and Families an attachment to the state title IV-E plan. The
20 attachment must include, at a minimum, all of the following:

21 (a) The kinship navigator model the department will use to
22 create the program. The department must provide an assurance that
23 this model meets the requirements of federal law.

24 (b) The date the navigator program began or will begin.

25 (c) Information describing the navigator program target
26 population and service area.

27 (d) Information on how the department will implement the
28 navigator program.

29 (2) The department shall enter into a contract with a third



1 party to provide navigator services to kinship caregivers.

2 (3) In addition to providing navigator services, the navigator
3 services provider shall establish a website regarding local support
4 groups, resources, and services for kinship caregivers. The website
5 must provide, at a minimum, all of the following:

6 (a) Information on outreach, education, and training.

7 (b) Information on financial assistance and legal services,
8 including, but not limited to, pro bono and low bono legal aid
9 providers.

10 (c) Forms needed to file a petition in court, and guides to
11 kinship care legal issues.

12 (d) Information on health care, mental health, and substance
13 use disorder services.

14 (e) Information on child and respite care, support groups,
15 parenting tips, and resources for caring for children with special
16 needs.

17 (f) Any other information the provider considers necessary.

18 (4) The navigator services provider shall establish and
19 maintain a single statewide toll-free telephone number for kinship
20 caregivers to call for information or services.

21 (5) The navigator services provider shall do all of the
22 following:

23 (a) Consult with the kinship caregiver advisory council
24 established in section 576 on the design and continuation of the
25 navigator program.

26 (b) Consult with the kinship caregiver advisory council
27 established in section 576 on developing outreach and educational
28 material to provide to kinship families.

29 (c) Promote partnerships between public and private agencies



1 to increase knowledge of the needs of kinship families and to
2 increase responsiveness to those needs, including working with
3 other navigation systems for foster care and adoption, as well as
4 for general information and referral systems.

5 (d) Develop training material for navigators that is based on
6 industry best practices.

7 (e) Share aggregate data with the kinship caregiver advisory
8 council established in section 576 regarding who is being served
9 under the kinship caregiver navigator program and what services are
10 being provided. The provider shall not share information on
11 individual identification under this subdivision.

12 (6) The kinship caregiver navigator program shall do all of
13 the following:

14 (a) Assist kinship caregivers in learning about, finding, and
15 using programs and services to meet the needs of the children they
16 are raising.

17 (b) Work with state, local, and nonprofit agencies that
18 promote service coordination or provide information and referral
19 services.

20 (c) Establish information and referral systems that link, by
21 toll-free access, kinship caregivers, kinship support group
22 facilitators, and kinship caregiver service providers to each
23 other. These information and referral systems shall include, but
24 are not limited to, the following:

25 (i) Eligibility and enrollment information.

26 (ii) Relevant training to assist kinship caregivers in
27 caregiving.

28 (iii) Connections to legal aid and assistance providers.

29 (d) Comply with all federal regulations and statutes,



1 including the provisions of 42 USC 627 and 671, to qualify for
2 reimbursement of 50% of the costs for the kinship caregiver
3 navigator program.

4 (7) The navigator services provider may do all of the
5 following:

6 (a) Identify and maintain relationships with the State Bar of
7 Michigan, law school clinics, and other nonprofit legal services
8 agencies. These relationships shall facilitate developing a county
9 or regional pro bono or low bono legal representation referral
10 program.

11 (b) Develop and maintain training materials and training
12 programs designed to educate pro bono attorneys, low bono
13 attorneys, or both, on how to provide legal advice, assistance, and
14 representation specific to kinship caregivers.

15 (c) Apply for and accept grants from other public or private
16 entities to develop legal services initiatives.

17 (8) The kinship caregiver navigator fund is created within the
18 department. The department may receive money or other assets from
19 any source for deposit into the fund. The department shall direct
20 the investment of the fund and shall credit to the fund interest
21 and earnings from fund investments. Money in the fund at the close
22 of the fiscal year remains in the fund and does not lapse to the
23 general fund. The department's children's services agency is the
24 administrator of the fund for auditing purposes. The department's
25 children's services agency shall expend money from the fund, upon
26 appropriation, only for the purpose of carrying out the provisions
27 of this section.

28 Sec. 578. The department shall explore the development and
29 implementation of a foster care worker apprenticeship program for



1 college students majoring in social work who are interested in
2 working in child welfare. The goals of the program would be to
3 expose students directly to foster care work and provide work
4 experience to aid in the recruitment of future child welfare
5 caseworkers, and to provide current caseworkers with apprentice
6 support staff. By August 1 of the current fiscal year, the
7 department shall submit to the house and senate appropriations
8 subcommittees on the department budget, the house and senate fiscal
9 agencies, and the house and senate policy offices a report on the
10 department's recommendation for an apprenticeship program. It is
11 the intent of the legislature that the department develop the
12 program so that it can be implemented in the following year and
13 that students in the apprenticeship program would receive payment
14 for their services, if funding is made available.

15 Sec. 579. The department shall require that caseworkers work
16 to ensure that children who are victims of child abuse or child
17 neglect have court redetermination hearings more frequently than
18 every 90 days when in the best interest of the child. The intent of
19 this language is to decrease the time it will take for permanency
20 to be finalized for the child.

21 Sec. 580. (1) From the funds appropriated in part 1 for
22 Children's Indigent Defense, the department shall explore
23 establishing a child indigent defense services program.

24 (2) By June 1 of the current fiscal year, the department shall
25 submit to the house and senate appropriations subcommittees on the
26 department budget, the house and senate fiscal agencies, and the
27 house and senate policy offices a report detailing the projected
28 costs of the services, the number of children anticipated to need
29 services by county, any local investment in child legal services by



1 county, and the legal services needs of children currently in the
2 foster care system or children at risk of entering the foster care
3 system.

4 Sec. 581. From the funds appropriated in part 1 for foster
5 care payments, the department shall allocate \$50,000.00 to provide
6 \$10.00 gift cards for caseworkers to distribute when considered
7 appropriate by the caseworker to provide meals or other urgent
8 needs for children upon removal from their home or other dangerous
9 environment, including children who are victims of human
10 trafficking. The department shall track the distribution of the
11 gift cards and by June 1 of the current fiscal year shall submit to
12 the house and senate appropriations subcommittees on the department
13 budget, the house and senate fiscal agencies, and the house and
14 senate policy offices a report on the number of gift cards
15 distributed and the number of children receiving the gift cards.

16 Sec. 583. By March 1 of the current fiscal year, the
17 department shall provide to the senate and house appropriations
18 subcommittees on the department budget, the senate and house
19 standing committees on families and human services, the senate and
20 house fiscal agencies and policy offices, and the state budget
21 office a report that includes all of the following:

22 (a) The number and percentage of foster parents that dropped
23 out of the program in the previous fiscal year, the reasons the
24 foster parents left the program, and how those figures compare to
25 prior fiscal years.

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

29 Sec. 585. The department shall make available at least 1 pre-



1 service training class each month in which new caseworkers for
2 private foster care and adoption agencies can enroll.

3 Sec. 586. By March 1 of the current fiscal year, the
4 department shall submit to the house and senate appropriations
5 subcommittees on the department budget, the house and senate fiscal
6 agencies, and the house and senate policy offices a comprehensive
7 list of the course titles of all of the courses offered to foster
8 care parents through the department.

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

16 (2) By October 1 of the current fiscal year, the department
17 shall submit to the senate and house appropriations subcommittees
18 on the department budget, the senate and house fiscal agencies, and
19 the policy offices a detailed plan that will terminate and dismiss
20 with prejudice the settlement by September 30 of the current fiscal
21 year.

22 Sec. 589. (1) From the funds appropriated in part 1 for child
23 care fund, the department shall pay 100% of the administrative rate
24 for all new cases referred to providers of foster care services.

25 (2) On a quarterly basis, the department shall report on the
26 monthly number of all foster care cases administered by the
27 department and all foster care cases administered by private
28 providers.

29 Sec. 592. The department shall submit quarterly reports to the



1 chairs of the house and senate standing oversight committees, the
2 house and senate appropriations subcommittees on the department
3 budget, the house and senate fiscal agencies, the house and senate
4 policy offices, and the state budget office that include data from
5 children's protective services staff for each of the following for
6 the most recent 30-day period before the report is submitted:

7 (a) The percent of investigations commenced within 24 hours
8 after receiving a report.

9 (b) The percent of central registry reviews performed for
10 required individuals.

11 (c) The percent of face-to-face contacts made within the
12 established timeframe required by the department.

13 (d) In appropriate cases, the percent of sibling placement
14 evaluations completed when 1 or more children remain in the home
15 after a child has been removed.

16 (e) The percent of supervisory reviews performed in a timely
17 manner.

18 (f) The results of a department survey of child protective
19 services investigators on the number of investigators who are
20 concerned for his or her own personal safety.

21 (g) The percent of investigators using the mobile application
22 or other tool to document compliance.

23 Sec. 593. (1) The department shall conduct an annual review in
24 each county to determine if the county has adopted and implemented
25 standard child abuse and child neglect investigation and interview
26 protocols as required in section 8(6) of the child protection law,
27 1975 PA 238, MCL 722.628.

28 (2) By March 1 of the current fiscal year, the department
29 shall submit an annual report to the chairs of the house and senate



1 standing oversight committees, the governor's task force on child
2 abuse and neglect, the house and senate appropriations
3 subcommittees on the department budget, the house and senate fiscal
4 agencies, the house and senate policy offices, and the state budget
5 office on the findings of each county's review described in
6 subsection (1).

7 Sec. 594. From the funds appropriated in part 1 for foster
8 care payments, the department shall support regional resource teams
9 to provide for the recruitment, retention, and training of foster
10 and adoptive parents and shall expand the Michigan youth
11 opportunities initiative to all Michigan counties. The purpose of
12 this funding is to increase the number of annual inquiries from
13 prospective foster parents, increase the number of nonrelative
14 foster homes that achieve licensure each year, increase the annual
15 retention rate of nonrelative foster homes, reduce the number of
16 older foster youth placed outside of family settings, and provide
17 older youth with enhanced support in transitioning to adulthood.

18 Sec. 595. (1) Due to the exigent circumstances found in the
19 department's children's protective services (CPS) program by the
20 office of the auditor general (OAG) audit number 431-1285-16, from
21 the funds appropriated in part 1, the department shall expend the
22 funding for children's protective services - caseload staff in
23 order to dedicate resources to CPS investigations. The department
24 shall hire staff from the funds appropriated in part 1 for
25 children's protective services - caseload staff for the department
26 to come into compliance and sustain measured corrective action as
27 determined by the OAG for OAG audit number 431-1285-16.

28 (2) From the funds appropriated in part 1 for foster care
29 services - caseload staff, the department shall not expend any



1 funds on hiring foster care workers or licensing workers and shall
2 not assume any direct supervisory responsibility of foster care
3 cases unless 1 of the following conditions is met:

4 (a) An initial review of the case indicated that the case is
5 not eligible for title IV-E reimbursement.

6 (b) The department is already providing direct foster care
7 service to 1 or more siblings of the child ordered into a
8 placement, and a department direct service provision can provide
9 placement to the entire sibling group.

10 (c) The court has ordered placement for only some of the
11 children in the family, requiring the department to monitor the
12 children remaining at home.

13 (3) From the funds appropriated in part 1 for foster care
14 payments, all new foster care cases coming into care shall be
15 placed with a private child placing agency supervision unless any
16 of the conditions in subsection (1) are met or until the statewide
17 ratio of foster care cases is 55% for private child placing agency
18 supervision to 45% department case management supervision
19 respectively.

20 (4) This section does not require an individual county to meet
21 the case ratio described in subsection (3).

22 (5) This section does not modify or amend caseload ratios
23 required under the settlement.

24 Sec. 598. Partial child care fund reimbursements to counties
25 for undisputed charges shall be made within 45 business days after
26 the receipt of the required forms and documentation. The department
27 shall notify a county within 15 business days after a disputed
28 reimbursement request. The department shall reimburse for corrected
29 charges within 45 business days after a properly corrected



1 submission by the county.

2

3 **PUBLIC ASSISTANCE**

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

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

15 Sec. 603. For any change in the income of a recipient of the
16 food assistance program, the family independence program, or state
17 disability assistance that results in a benefit decrease, the
18 department must notify the affected recipient of the decrease in
19 benefits amount no later than 15 work days before the first day of
20 the month in which the change takes effect.

21 Sec. 604. (1) From the funds appropriated in part 1 for state
22 disability assistance payments, the department shall operate a
23 state disability assistance program. Except as provided in
24 subsection (3), persons eligible for this program shall include
25 needy citizens of the United States or aliens exempted from the
26 supplemental security income citizenship requirement who are at
27 least 18 years of age or emancipated minors who meet 1 or more of
28 the following requirements:

29 (a) Is a recipient of supplemental security income, social



1 security, or medical assistance due to disability or 65 years of
2 age or older.

3 (b) Is an individual with a physical or mental impairment that
4 meets federal supplemental security income disability standards,
5 except that the minimum duration of the disability shall be 90
6 days. Substance use disorder alone is not defined as a basis for
7 eligibility.

8 (c) Is a resident of an adult foster care facility, a home for
9 the aged, a county infirmary, or a substance use disorder treatment
10 center.

11 (d) Is an individual receiving 30-day postresidential
12 substance use disorder treatment.

13 (e) Is an individual diagnosed as having acquired
14 immunodeficiency syndrome.

15 (f) Is an individual receiving special education services
16 through a local intermediate school district.

17 (g) Is a caretaker of a disabled individual who meets the
18 requirements specified in subdivision (a), (b), (e), or (f).

19 (2) Applicants for and recipients of the state disability
20 assistance program shall be considered needy if they do both of the
21 following:

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

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

26 (3) Except for a person described in subsection (1)(c) or (d),
27 a person is not disabled for purposes of this section if his or her
28 drug addiction or alcoholism is a contributing factor material to
29 the determination of disability. "Material to the determination of



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

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

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

23 Sec. 607. (1) The department's ability to satisfy
24 appropriation deductions in part 1 for state disability
25 assistance/supplemental security income recoveries and public
26 assistance recoupment revenues shall not be limited to recoveries
27 and accruals pertaining to state disability assistance, or family
28 independence assistance grant payments provided only in the current
29 fiscal year, but may include revenues collected during the current



1 year that are prior year related and not a part of the department's
2 accrued entries.

3 (2) The department may use supplemental security income
4 recoveries to satisfy the deduct in any line in which the revenues
5 are appropriated, regardless of the source from which the revenue
6 is recovered.

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

19 Sec. 609. The state supplementation level under the
20 supplemental security income program for the personal care/adult
21 foster care and home for the aged categories shall not be reduced
22 during the current fiscal year. The legislature shall be notified
23 not less than 30 days before any proposed reduction in the state
24 supplementation level.

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

29 (2) For purposes of determining housing affordability



1 eligibility for state emergency relief, a group is considered to
2 have sufficient income to meet ongoing housing expenses if their
3 total housing obligation does not exceed 75% of their total net
4 income.

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

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

11 (5) State emergency relief payments for rent assistance shall
12 be distributed directly to landlords and shall not be added to
13 Michigan bridge cards.

14 Sec. 611. The state supplementation level under the
15 supplemental security income program for the living independently
16 or living in the household of another categories shall not exceed
17 the minimum state supplementation level as required under federal
18 law or regulations.

19 Sec. 613. (1) The department shall provide reimbursements for
20 the final disposition of indigent persons. The reimbursements shall
21 include all of the following:

22 (a) The maximum allowable reimbursement for the final
23 disposition is \$840.00.

24 (b) The adult burial with services allowance is \$765.00.

25 (c) The adult burial without services allowance is \$530.00.

26 (d) The infant burial allowance is \$210.00.

27 (2) Reimbursement for a cremation permit fee of up to \$75.00
28 and for mileage at the standard rate will be made available for an
29 eligible cremation. The reimbursements under this section shall



1 take into consideration religious preferences that prohibit
2 cremation.

3 Sec. 614. The department shall report to the senate and house
4 of representatives appropriations subcommittees on the department
5 budget, the senate and house fiscal agencies, and the senate and
6 house policy offices by January 15 of the current fiscal year on
7 the number and percentage of state disability assistance recipients
8 who were determined to be eligible for federal supplemental
9 security income benefits in the previous fiscal year.

10 Sec. 615. Except as required by federal law or regulations,
11 funds appropriated in part 1 shall not be used to provide public
12 assistance to a person who is not a United States citizen,
13 permanent resident alien, or refugee. This section does not
14 prohibit the department from entering into contracts with food
15 banks, emergency shelter providers, or other human services
16 agencies who may, as a normal part of doing business, provide food
17 or emergency shelter.

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

22 Sec. 618. By March 1 of the current fiscal year, the
23 department shall report to the senate and house appropriations
24 subcommittees on the department budget, the senate and house fiscal
25 agencies, the senate and house policy offices, and the state budget
26 office the quarterly number of supervised individuals who have
27 absconded from supervision and whom a law enforcement agency, the
28 department of corrections, or the department is actively seeking
29 according to section 84 of the corrections code of 1953, 1953 PA



1 232, MCL 791.284.

2 Sec. 619. The department shall not deny title IV-A assistance
3 and food assistance benefits under 21 USC 862a to any individual
4 who has been convicted of a felony that included the possession,
5 use, or distribution of a controlled substance, for which the act
6 that resulted in the conviction occurred after August 22, 1996, if
7 the individual is not in violation of his or her probation or
8 parole requirements.

9 Sec. 620. (1) The department shall make a determination of
10 Medicaid eligibility not later than 90 days after application if
11 disability is an eligibility factor. For all other Medicaid
12 applicants, including patients of a nursing home, the department
13 shall make a determination of Medicaid eligibility within 45 days
14 after application.

15 (2) The department shall provide quarterly reports to the
16 senate and house appropriations subcommittees on the department
17 budget, the senate and house standing committees on families and
18 human services, the senate and house fiscal agencies, the senate
19 and house policy offices, and the state budget office on the
20 average Medicaid eligibility standard of promptness for each of the
21 required standards of promptness under subsection (1) and for
22 medical review team reviews achieved statewide and at each local
23 office.

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



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

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

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

24 Sec. 669. From the funds appropriated in part 1 for family
25 independence program, the department shall allocate \$7,230,000.00
26 for the annual clothing allowance. The allowance shall be granted
27 to all eligible children in a family independence program group.

28 Sec. 672. (1) The department's office of inspector general
29 shall report to the senate and house of representatives



1 appropriations subcommittees on the department budget, the senate
2 and house fiscal agencies, and the senate and house policy offices
3 by February 15 of the current fiscal year on department efforts to
4 reduce inappropriate use of Michigan bridge cards and food
5 assistance program trafficking. The department shall provide
6 information on the number of recipients of services who used their
7 electronic benefit transfer card inappropriately and the current
8 status of each case, the number of recipients whose benefits were
9 revoked, whether permanently or temporarily, as a result of
10 inappropriate use, and the number of retailers that were fined or
11 removed from the electronic benefit transfer program for permitting
12 inappropriate use of the cards. The report shall also include the
13 number of Michigan bridge card trafficking instances and overall
14 welfare fraud referrals that includes such information as the
15 number of investigations completed, fraud and intentional program
16 violation dollar amounts identified, the number of referrals to
17 prosecutors, the number of administrative hearing referrals and
18 waivers, and the number of program disqualifications imposed. The
19 report shall distinguish between savings and cost avoidance.
20 Savings include receivables established from instances of fraud
21 committed. Cost avoidance includes expenditures avoided due to
22 front-end eligibility investigations and other preemptive actions
23 undertaken in the prevention of fraud.

24 (2) If a fourth Michigan bridge card has been issued in a 12-
25 month period, the department shall notify the household that they
26 have reached the number of issued cards threshold. At their fifth
27 and each subsequent card replacement request, a card will not be
28 issued until the recipient has spoken directly to the local office
29 district manager or county director. The district manager or county



1 director may issue a new Michigan bridge card under their authority
2 based on their assessment of the recipient's situation and
3 explanation.

4 (3) As used in this section:

5 (a) "Food assistance trafficking" means the buying and selling
6 of food assistance benefits for cash or items not authorized under
7 the food and nutrition act, 7 USC 2036.

8 (b) "Inappropriate use" means not used to meet a family's
9 ongoing basic needs, including food, clothing, shelter, utilities,
10 household goods, personal care items, and general incidentals.

11 Sec. 677. (1) The department shall establish a state goal for
12 the percentage of family independence program cases involved in
13 employment activities. The percentage established shall not be less
14 than 50%. The goal for long-term employment shall be 15% of cases
15 for 6 months or more.

16 (2) The department shall provide semiannual reports to the
17 senate and house appropriations subcommittees on the department
18 budget, the senate and house fiscal agencies and policy offices,
19 and the state budget director on the number of cases referred to
20 Partnership. Accountability. Training. Hope. (PATH), the current
21 percentage of family independence program cases involved in PATH
22 employment activities, an estimate of the current percentage of
23 family independence program cases that meet federal work
24 participation requirements on the whole, and an estimate of the
25 current percentage of the family independence program cases that
26 meet federal work participation requirements for those cases
27 referred to PATH.

28 (3) The department shall submit to the senate and house
29 appropriations subcommittees on the department budget, the senate



1 and house fiscal agencies, the senate and house policy offices, and
2 the state budget office semiannual reports that include all of the
3 following:

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

6 (b) The average and range of wages of employed family
7 independence program recipients.

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

10 Sec. 686. (1) The department shall confirm that individuals
11 presenting personal identification issued by another state seeking
12 assistance through the family independence program, food assistance
13 program, state disability assistance program, or medical assistance
14 program are not receiving benefits from any other state.

15 (2) The department shall confirm the address provided by any
16 individual seeking family independence program benefits or state
17 disability assistance benefits.

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

22 (4) The department shall obtain an up-to-date telephone number
23 during the eligibility determination or redetermination process for
24 individuals seeking medical assistance benefits.

25 Sec. 687. (1) The department shall, in quarterly reports,
26 compile and make available on its website all of the following
27 information about the family independence program, state disability
28 assistance, the food assistance program, Medicaid, and state
29 emergency relief:



- 1 (a) The number of applications received.
 2 (b) The number of applications approved.
 3 (c) The number of applications denied.
 4 (d) The number of applications pending and neither approved
 5 nor denied.
 6 (e) The number of cases opened.
 7 (f) The number of cases closed.
 8 (g) The number of cases at the beginning of the quarter and
 9 the number of cases at the end of the quarter.

10 (2) The information provided under subsection (1) shall be
 11 compiled and made available for the state as a whole and for each
 12 county and reported separately for each program listed in
 13 subsection (1).

14 (3) The department shall, in quarterly reports, compile and
 15 make available on its website the following family independence
 16 program information:

17 (a) The number of new applicants who successfully met the
 18 requirements of the 10-day assessment period for PATH.

19 (b) The number of new applicants who did not meet the
 20 requirements of the 10-day assessment period for PATH.

21 (c) The number of cases sanctioned because of the school
 22 truancy policy.

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

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

26 (f) The number of children ages 0-5 living in family
 27 independence program-sanctioned households.

28 Sec. 688. From the funds appropriated in part 1 for the low-
 29 income home energy assistance program, the department shall make an



1 additional \$20.01 payment to each food assistance program case that
 2 is not currently eligible for the standard utility allowance to
 3 enable each case to receive expanded food assistance benefits
 4 through the program commonly known as the heat and eat program.
 5

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

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

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

18 Sec. 707. In order to be reimbursed for child care fund
 19 expenditures, counties are required to submit department-developed
 20 reports to enable the department to document potential federally
 21 claimable expenditures. This requirement is in accordance with the
 22 reporting requirements specified in section 117a(12) of the social
 23 welfare act, 1939 PA 280, MCL 400.117a.

24 Sec. 708. (1) As a condition of receiving funds appropriated
 25 in part 1 for the child care fund line item, by October 15 of the
 26 current fiscal year, counties shall have an approved service
 27 spending plan for the current fiscal year. Counties must submit the
 28 service spending plan for the following fiscal year to the
 29 department by August 15 of the current fiscal year for approval.



1 Upon submission of the county service spending plan, the department
2 shall approve within 30 calendar days after receipt of a properly
3 completed service plan that complies with the requirements of the
4 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The
5 department shall notify and submit county service spending plan
6 revisions to any county whose county service spending plan is not
7 accepted upon initial submission. The department shall not request
8 any additional revisions to a county service spending plan outside
9 of the requested revision notification submitted to the county by
10 the department. The department shall notify a county within 30 days
11 after approval that its service plan was approved.

12 (2) Counties must submit amendments to current fiscal year
13 county service plans to the department no later than August 30.
14 Counties must submit current fiscal year payable estimates to the
15 department no later than September 15.

16 (3) The department shall submit a report to the house and
17 senate appropriations subcommittees on the department budget, the
18 house and senate fiscal agencies, the house and senate policy
19 offices, and the state budget office by February 15 of the current
20 fiscal year on the number of counties that fail to submit a service
21 spending plan by August 15 of the previous fiscal year and the
22 number of service spending plans not approved by October 15. The
23 report shall include the number of county service spending plans
24 that were not approved as first submitted by the counties, as well
25 as the number of plans that were not approved by the department
26 after being resubmitted by the county with the first revisions that
27 were requested by the department.

28 Sec. 709. The department's master contract for juvenile
29 justice residential foster care services shall prohibit contractors



1 from denying a referral for placement of a youth, or terminating a
2 youth's placement, if the youth's assessed treatment needs are in
3 alignment with the facility's residential program type, as
4 identified by the court or the department. In addition, the master
5 contract shall require that youth placed in juvenile justice
6 residential foster care facilities must have regularly scheduled
7 treatment sessions with a licensed psychologist or psychiatrist, or
8 both, and access to the licensed psychologist or psychiatrist as
9 needed.

10 Sec. 715. (1) As a condition of receiving funds appropriated
11 in part 1 for raise the age fund, by deadlines established and
12 advised by the department, counties shall have an approved budget
13 plan for the current fiscal year. Counties must submit the budget
14 plan for the following fiscal year to the department by deadlines
15 established and advised by the department in the current fiscal
16 year for approval. The budget plan shall specifically identify the
17 types of costs to be reimbursed, estimated costs for each item, and
18 the total estimated cost to be reimbursed. The types of costs to be
19 reimbursed must comply with the requirements of section 117i of the
20 social welfare act, 1939 PA 280, MCL 400.117i.

21 (2) County reimbursement from the raise the age fund is
22 limited to eligible youth and items specifically identified in
23 approved budget plans and shall not exceed the total estimated cost
24 included in the approved budget plan.

25 (3) Counties must submit amendments to current fiscal year
26 county budget plans by deadlines established and advised by the
27 department. Counties must submit current fiscal year payable
28 estimates for raise the age funds to the department by deadlines
29 established and advised by the department.



1 (4) As used in this section, "eligible youth" includes both of
2 the following:

3 (a) Pre-Adjudication Eligible Youth: A youth for whom a
4 petition has been filed alleging commission of a status or criminal
5 offense on or after his or her reaching the age of 17, before
6 reaching the age of 18.

7 (b) Post-Adjudication Eligible Youth: A youth who has been
8 adjudicated for a status or criminal offense for which a petition
9 was filed alleging commission of a status or criminal offense on or
10 after his or her reaching the age of 17, before reaching the age of
11 18.

12
13 **FIELD OPERATIONS AND SUPPORT SERVICES**

14 Sec. 801. (1) The department shall report monthly to the house
15 and senate appropriations subcommittees on the department budget,
16 the house and senate fiscal agencies, the house and senate policy
17 offices, and the state budget office on the most recent food
18 assistance program error rate derived from the active cases,
19 reported to the United States Department of Agriculture - Food and
20 Nutrition Services for the supplemental nutrition assistance
21 program.

22 (2) By March 1 of the current fiscal year, the department
23 shall report on the progress of the corrective action taken
24 utilizing the funds appropriated for food assistance reinvestment
25 in lowering the food assistance program error rate and improving
26 program payment accuracy.

27 Sec. 802. From the funds appropriated in part 1 for field
28 staff travel, the department shall allocate up to \$100,000.00
29 annually toward reimbursing counties for the out-of-pocket costs of



1 board members and county department directors to attend statewide
2 meetings of the Michigan County Social Services Association.

3 Sec. 807. From the funds appropriated in part 1 for Elder Law
4 of Michigan MiCAFE contract, the department shall allocate not less
5 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
6 state's elderly population in participating in the food assistance
7 program. Of the \$350,000.00 allocated under this section, the
8 department shall use \$175,000.00, which are general fund/general
9 purpose funds, as state matching funds for not less than
10 \$175,000.00 in United States Department of Agriculture funding to
11 provide outreach program activities, such as eligibility screening
12 and information services, as part of a statewide food assistance
13 hotline.

14 Sec. 808. By March 1 of the current fiscal year, the
15 department shall provide a report 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 on the nutrition education program. The
19 report shall include requirements made by the agriculture
20 improvement act of 2018, Public Law 115-334, such as how the
21 department shall use an electronic reporting system to evaluate
22 projects and an accounting of allowable state agency administrative
23 costs. The report shall also include documentation of the steps the
24 department shall take to ensure that projects and subgrantee
25 programs are evidence-based, appropriated for, and meet the
26 criteria for an eligible individual as that term is defined in
27 section 2036a(a) of the food and nutrition act, 7 USC 2036, and
28 quantitative evidence that the programs contribute to a reduction
29 in obesity or an increase in the consumption of healthy foods.



1 Additionally, the report shall include planned allocation and
2 actual expenditures for the supplemental nutrition assistance
3 program education funding, planned and actual grant amounts for the
4 supplemental nutrition assistance program education funding, the
5 total amount of expected carryforward balance at the end of the
6 current fiscal year for the supplemental nutrition assistance
7 program education funding and for each subgrantee program, a list
8 of all supplemental nutrition assistance program education funding
9 programs by implementing agency, and the stated purpose of each of
10 the programs and each of the subgrantee programs.

11 Sec. 809. (1) The purpose of the pathways to potential program
12 is to reduce chronic absenteeism, increase graduation rate, and
13 decrease the number of students who repeat grades for schools that
14 are current or future participants in the pathways to potential
15 program. Before any deployment of resources into a participant
16 school, the department and the participant school shall establish
17 performance objectives for each participant school based on a 2-
18 year baseline prior to pathways to potential being established in
19 the participant school and shall evaluate the progress made in the
20 above categories from the established baseline. By March 1 of the
21 current fiscal year, the department shall provide to the senate and
22 house appropriations subcommittees on the department budget, the
23 senate and house fiscal agencies, and the senate and house policy
24 offices a report listing all participant schools, the number of
25 staff assigned to each school by participant school, and the
26 percentage of participating schools that achieved improved
27 performance in each of the 3 outcomes listed above compared to the
28 previous year, by each individual outcome. It is the intent of the
29 legislature that after a 2-year period without attaining an



1 increase in success in meeting the 3 listed outcomes from the
2 established baseline, the department shall work with the
3 participant school to examine the cause of the lack of progress and
4 shall seek to implement a plan to increase success in meeting the
5 identified outcomes. It is the intent of the legislature that
6 progress or the lack of progress made in meeting the performance
7 objectives shall be used as a determinant in future pathways to
8 potential resource allocation decisions.

9 (2) As used in this section, "baseline" means the initial set
10 of data from the center for educational performance and information
11 in the department of technology, management, and budget of the 3
12 measured outcomes as described in subsection (1).

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

20 (2) By November 30 of the current fiscal year, the department
21 shall provide to the senate and house appropriations subcommittees
22 on the department budget, the senate and house fiscal agencies, and
23 the senate and house policy offices a report detailing the total
24 number of payments for repairs, the number of payments for repairs
25 that exceeded \$500.00, the number of payments for repairs that cost
26 exactly \$500.00, and the number of payments for repairs that cost
27 exactly \$900.00 in the previous fiscal year.

28 Sec. 850. (1) The department shall maintain out-stationed
29 eligibility specialists in community-based organizations, community



1 mental health agencies, nursing homes, adult placement and
2 independent living settings, federally qualified health centers,
3 and hospitals unless a community-based organization, community
4 mental health agency, nursing home, adult placement and independent
5 living setting, federally qualified health centers, or hospital
6 requests that the program be discontinued at its facility.

7 (2) From the funds appropriated in part 1 for donated funds
8 positions, the department shall enter into contracts with agencies
9 that are able and eligible under federal law to provide the
10 required matching funds for federal funding, as determined by
11 federal statute and regulations.

12 (3) A contract for an assistance payments donated funds
13 position must include, but not be limited to, the following
14 performance metrics:

15 (a) Meeting a standard of promptness for processing
16 applications for Medicaid and other public assistance programs
17 under state law.

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

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

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

27 (6) By March 1 of the current fiscal year, the department
28 shall submit a report to the senate and house appropriations
29 subcommittees on the department budget, the senate and house fiscal



1 agencies and policy offices, and the state budget office detailing
2 information on the donated funds positions, including the total
3 number of occupied positions, the total private contribution of the
4 positions, and the total cost to the state for any nonsalary
5 expenditure for the donated funds position employees.

6 Sec. 851. (1) From the funds appropriated in part 1 for adult
7 services field staff, the department shall seek to reduce the
8 number of older adults who are victims of crime and fraud by
9 increasing the standard of promptness in every county, as measured
10 by commencing an investigation within 24 hours after a report is
11 made to the department, establishing face-to-face contact with the
12 client within 72 hours after a report is made to the department,
13 and completing the investigation within 30 days after a report is
14 made to the department.

15 (2) The department shall report no later than March 1 of the
16 current fiscal year to the house and senate appropriations
17 subcommittees on the department budget, the house and senate fiscal
18 agencies, and the house and senate policy offices on the services
19 provided to older adults who were victims of crime or fraud in the
20 previous fiscal year. The report shall include, but is not limited
21 to, the following by county: the percentage of investigations
22 commenced within 24 hours after a report is made to the department,
23 the number of face-to-face contacts established with the client
24 within 72 hours after a report is made to the department, the
25 number of investigations completed within 30 days after a report is
26 made to the department, and the total number of older adults that
27 were victims of crime or fraud in the previous fiscal year and were
28 provided services by the department as a result of being victims of
29 crime or fraud.



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DISABILITY DETERMINATION SERVICES

Sec. 890. From the funds appropriated in part 1 for disability determination services, the department shall maintain the unit rates in effect on September 30, 2019 for medical consultants performing disability determination services, including physicians, psychologists, and speech-language pathologists.

BEHAVIORAL HEALTH SERVICES ADMINISTRATION AND SPECIAL PROJECTS

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

Sec. 902. (1) From the funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately report to the senate and



1 house appropriations subcommittees on the department budget, the
2 senate and house fiscal agencies, and the state budget director if
3 either of the following occurs:

4 (a) The department enters into any new contracts with CMHSPs
5 or PIHPs that would affect rates or expenditures.

6 (b) The department amends any contracts the department has
7 entered into with CMHSPs or PIHPs that would affect rates or
8 expenditures.

9 (3) The report required by subsection (2) shall include
10 information about the changes to the contracts and their effects on
11 rates and expenditures.

12 Sec. 904. (1) By May 31 of the current fiscal year, the
13 department shall provide a report on the CMHSPs, PIHPs, and
14 designated regional entities for substance use disorder prevention
15 and treatment to the members of the house and senate appropriations
16 subcommittees on the department budget, the house and senate fiscal
17 agencies, and the state budget director that includes the
18 information required by this section.

19 (2) The report in subsection (1) shall contain information for
20 each CMHSP, PIHP, and designated regional entity for substance use
21 disorder prevention and treatment, and a statewide summary, each of
22 which shall include at least the following information:

23 (a) A demographic description of service recipients that,
24 minimally, shall include reimbursement eligibility, client
25 population, age, ethnicity, housing arrangements, and diagnosis.

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

29 (c) Financial information that, minimally, includes a



1 description of funding authorized; expenditures by diagnosis group,
2 service category, and reimbursement eligibility; and cost
3 information by Medicaid, Healthy Michigan plan, state appropriated
4 non-Medicaid mental health services, local funding, and other fund
5 sources, including administration and funds specified for all
6 outside contracts for services and products. Financial information
7 must include the amount of funding, from each fund source, used to
8 cover clinical services and supports. Service category includes all
9 department-approved services.

10 (d) Data describing service outcomes that include, but are not
11 limited to, an evaluation of consumer satisfaction, consumer
12 choice, and quality of life concerns including, but not limited to,
13 housing and employment.

14 (e) Information about access to CMHSPs, PIHPs, and designated
15 regional entities for substance use disorder prevention and
16 treatment that includes, but is not limited to, the following:

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

18 (ii) The number of people who requested services but did not
19 receive services.

20 (f) The number of second opinions requested under the mental
21 health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the
22 determination of any appeals.

23 (g) Lapses and carryforwards during the previous fiscal year
24 for CMHSPs, PIHPs, and designated regional entities for substance
25 use disorder prevention and treatment.

26 (h) Performance indicator information required to be submitted
27 to the department in the contracts with CMHSPs, PIHPs, and
28 designated regional entities for substance use disorder prevention
29 and treatment.



1 (i) Administrative expenditures of each CMHSP, PIHP, and
2 designated regional entity for substance use disorder prevention
3 and treatment that include a breakout of the salary, benefits, and
4 pension of each executive-level staff and shall include the
5 director, chief executive, and chief operating officers and other
6 members identified as executive staff.

7 (3) The report in subsection (1) shall contain the following
8 information from the previous fiscal year on substance use disorder
9 prevention, education, and treatment programs:

10 (a) The expenditures stratified by department-designated
11 community mental health entity, by central diagnosis and referral
12 agency, by fund source, by subcontractor, by population served, and
13 by service type.

14 (b) The expenditures per state client, with data on the
15 distribution of expenditures reported using a histogram approach.

16 (c) The number of services provided by central diagnosis and
17 referral agency, by subcontractor, and by service type.
18 Additionally, data on length of stay, referral source, and
19 participation in other state programs.

20 (d) The collections from other first- or third-party payers,
21 private donations, or other state or local programs, by department-
22 designated community mental health entity, by subcontractor, by
23 population served, and by service type.

24 (4) The department shall include data reporting requirements
25 listed in subsections (2) and (3) in the annual contract with each
26 individual CMHSP, PIHP, and designated regional entity for
27 substance use disorder prevention and treatment.

28 (5) The department shall take all reasonable actions to ensure
29 that the data required are complete and consistent among all



1 CMHSPs, PIHPs, and designated regional entities for substance use
2 disorder prevention and treatment.

3 Sec. 907. (1) The amount appropriated in part 1 for community
4 substance use disorder prevention, education, and treatment shall
5 be expended to coordinate care and services provided to individuals
6 with severe and persistent mental illness and substance use
7 disorder diagnoses.

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

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

15 Sec. 909. From the funds appropriated in part 1 for health
16 homes, the department shall use available revenue from the
17 marihuana regulatory fund established in section 604 of the medical
18 marihuana facilities licensing act, 2016 PA 281, MCL 333.27604, to
19 improve physical health, expand access to substance use disorder
20 prevention and treatment services, and strengthen the existing
21 prevention, treatment, and recovery systems.

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

27 Sec. 911. (1) The department shall ensure that each contract
28 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
29 programs to encourage diversion of individuals with serious mental



1 illness, serious emotional disturbance, or developmental disability
2 from possible jail incarceration when appropriate.

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

13 Sec. 912. The department shall contract directly with the
14 Salvation Army Harbor Light program to provide non-Medicaid
15 substance use disorder services if the local coordinating agency or
16 the department confirms the Salvation Army Harbor Light program
17 meets the standard of care. The standard of care shall include, but
18 is not limited to, utilization of the medication assisted treatment
19 option.

20 Sec. 913. (1) From the funds appropriated in part 1 for
21 behavioral health program administration, the department shall
22 allocate \$1,025,000.00 for the autism navigator program. The
23 department shall require any contractor receiving funds from this
24 section to comply with performance-related metrics to maintain
25 eligibility for funding. The performance-related metrics shall
26 include, but not be limited to, all of the following:

27 (a) Each contractor shall have accreditations that attest to
28 their competency and effectiveness in providing services.

29 (b) Each contractor shall demonstrate cost-effectiveness.



1 (c) Each contractor shall ensure their ability to leverage
2 private dollars to strengthen and maximize service provision.

3 (d) Each contractor shall provide quarterly reports to the
4 department regarding the number of clients served by PIHP region,
5 units of service provision by PIHP region, and ability to meet
6 their stated goals.

7 (2) The department shall require an annual report from any
8 contractor receiving funding from this section. The annual report,
9 due to the department 60 days following the end of the contract
10 period, shall include specific information on services and programs
11 provided, the client base to which the services and programs were
12 provided, and the expenditures for those services. The department
13 shall provide the annual reports to the senate and house
14 appropriations subcommittees on the department budget, the senate
15 and house fiscal agencies, and the state budget office.

16 Sec. 914. By March 1 of the current fiscal year, the
17 department shall submit a report to the house and senate
18 appropriations subcommittees on the department budget, the house
19 and senate fiscal agencies, the house and senate policy offices,
20 and the state budget office on outcomes of the funds provided in
21 part 1 to the Michigan Child Collaborative Care (MC3). The outcomes
22 reported must include, but is not limited to, the number of same
23 day phone consultations with primary care providers and the number
24 of local resource recommendations made to primary care providers
25 who are providing medical care to patients who need behavioral
26 health services.

27 Sec. 918. On or before the twenty-fifth of each month, the
28 department shall report to the senate and house appropriations
29 subcommittees on the department budget, the senate and house fiscal



1 agencies, and the state budget director on the amount of funding
 2 paid to PIHPs to support the Medicaid managed mental health care
 3 program in the preceding month. The information shall include the
 4 total paid to each PIHP, per capita rate paid for each eligibility
 5 group for each PIHP, and number of cases in each eligibility group
 6 for each PIHP, and year-to-date summary of eligibles and
 7 expenditures for the Medicaid managed mental health care program.

8 Sec. 920. (1) As part of the Medicaid rate-setting process for
 9 behavioral health services, the department shall work with PIHP
 10 network providers and actuaries to include any state and federal
 11 wage and compensation increases that directly impact staff who
 12 provide Medicaid-funded community living supports, personal care
 13 services, respite services, skill-building services, and other
 14 similar supports and services as part of the Medicaid rate.

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

18 Sec. 924. From the funds appropriated in part 1 for autism
 19 services, for the purposes of actuarially sound rate certification
 20 and approval for Medicaid behavioral health managed care programs,
 21 the department shall maintain a fee schedule for autism services
 22 reimbursement rates for direct services. Expenditures used for rate
 23 setting shall not exceed those identified in the fee schedule. The
 24 rates for behavioral technicians shall not be less than \$50.00 per
 25 hour and not more than \$55.00 per hour.

26 Sec. 926. (1) From the funds appropriated in part 1 for
 27 community substance use disorder prevention, education, and
 28 treatment, \$500,000.00 is allocated for a specialized substance use
 29 disorder detoxification pilot project administered by a 9-1-1



1 service district in conjunction with a substance use and case
2 management provider and at a hospital in a city with a population
3 between 95,000 and 97,000 according to the most recent federal
4 decennial census within a county with a population of at least
5 1,500,000 according to the most recent federal decennial census.
6 The hospital must have a wing with at least 10 beds dedicated to
7 stabilizing patients suffering from addiction by providing a
8 specialized trauma therapist as well as a peer support specialist
9 to assist with treatment and counseling.

10 (2) The substance use and case management provider receiving
11 funds under this section shall collect and submit to the department
12 data on the outcomes of the pilot project throughout the duration
13 of the pilot project and shall provide a report on the pilot
14 project's outcomes to the house and senate appropriations
15 subcommittees on the department budget, the house and senate fiscal
16 agencies, and the state budget office.

17 Sec. 927. (1) The department shall, in consultation with the
18 Community Mental Health Association of Michigan, establish,
19 maintain, and review as necessary, a uniform community mental
20 health services auditing process for use by CMHSPs and PIHPs.

21 (2) The uniform auditing process required under this section
22 must do all of the following:

23 (a) Create uniformity in the collection of data and consistent
24 measurement of the quality, efficacy, and cost effectiveness of
25 provided services and supports.

26 (b) Establish a uniform audit tool that contains information
27 necessary for the uniform community mental health services auditing
28 process and adheres to national standards.

29 (c) Strive to meet the needs of community mental health



1 service beneficiaries and meet all statewide audit requirements.

2 (d) Maintain audit responsibility at the local agency level.

3 (3) By March 1 of the current fiscal year, the department
4 shall submit a report to the senate and house appropriations
5 subcommittees on the department budget, the senate and house fiscal
6 agencies, and the senate and house policy offices on the
7 implementation status of the uniform auditing process and any
8 barriers to implementation.

9 (4) A state department or agency that provides, either
10 directly or through a contract, community mental health services
11 and supports must comply with the uniform auditing process and
12 utilize the audit tool maintained by the department. All forms,
13 processes, and contracts used by the state that relate to the
14 provision of community mental health services and supports must
15 comply with the uniform auditing process.

16 (5) As used in this section, "national standards" means
17 standards established by a national accrediting entity such as the
18 Joint Commission, Commission on Accreditation of Rehabilitation
19 Facilities, Council on Accreditation, National Committee for
20 Quality Assurance, or other credible body approved by the
21 department.

22 Sec. 928. Each PIHP shall provide, from internal resources,
23 local funds to be used as a part of the state match required under
24 the Medicaid program in order to increase capitation rates for
25 PIHPs. These funds shall not include either state funds received by
26 a CMHSP for services provided to non-Medicaid recipients or the
27 state matching portion of the Medicaid capitation payments made to
28 a PIHP.

29 Sec. 935. A county required under the provisions of the mental



1 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
2 matching funds to a CMHSP for mental health services rendered to
3 residents in its jurisdiction shall pay the matching funds in equal
4 installments on not less than a quarterly basis throughout the
5 fiscal year, with the first payment being made by October 1 of the
6 current fiscal year.

7 Sec. 940. (1) According to section 236 of the mental health
8 code, 1974 PA 258, MCL 330.1236, the department shall review
9 expenditures for each CMHSP to identify CMHSPs with projected
10 allocation surpluses and to identify CMHSPs with projected
11 allocation shortfalls. The department shall encourage the board of
12 a CMHSP with a projected allocation surplus to concur with the
13 department's recommendation to reallocate those funds to CMHSPs
14 with projected allocation shortfalls.

15 (2) A CMHSP that has its funding allocation transferred out
16 during the current fiscal year as described in subsection (1) is
17 not eligible for any additional funding reallocations during the
18 remainder of the current fiscal year, unless that CMHSP is
19 responding to a public health emergency as determined by the
20 department.

21 (3) CMHSPs shall report to the department on any proposed
22 reallocations described in this section at least 30 days before any
23 reallocations take effect.

24 (4) The department shall notify the chairs of the
25 appropriation subcommittees on the department budget when a request
26 is made and when the department grants approval for reallocation as
27 described in subsection (1). By September 30 of the current fiscal
28 year, the department shall provide a report on the amount of
29 funding reallocated to the senate and house appropriations



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

4 Sec. 942. A CMHSP shall provide at least 30 days' notice
5 before reducing, terminating, or suspending services provided by a
6 CMHSP to CMHSP clients, with the exception of services authorized
7 by a physician that no longer meet established criteria for medical
8 necessity.

9 Sec. 959. (1) The department shall continue to convene a
10 workgroup in collaboration with the chairs of the house and senate
11 appropriations subcommittees on the department budget or their
12 designees, CMHSP members, autism services provider clinical and
13 administrative staff, community members, Medicaid autism services
14 clients, and family members of Medicaid autism services clients to
15 make recommendations to ensure appropriate cost and service
16 provision, including, but not limited to, the following:

17 (a) Evaluation and reduction of the variability in diagnostic
18 rates across different regions of the state.

19 (b) Evaluation of the factors resulting in the voluntary
20 disenrollment from, or declination of, therapeutic services by
21 eligible families.

22 (2) By June 15 of the current fiscal year, the department
23 shall provide an update on the workgroup's recommendations and
24 findings to the senate and house appropriations subcommittees on
25 the department budget, the senate and house fiscal agencies, and
26 the state budget office.

27 Sec. 960. (1) From the funds appropriated in part 1 for autism
28 services, the department shall continue to cover all Medicaid
29 autism services to Medicaid enrollees eligible for the services



1 that were covered on January 1, 2019.

2 (2) To restrain cost increases in the autism services line
3 item, the department shall do all of the following:

4 (a) By March 1 of the current fiscal year, develop and
5 implement specific written guidance for standardization of Medicaid
6 PIHPs and CMHSPs autism spectrum disorder administrative services,
7 including, but not limited to, reporting requirements, coding, and
8 reciprocity of credentialing and training between PIHPs and CMHSPs
9 to reduce administrative duplication at the PIHP, CMHSP, and
10 service provider levels.

11 (b) Require consultation with the client's evaluation
12 diagnostician and PIHP to approve the client's ongoing therapy for
13 3 years, unless the client's evaluation diagnostician recommended
14 an evaluation before the 3 years or if a clinician on the treatment
15 team recommended an evaluation for the client before the third
16 year.

17 (c) Limit the authority to perform a diagnostic evaluation for
18 Medicaid autism services to qualified licensed practitioners.
19 Qualified licensed practitioners are limited to the following:

20 (i) A physician with a specialty in psychiatry or neurology.

21 (ii) A physician with a subspecialty in developmental
22 pediatrics, development-behavioral pediatrics, or a related
23 discipline.

24 (iii) A physician with a specialty in pediatrics or other
25 appropriate specialty with training, experience, or expertise in
26 autism spectrum disorders or behavioral health.

27 (iv) A psychologist with a specialty in clinical child
28 psychology, behavioral and cognitive psychology, or clinical
29 neuropsychology, or other appropriate specialty with training,



1 experience, or expertise in autism spectrum disorders or behavioral
2 health.

3 (v) A clinical social worker with at least 1 year of
4 experience working within his or her scope of practice who is
5 qualified and experienced in diagnosing autism spectrum disorders.

6 (vi) An advanced practice registered nurse with training,
7 experience, or expertise in autism spectrum disorders or behavioral
8 health.

9 (vii) A physician's assistant with training, experience, or
10 expertise in autism spectrum disorders or behavioral health.

11 (d) Require that a client whose initial diagnosis was
12 performed by a diagnostician with master's level credentials have
13 their diagnosis and treatment recommendations reviewed by a
14 physician, psychiatric nurse practitioner, or fully credentialed
15 psychologist.

16 (e) Allow and expand the utilization of telemedicine and
17 telepsychiatry to increase access to diagnostic evaluation
18 services.

19 (f) Coordinate with the department of insurance and financial
20 services on oversight for compliance with the Paul Wellstone and
21 Pete Domenici mental health parity and addiction equity act of
22 2008, Public Law 110-343, as it relates to autism spectrum disorder
23 services, to ensure appropriate cost sharing between public and
24 private payers.

25 (g) Require that Medicaid eligibility be confirmed through
26 prior evaluations conducted by physicians, psychiatric nurse
27 practitioners, or fully credentialed psychologists to the extent
28 possible.

29 (h) Maintain regular statewide provider trainings on autism



1 spectrum disorder standard clinical best practice guidelines for
2 treatment and diagnostic services.

3 (3) By March 1 of the current fiscal year, the department
4 shall report 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 on
7 total autism services spending broken down by PIHP and CMHSP for
8 the previous fiscal year and current fiscal year and total
9 administrative costs broken down by PIHP, CMHSP, and the type of
10 administrative cost for the previous fiscal year and current fiscal
11 year.

12 Sec. 962. For the purposes of special projects involving high-
13 need children or adults, including the not guilty by reason of
14 insanity population, the department may contract directly with
15 providers of services to these identified populations.

16 Sec. 964. By June 15 of the current fiscal year, the
17 department shall provide 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 with the standardized fee schedule for Medicaid behavioral
21 health services and supports. The report shall also include the
22 adequacy standards to be used in all contracts with PIHPs and
23 CMHSPs. In the development of the standardized fee schedule for
24 Medicaid behavioral health services and supports during the current
25 fiscal year, the department must prioritize and support essential
26 service providers and must develop a standardized fee schedule for
27 revenue code 0204.

28 Sec. 965. From the funds appropriated in part 1 for Healthy
29 Michigan Plan - behavioral health, Medicaid substance use disorder



1 services, and opioid recovery services, for outpatient treatment
2 facilities, the Medicaid behavioral health fee schedule shall offer
3 a bundled rate for all medication assisted treatment services to
4 provide efficient and effective billing. This rate shall be \$16.00
5 per day for patients receiving methadone therapy and \$19.00 per day
6 for patients receiving suboxone or buprenorphine. This bundled rate
7 does not include standard reimbursement for patient admission. The
8 department shall prioritize the use of state opioid response grant
9 funding from the United States Department of Health and Human
10 Services to assist in providing efficient and effective billing for
11 outpatient medication assisted treatment services.

12 Sec. 970. The department shall maintain the policies in effect
13 on October 1, 2018 for the federal home and community-based
14 services rule as it relates to skill building assistance services.
15 The skill building assistance services shall remain eligible for
16 federal match until March 17, 2022 as stated in the CMS
17 informational bulletin dated May 9, 2017. From the funds
18 appropriated in part 1, the department shall continue to seek
19 federal matching funds for skill building assistance services. As a
20 condition of their contracts with the department, CMHSPs shall
21 retain any federally approved skill building assistance services
22 available as of October 1, 2018.

23 Sec. 972. From the funds appropriated in behavioral health
24 program administration, the department shall utilize up to
25 \$1,500,000.00 general fund/general purpose revenues, and any
26 additional federal revenues, to develop, implement, and maintain
27 the Michigan crisis and access line (MiCAL) pursuant to section 165
28 of the mental health code, 1974 PA 258, MCL 330.1165, and the
29 inpatient psychiatric bed registry pursuant to section 151 of the



1 mental health code, 1974 PA 258, MCL 330.1151. In accordance with
2 section 165 of the mental health code, 1974 PA 258, MCL 330.1165,
3 the inpatient psychiatric bed registry must be integrated with and
4 be part of the MiCAL system, including any related procurement. In
5 accordance with both section 165 of the mental health code, 1974 PA
6 258, MCL 330.1165, and section 151 of the mental health code, 1974
7 PA 258, MCL 330.1151, for MiCAL and the inpatient psychiatric bed
8 registry, respectively, any procurement or purchasing related
9 contracts must be managed by the department in conjunction with the
10 department of technology, management, and budget and state
11 information technology procurement laws, regulations, and policies.
12 No other state department or agency outside of the department, in
13 conjunction with the department of technology, management, and
14 budget, may develop an inpatient psychiatric bed registry for the
15 purposes of compliance with section 151 of the mental health code,
16 1974 PA 258, MCL 330.1151, and section 165 of the mental health
17 code, 1974 PA 258, MCL 330.1165.

18 Sec. 974. The department and PIHPs shall allow an individual
19 with an intellectual or developmental disability who receives
20 supports and services from a CMHSP to instead receive supports and
21 services from another provider if the individual shows that he or
22 she is eligible and qualified to receive supports and services from
23 another provider. Other providers may include, but are not limited
24 to, MIChoice and program of all-inclusive care for the elderly
25 (PACE).

26 Sec. 977. From the funds appropriated in part 1 for community
27 substance use disorder prevention, education, and treatment,
28 \$600,000.00 is allocated as grants to high schools specifically
29 designated for students recovering from a substance use disorder in



1 accordance with section 273a of the mental health code, 1974 PA
2 258, MCL 330.1273a.

3 Sec. 978. From the funds appropriated in part 1 for community
4 substance use disorder prevention, education, and treatment, the
5 department shall allocate \$600,000.00 as grants for recovery
6 community organizations to offer or expand recovery support center
7 services or recovery community center services to individuals
8 seeking long-term recovery from substance use disorders in
9 accordance with section 273b of the mental health code, 1974 PA
10 258, MCL 330.1273b.

11 Sec. 979. If funds become available, the department shall seek
12 the appropriate federal approvals to allow for the utilization of
13 Medicaid funding for services provided at adult psychiatric
14 residential treatment facilities. By March 1 of the current fiscal
15 year, the department shall report on its progress toward receiving
16 the appropriate federal approvals to allow for federal Medicaid
17 reimbursements for services provided at adult psychiatric
18 residential treatment facilities to the house and senate
19 appropriations subcommittees on the department budget, the house
20 and senate fiscal agencies, the house and senate policy offices,
21 and the state budget office.

22 Sec. 995. From the funds appropriated in part 1 for mental
23 health diversion council, the department shall allocate
24 \$3,850,000.00 to continue to implement the jail diversion pilot
25 programs intended to address the recommendations of the mental
26 health diversion council.

27 Sec. 996. From the funds appropriated in part 1 for family
28 support subsidy, the department shall make monthly payments of
29 \$229.31 to the parents or legal guardians of children approved for



1 the family support subsidy by a CMHSP.

2 Sec. 997. The population data used in determining the
3 distribution of substance use disorder block grant funds shall be
4 from the most recent federal data from the United States Census
5 Bureau.

6 Sec. 998. For distribution of state general funds to CMHSPs,
7 if the department decides to use census data, the department shall
8 use the most recent federal data from the United States Census
9 Bureau.

10 Sec. 999. Within 30 days after the completion of a statewide
11 PIHP reimbursement audit, the department shall provide the audit
12 report to the house and senate appropriations subcommittees on the
13 department budget, the house and senate fiscal agencies, the house
14 and senate policy offices, and the state budget office.

15

16 **BEHAVIORAL HEALTH SERVICES**

17 Sec. 1000. (1) From the funds appropriated in part 1, the
18 department shall provide sufficient funding for wages paid to
19 direct care workers described in subsection (2) by no less than the
20 rates paid on March 1, 2021 for the current fiscal year. This
21 funding shall include all costs incurred by the employer, including
22 payroll taxes.

23 (2) The direct care wage shall be provided to direct care
24 workers for the entire fiscal year.

25 (3) As part of the annual review process, contractors and
26 subcontractors receiving funding to support direct care workers are
27 required to provide documentation according to this section to the
28 department that the worker wages are no less than the rates paid on
29 March 1, 2021.



1 (4) It is the intent of the legislature that direct care
2 workers make no less than \$2.00 above the state minimum wage.

3 (5) As used in this section, "direct care worker" means all of
4 the following:

5 (a) A direct care worker employed by the department, its
6 contractors, and its subcontractors who received a \$2.00 per hour
7 state-funded wage increase beginning in April 2020.

8 (b) A direct care worker employed by skilled nursing
9 facilities including and limited to:

10 (i) A registered professional nurse.

11 (ii) A licensed practical nurse.

12 (iii) A competency-evaluated nursing assistant.

13 (iv) A respiratory therapist.

14 (c) A direct care worker employed by area agencies on aging
15 and their contractors for in-home and respite services.

16 (d) A direct care worker employed by licensed adult foster
17 care homes and licensed homes for the aged.

18 (e) A frontline worker employed by a private child caring
19 institution.

20 Sec. 1001. By December 31 of the current fiscal year, each
21 CMHSP shall submit a report to the department that identifies
22 populations being served by the CMHSP broken down by program
23 eligibility category. The report shall also include the percentage
24 of the operational budget that is related to program eligibility
25 enrollment. By February 15 of the current fiscal year, the
26 department shall submit the report described in this section to the
27 senate and house appropriations subcommittees on the department
28 budget, the senate and house fiscal agencies, the senate and house
29 policy offices, and the state budget office.



1 Sec. 1003. The department shall notify the Community Mental
2 Health Association of Michigan when developing policies and
3 procedures that will impact PIHPs or CMHSPs.

4 Sec. 1004. The department shall provide the senate and house
5 appropriations subcommittees on the department budget, the senate
6 and house fiscal agencies, and the state budget office any rebased
7 formula changes to either Medicaid behavioral health services or
8 non-Medicaid mental health services 90 days before implementation.
9 The notification shall include a table showing the changes in
10 funding allocation by PIHP for Medicaid behavioral health services
11 or by CMHSP for non-Medicaid mental health services.

12 Sec. 1005. From the funds appropriated in part 1 for health
13 homes, the department shall maintain the number of behavioral
14 health homes in PIHP regions 1, 2, and 8 and maintain the number of
15 substance use disorder health homes in PIHP regions 1, 2, 4, and 9.
16 The department may expand the number of behavioral health homes and
17 the number of substance use disorder health homes in 2 additional
18 PIHP regions.

19 Sec. 1006. The department shall explore the feasibility of
20 implementing a Medicaid health home under 42 USC 1396w-4 for
21 individuals with an intellectual or developmental disability
22 diagnosis. By March 1 of the current fiscal year, the department
23 shall provide a report that provides information, on a statewide
24 and PIHP regional basis, on the prospective number of eligible
25 individuals, the anticipated enrolled individuals, the estimated
26 cost, the delivery system structure, and the timeline for
27 implementation if feasible to the house and senate appropriations
28 subcommittees on the department budget, the house and senate fiscal
29 agencies, the house and senate policy offices, and the state budget



1 office.

2 Sec. 1007. The department may explore the feasibility of
3 creating a distinct standalone Medicaid delivery system for
4 individuals with an intellectual or developmental disability
5 diagnosis. By March 1 of the current fiscal year, the department
6 may provide a report that provides information on potential
7 delivery system structures, prospective number of eligible
8 individuals, possible federal Medicaid authorities, and the
9 estimated impact on current Medicaid delivery systems that
10 administer benefits for individuals with intellectual or
11 developmental disabilities to the house and senate appropriations
12 subcommittees on the department budget, the house and senate fiscal
13 agencies, the house and senate policy offices, and the state budget
14 office.

15 Sec. 1008. PIHPs and CMHSPs shall do all of the following:

16 (a) Work to reduce administration costs by ensuring that PIHP
17 and CMHSP responsible functions are efficient in allowing optimal
18 transition of dollars to those direct services considered most
19 effective in assisting individuals served. Any consolidation of
20 administrative functions must demonstrate, by independent analysis,
21 a reduction in dollars spent on administration resulting in greater
22 dollars spent on direct services. Savings resulting from increased
23 efficiencies shall not be applied to PIHP and CMHSP net assets,
24 internal service fund increases, building costs, increases in the
25 number of PIHP and CMHSP personnel, or other areas not directly
26 related to the delivery of improved services.

27 (b) Take an active role in managing mental health care by
28 ensuring consistent and high-quality service delivery throughout
29 its network and promote a conflict-free care management



1 environment.

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

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

7 Sec. 1009. (1) From the funds appropriated in part 1 for
8 Medicaid mental health services and Healthy Michigan plan -
9 behavioral health, the department shall maintain the hourly wage
10 for direct care workers from the fiscal year ending September 30,
11 2019. Funds provided in this section must be utilized by a PIHP to
12 maintain the wage increase for direct care worker wages, for the
13 employer's share of federal insurance contributions act costs,
14 purchasing worker's compensation insurance, or the employer's share
15 of unemployment costs.

16 (2) Each PIHP shall report to the department by February 1 of
17 the current fiscal year the range of wages paid to direct care
18 workers, including information on the number of direct care workers
19 at each wage level. The range of wages paid reported by each PIHP
20 must include a range of direct care workers paid at state minimum
21 wage, and each range thereafter must not exceed \$0.50 increments.

22 (3) The department shall report the information required to be
23 reported according to subsection (2) to the senate and house
24 appropriations subcommittees on the department budget, the senate
25 and house fiscal agencies, the senate and house policy offices, and
26 the state budget office by March 1 of the current fiscal year.

27 Sec. 1010. The funds appropriated in part 1 for behavioral
28 health community supports and services must be used to expand
29 assertive community treatment (ACT), forensic assertive community



1 treatment (FACT), and supportive housing and residential programs
2 for the purpose of reducing waiting lists at state-operated
3 hospitals and centers through cost-effective community-based
4 services.

5 Sec. 1011. To the extent permissible under section 919 of the
6 mental health code, 1974 PA 258, MCL 330.1919, the funds
7 appropriated in part 1 for behavioral health services may be used
8 to reimburse out-of-state providers of crisis resolution services
9 and outpatient services if the out-of-state provider is enrolled as
10 a state Medicaid provider and the out-of-state provider is located
11 closer to the client's home than an in-state provider.

12 Sec. 1012. It is the intent of the legislature that the
13 department pursue any and all federal Medicaid waivers to maximize
14 the use of federal Medicaid reimbursements for substance use
15 disorder services and treatments for justice-involved individuals.
16 As part of the executive budget presentation for the fiscal year
17 ending September 30, 2022 on behavioral health services to the
18 house and senate appropriations subcommittees on the department
19 budget, the department shall provide an update on the types of
20 substance use disorder waivers submitted by the department, whether
21 those waivers have been approved by the federal Centers for
22 Medicare and Medicaid Services, and the steps the department will
23 take to request any and all federal Medicaid waivers to maximize
24 the use of federal Medicaid reimbursements for substance use
25 disorder services and treatments.

26 Sec. 1013. CMHSPs that operate preadmission screening units,
27 or that have designated a hospital as a preadmission screening
28 unit, may permit a sheriff's office to use a qualified contracted
29 entity to transport an individual for preadmission screening.



1 Sec. 1014. (1) From the funds appropriated in part 1 to
2 agencies providing physical and behavioral health services to
3 multicultural populations, the department shall award grants in
4 accordance with the requirements of subsection (2). This state is
5 not liable for any spending above the contract amount. Funds shall
6 not be released until reporting requirements under section 295 of
7 article 6 of 2020 PA 166 are satisfied.

8 (2) The department shall require each contractor described in
9 subsection (1) that receives greater than \$1,000,000.00 in state
10 grant funding to comply with performance-related metrics to
11 maintain their eligibility for funding. The performance-related
12 metrics shall include, but not be limited to, all of the following:

13 (a) Each contractor or subcontractor shall have accreditations
14 that attest to their competency and effectiveness as behavioral
15 health and social service agencies.

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

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

21 (d) Each contractor or subcontractor shall demonstrate cost-
22 effectiveness.

23 (e) Each contractor or subcontractor shall ensure their
24 ability to leverage private dollars to strengthen and maximize
25 service provision.

26 (f) Each contractor or subcontractor shall provide timely and
27 accurate reports regarding the number of clients served, units of
28 service provision, and ability to meet their stated goals.

29 (3) The department shall require an annual report from the



1 contractors described in subsection (2). The annual report, due 60
 2 days following the end of the contract period, shall include
 3 specific information on services and programs provided, the client
 4 base to which the services and programs were provided, information
 5 on any wraparound services provided, and the expenditures for those
 6 services. The department shall provide the annual reports to the
 7 senate and house appropriations subcommittees on health and human
 8 services, the senate and house fiscal agencies, and the state
 9 budget office.

10
 11 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

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

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

26 Sec. 1055. (1) The department shall not implement any closures
 27 or consolidations of state hospitals, centers, or agencies until
 28 CMHSPs or PIHPs have programs and services in place for those
 29 individuals currently in those facilities and a plan for service



1 provision for those individuals who would have been admitted to
2 those facilities.

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

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

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

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

28 Sec. 1058. Effective October 1 of the current fiscal year, the
29 department, in consultation with the department of technology,



1 management, and budget, may maintain a bid process to identify 1 or
2 more private contractors to provide food service and custodial
3 services for the administrative areas at any state hospital
4 identified by the department as capable of generating savings
5 through the outsourcing of such services.

6 Sec. 1059. (1) The department shall identify specific outcomes
7 and performance measures for state-operated hospitals and centers,
8 including, but not limited to, the following:

9 (a) The average wait time for individuals determined
10 incompetent to stand trial before admission to the center for
11 forensic psychiatry.

12 (b) The average wait time for individuals determined
13 incompetent to stand trial before admission to other state-operated
14 psychiatric facilities.

15 (c) The average number of individuals waiting to receive
16 admission into the center for forensic psychiatry.

17 (d) The number of individuals waiting to receive admission
18 into the other state-operated hospitals and centers.

19 (e) The average wait time for individuals awaiting admission
20 into the other state-operated hospitals and centers through the
21 civil admissions process.

22 (f) The number of individuals determined not guilty by reason
23 of insanity or incompetent to stand trial by an order of a probate
24 court that have been determined to be ready for discharge to the
25 community, and the average wait time between being determined to be
26 ready for discharge to the community and actual community
27 placement.

28 (g) The number of individuals denied admission into the center
29 for forensic psychiatry.



1 (h) The number of individuals denied admission into the other
2 state-operated hospitals and centers.

3 (2) By March 1 of the current fiscal year, the department
4 shall report to the house and senate appropriations subcommittees
5 on the department budget, the house and senate fiscal agencies, the
6 house and senate policy offices, and the state budget office on the
7 outcomes and performance measures in subsection (1).

8 Sec. 1060. By March 1 of the current fiscal year, the
9 department shall provide a status update on the department's
10 implementation of the previous fiscal year's workgroup's
11 recommendations to address mandatory overtime, staff turnover, and
12 staff retention at the state psychiatric hospitals and centers to
13 the senate and house appropriations subcommittees on the department
14 budget, the senate and house fiscal agencies, and the state budget
15 office. The report shall include, but is not limited to, the
16 following:

17 (a) Descriptions of all of the measures being implemented.

18 (b) Descriptions of all of the measures not being implemented
19 and barriers preventing implementation.

20 (c) The number of direct care and clinical staff positions
21 that are currently vacant by hospital, and how that compares to the
22 number of vacancies during the previous fiscal year.

23 (d) A breakdown of voluntary and mandatory overtime hours
24 worked by position and by hospital, and how that compares to the
25 breakdown of voluntary and mandatory overtime hours during the
26 previous fiscal year.

27 (e) The ranges of wages paid by position and by hospital, and
28 how that compares to wages paid during the previous fiscal year.

29 Sec. 1061. The funds appropriated in part 1 for Caro Regional



1 Mental Health Center shall only be utilized to support a
2 psychiatric hospital located at its current location. It is the
3 intent of the legislature that the Caro Regional Mental Health
4 Center shall remain open and operational at its current location on
5 an ongoing basis. Capital outlay funding shall be utilized for
6 planning and construction of a new or updated facility at the
7 current location instead of at a new location.

8 Sec. 1062. By March 1 of the current fiscal year, the
9 department shall provide a 5-year plan to address the need for
10 adult and children's inpatient psychiatric beds to the house and
11 senate appropriations subcommittees on the department budget, the
12 house and senate fiscal agencies, the house and senate policy
13 offices, and the state budget office. The report shall include
14 recommendations for utilizing both public and public private
15 partnership beds.

16 Sec. 1063. (1) From the funds appropriated in part 1 for
17 Hawthorn Center - psychiatric hospital - children and adolescents,
18 the department shall maintain a psychiatric transitional unit and
19 children's transition support team. These programs shall augment
20 the continuum of behavioral health services for high-need youth and
21 provide additional continuity of care and transition into
22 supportive community-based services.

23 (2) Outcomes and performance measures for these programs
24 include, but are not limited to, the following:

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

27 (b) The measured change in the Child and Adolescent Functional
28 Assessment Scale for children served through these programs.

29



1 **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

2 Sec. 1140. From the funds appropriated in part 1 for primary
3 care services, \$100,000.00 shall be allocated to free health
4 clinics operating in the state. The department shall distribute the
5 funds equally to each free health clinic. For the purpose of this
6 appropriation, "free health clinics" means nonprofit organizations
7 that use volunteer health professionals to provide care to
8 uninsured individuals.

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

15 Sec. 1143. From the funds appropriated in part 1 for primary
16 care services, the department shall allocate no less than
17 \$168,800.00 for island primary health care access and services
18 including island clinics, in the following amounts:

- 19 (a) Beaver Island, \$62,500.00.
20 (b) Mackinac Island, \$62,500.00.
21 (c) Drummond Island, \$37,500.00.
22 (d) Bois Blanc Island, \$6,300.00.

23 Sec. 1144. From the funds appropriated in part 1, the
24 department shall report by June 30 of the current fiscal year
25 trended cost and utilization, including inpatient and emergency
26 department, claims data reports in aggregate by local community
27 health innovation regions (CHIRs) and specific to each Medicaid
28 health plan for their beneficiaries that were clients of local
29 CHIRs, for the period beginning with the fiscal year that ended



1 September 30, 2016 through the current fiscal year to the senate
2 and house appropriations subcommittees on the department budget,
3 the senate and house fiscal agencies, the senate and house policy
4 offices, and the state budget office.

5 Sec. 1145. The department will take steps necessary to work
6 with Indian Health Service, tribal health program facilities, or
7 Urban Indian Health Program facilities that provide services under
8 a contract with a Medicaid managed care entity to ensure that those
9 facilities receive the maximum amount allowable under federal law
10 for Medicaid services.

11 Sec. 1146. From the funds appropriated in part 1 for bone
12 marrow donor and blood bank programs, \$250,000.00 shall be
13 allocated to Versiti Blood Center, the partner of the match
14 registry of the national marrow donor program. The funds shall be
15 used to offset ongoing tissue typing expenses associated with donor
16 recruitment and collection services and to expand those services to
17 better serve the citizens of this state.

18 Sec. 1147. From the funds appropriated in part 1 for bone
19 marrow donor and blood bank programs, \$500,000.00 shall be
20 allocated to Versiti Blood Center for a cord blood bank. The funds
21 shall be used to enhance the collection of fetal umbilical cord
22 blood and stem cells for transplant, expand cord blood laboratory
23 capabilities, and expand the diversity of collections.

24 Sec. 1148. From the funds appropriated in part 1 for policy
25 and planning administration, \$100,000.00 is allocated for
26 enforcement of section 27(2)(a) of article I of the state
27 constitution of 1963 regarding human embryo and embryonic stem cell
28 research.

29 Sec. 1151. (1) The department shall coordinate with the



1 department of licensing and regulatory affairs, the department of
2 the attorney general, all appropriate law enforcement agencies, and
3 the Medicaid health plans to work with local substance use disorder
4 agencies and addiction treatment providers to help inform Medicaid
5 beneficiaries of all medically appropriate treatment options for
6 opioid addiction when their treating physician stops prescribing
7 prescription opioid medication for pain, and to address other
8 appropriate recommendations of the prescription drug and opioid
9 abuse task force outlined in its report of October 2015.

10 (2) By October 1 of the current fiscal year, the department
11 shall submit a report to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies, the senate and house policy offices, and the state budget
14 office on how the department is working with local substance use
15 disorder agencies and addiction treatment providers to ensure that
16 Medicaid beneficiaries are informed of all available and medically
17 appropriate treatment options for opioid addiction when their
18 treating physician stops prescribing prescription opioid medication
19 for pain, and to address other appropriate recommendations of the
20 task force. The report shall include any potential barriers to
21 medication-assisted treatment, as recommended by the Michigan
22 medication-assisted treatment guidelines, for Medicaid
23 beneficiaries in both office-based opioid treatment and opioid
24 treatment program facility settings.

25 Sec. 1152. (1) From the funds appropriated in part 1 for
26 policy and planning administration, \$237,500.00 shall be
27 distributed as provided in subsection (2). The amount distributed
28 under this subsection shall not exceed 50% of the total operating
29 expenses of the program described in subsection (2), with the



1 remaining 50% paid by local United Way organizations and other
2 nonprofit organizations and foundations.

3 (2) Funds distributed under subsection (1) shall be
4 distributed to Michigan 2-1-1, a nonprofit corporation organized
5 under the laws of this state that is exempt from federal income tax
6 under section 501(c)(3) of the internal revenue code of 1986, 26
7 USC 501, and whose mission is to coordinate and support a statewide
8 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill
9 the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in
10 January 2005.

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

14 (4) Michigan 2-1-1 shall report annually to the department,
15 the house and senate standing committees with primary jurisdiction
16 over matters relating to human services and telecommunications on
17 2-1-1 system performance, the senate and house appropriations
18 subcommittees on the department budget, and the senate and house
19 fiscal agencies, including, but not limited to, call volume by
20 health and human service needs and unmet needs identified through
21 caller data and number and percentage of callers referred to public
22 or private provider types.

23

24 **EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY**

25 Sec. 1180. From the funds appropriated in part 1 for
26 epidemiology administration and for childhood lead program, the
27 department shall maintain a public health drinking water unit and
28 maintain enhanced efforts to monitor child blood lead levels. The
29 public health drinking water unit shall ensure that appropriate



1 investigations of potential health hazards occur for all community
2 and noncommunity drinking water supplies where chemical exceedances
3 of action levels, health advisory levels, or maximum contaminant
4 limits are identified. The goals of the childhood lead program
5 shall include improving the identification of affected children,
6 the timeliness of case follow-up, and attainment of nurse care
7 management for children with lead exposure, and to achieve a long-
8 term reduction in the percentage of children in this state with
9 elevated blood lead levels.

10 Sec. 1181. From the funds appropriated in part 1 for
11 epidemiology administration, the department shall maintain a vapor
12 intrusion response unit. The vapor intrusion response unit shall
13 assess risks to public health at vapor intrusion sites and respond
14 to vapor intrusion risks where appropriate. The goals of the vapor
15 intrusion response unit shall include reducing the number of
16 residents of this state exposed to toxic substances through vapor
17 intrusion and improving health outcomes for individuals that are
18 identified as having been exposed to vapor intrusion.

19 Sec. 1182. (1) From the funds appropriated in part 1 for the
20 healthy homes program, no less than \$1,724,500.00 of general
21 fund/general purpose funds and \$4,663,000.00 of federal funds shall
22 be allocated for lead abatement of homes.

23 (2) By April 1 of the current fiscal year, the department
24 shall provide a report to the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, and the state budget office on the expenditures and
27 activities undertaken by the lead abatement program in the previous
28 fiscal year from the funds appropriated in part 1 for the healthy
29 homes program. The report shall include, but is not limited to, a



1 funding allocation schedule, the expenditures by category of
2 expenditure and by subcontractor, the revenues received, a
3 description of program elements, the number of housing units abated
4 of lead-based paint hazards, and a description of program
5 accomplishments and progress.

6 Sec. 1184. (1) From the funds appropriated in part 1 for
7 emergency medical services program, the department shall, in
8 coordination with the state emergency medical services coordination
9 committee established under section 20915 of the public health
10 code, 1978 PA 368, MCL 333.20915, medical control authorities, and
11 other emergency medical services organizations, review, revise, and
12 improve the process for the consideration, discussion,
13 announcement, and implementation of any changes proposed by the
14 department for emergency medical services system guidance,
15 guidelines, or protocols.

16 (2) The goal to improve the current process shall be the
17 effective and safe provision of emergency medical services.

18 (3) The revised and improved process shall include, but not be
19 limited to, the following:

20 (a) Increased communication, transparency, and collaboration,
21 to culminate in clarity of, and real-time access to, current
22 department guidance, guidelines, or protocols, and the status of
23 any changes being considered.

24 (b) Formal notification of proposed changes to guidance,
25 guidelines, or protocols from the department to the state emergency
26 medical services coordination committee no less than 30 days before
27 implementation.

28 (c) Receipt by the department of a recommendation from the
29 state emergency medical services coordination committee regarding



1 the proposed changes to guidance, guidelines, or protocols before
2 implementation by the department of the changes.

3 (4) The department shall provide access and status updates,
4 including any proposed rules being considered through the
5 administrative rules process, to the public on the department's
6 website, which shall be updated by the department on a weekly
7 basis.

8 (5) The department shall report to the house and senate
9 appropriations subcommittees on the department budget, the house
10 and senate fiscal agencies and policy offices, and the state budget
11 director by April 15 of the current fiscal year on the findings of
12 the review and include summaries of actions undertaken to identify,
13 revise, and improve any weaknesses in the current process.

14 Sec. 1185. From the funds appropriated in part 1 for emergency
15 medical services program, \$25,000.00 is allocated for a grant to
16 fund a free family emergency readiness public expo event held in a
17 county with a population between 180,000 and 181,000 according to
18 the most recent federal decennial census. The purpose of the event
19 shall be to educate local residents about preparedness in an
20 emergency, disaster, or crisis including planning, assessing
21 specific personal and household needs, and skills to cope, survive,
22 recover, and prevail.

23 Sec. 1186. The department shall evaluate issues of staffing
24 and financing of public and volunteer emergency medical services
25 and systems and the requirement for provision of services
26 regardless of ability to pay. The department shall explore ways and
27 related costs to address the issues including changes in policy,
28 practice, or financing, which may include consideration of
29 foundation grants using state restricted crime victim's rights fund



1 or other state restricted revenue, or state general fund/general
 2 purpose funds, and Medicaid rate adjustments. By March 15 of the
 3 current fiscal year, the department shall report to the house and
 4 senate appropriations subcommittees on the department budget, the
 5 house and senate fiscal agencies, the house and senate policy
 6 offices, and the state budget director on the findings of the
 7 evaluation and ways to address the issues described in this
 8 section.

9

10 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

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

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 that
 22 arrangement after October 1 of the current fiscal year, the
 23 department may assess a penalty from the local health department's
 24 operational accounts in an amount equal to no more than 6.25% of
 25 the local health department's essential local public health
 26 services funding. This penalty shall only be assessed to the local
 27 county that requests the dissolution of the health department.

28 Sec. 1222. (1) Funds appropriated in part 1 for essential
 29 local public health services shall be prospectively allocated to



1 local health departments to support immunizations, infectious
2 disease control, sexually transmitted disease control and
3 prevention, hearing screening, vision services, food protection,
4 public water supply, private groundwater supply, and on-site sewage
5 management. Food protection shall be provided in consultation with
6 the department of agriculture and rural development. Public water
7 supply, private groundwater supply, and on-site sewage management
8 shall be provided in consultation with the department of
9 environment, Great Lakes, and energy.

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

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

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

22 (5) The department shall continue implementation of the
23 distribution formula for the allocation of essential local public
24 health services funding to local health departments as specified by
25 section 1234 of article X of 2018 PA 207.

26 (6) From the funds appropriated in part 1 for essential local
27 public health services, each local public health department is
28 allocated not less than the amount allocated to that local public
29 health department during the previous fiscal year.



1 Sec. 1223. From the funds appropriated in part 1 for the
2 Michigan model for health comprehensive health education
3 curriculum, the department may, in consultation with the department
4 of education, the Michigan domestic and sexual violence prevention
5 and treatment board, and the Michigan Coalition to End Domestic and
6 Sexual Violence, redraft the curriculum for the "Growing Up &
7 Staying Healthy" and "Healthy & Responsible Relationships" modules
8 to include age-appropriate information about the importance of
9 consent, setting and respecting personal boundaries, and the
10 prevention of child sexual abuse as outlined in section 1505 of the
11 revised school code, 1976 PA 451, MCL 380.1505, and consistent with
12 the recommendations and guidelines set by the task force on the
13 prevention of sexual abuse of children created under section 12b of
14 the child protection law, 1975 PA 238, MCL 722.632b, and the
15 prevention of sexual assault and dating violence.

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

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

29 Sec. 1231. (1) From the funds appropriated for local health



1 services, up to \$1,187,500.00 shall be allocated for grants to
2 local public health departments to support PFAS response and
3 emerging public health threat activities. A portion of the funding
4 shall be allocated by the department in a collaborative fashion
5 with local public health departments in jurisdictions experiencing
6 PFAS contamination. The remainder of the funding shall be allocated
7 to address infectious and vector-borne disease threats, and other
8 environmental contamination issues such as vapor intrusion,
9 drinking water contamination, and lead exposure. The funding shall
10 be allocated to address issues including, but not limited to,
11 staffing, planning and response, and creation and dissemination of
12 materials related to PFAS contamination issues and other emerging
13 public health issues and threats.

14 (2) By March 1 of the current fiscal year, the department
15 shall provide a report to the house and senate appropriations
16 subcommittees on the department budget, the house and senate fiscal
17 agencies, and the state budget office on actual expenditures in the
18 previous fiscal year and planned spending in the current fiscal
19 year of the funds described in subsection (1), including recipient
20 entities, amount of allocation, general category of allocation, and
21 detailed uses.

22 Sec. 1232. The department may work to ensure that the United
23 States Department of Defense reimburses the state for costs
24 associated with PFAS and environmental contamination response at
25 military training sites and support facilities.

26 Sec. 1233. General fund and state restricted fund
27 appropriations in part 1 shall not be expended for PFAS and
28 environmental contamination response where federal funding or
29 private grant funding is available for the same expenditures.



1 Sec. 1239. The department shall participate in and give
 2 necessary assistance to the Michigan PFAS action response team
 3 (MPART) pursuant to Executive Order No. 2019-03. The department
 4 shall collaborate with MPART and other departments to carry out
 5 appropriate activities, actions, and recommendations as coordinated
 6 by MPART. Efforts shall be continuous to ensure that the
 7 department's activities are not duplicative with activities of
 8 another department or agency.

9 Sec. 1240. From the funds appropriated in part 1 for chronic
 10 disease control and health promotion administration, \$70,000.00 is
 11 allocated to support a rare disease review committee and
 12 responsibilities of the committee, which may include all of the
 13 following:

14 (a) Developing a list of rare diseases.

15 (b) Posting the list of rare diseases on the department's
 16 website.

17 (c) Updating the list of rare diseases.

18 (d) Annually investigating and reporting to the legislature on
 19 1 rare disease on the list, and including legislative
 20 recommendations in the report.

21

22 **FAMILY HEALTH SERVICES**

23 Sec. 1301. (1) Before April 1 of the current fiscal year, the
 24 department shall submit a report to the house and senate fiscal
 25 agencies and the state budget director on planned allocations from
 26 the amounts appropriated in part 1 for local MCH services, prenatal
 27 care outreach and service delivery support, family planning local
 28 agreements, and pregnancy prevention programs. Using applicable
 29 federal definitions, the report shall include information on all of



1 the following:

2 (a) Funding allocations.

3 (b) Actual number of women, children, and adolescents served
4 and amounts expended for each group for the immediately preceding
5 fiscal year.

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

8 (2) The department shall ensure that the distribution of funds
9 through the programs described in subsection (1) takes into account
10 the needs of rural communities.

11 (3) As used in this section, "rural community" means a county,
12 city, village, or township with a population of 30,000 or less,
13 including those entities if located within a metropolitan
14 statistical area.

15 Sec. 1303. The department shall not contract with an
16 organization that provides elective abortions, abortion counseling,
17 or abortion referrals, for services that are to be funded with
18 state restricted or state general fund/general purpose funds
19 appropriated in part 1 for family planning local agreements. An
20 organization under contract with the department shall not
21 subcontract with an organization that 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, or allow grantees or subcontractors to use
28 those funds, appropriated in part 1 in the pregnancy prevention
29 program or family planning local agreements appropriation line



1 items for abortion counseling, referrals, or services.

2 Sec. 1305. (1) From the funds appropriated in part 1 for
3 family planning local agreements and the pregnancy prevention
4 program, the department shall not contract with or award grants to
5 an entity that engages in 1 or more of the activities described in
6 section 1(2) of 2002 PA 360, MCL 333.1091, if the entity is located
7 in a county or health district where family planning or pregnancy
8 prevention services are provided by the county, the health
9 district, or a qualified entity that does not engage in any of the
10 activities described in section 1(2) of 2002 PA 360, MCL 333.1091.

11 (2) The department shall give priority to counties or health
12 districts where no contracts or grants currently exist for family
13 planning or pregnancy prevention services before contracting with
14 or awarding grants to an entity that engages in 1 or more of the
15 activities described in section 1(2) of 2002 PA 360, MCL 333.1091,
16 if that entity is located in a county where family planning and
17 pregnancy prevention services are provided by the county, the
18 health district, or another qualified entity that does not engage
19 in the activities described in section 1(2) of 2002 PA 360, MCL
20 333.1091.

21 Sec. 1306. (1) From the funds appropriated in part 1 for the
22 drinking water declaration of emergency, the department shall
23 allocate funds to address needs in a city in which a declaration of
24 emergency was issued because of drinking water contamination. These
25 funds may support, but are not limited to, the following
26 activities:

27 (a) Nutrition assistance, nutritional and community education,
28 food bank resources, and food inspections.

29 (b) Epidemiological analysis and case management of



1 individuals at risk of elevated blood lead levels.

2 (c) Support for child and adolescent health centers,
3 children's healthcare access program, and pathways to potential
4 programming.

5 (d) Nursing services, breastfeeding education, evidence-based
6 home visiting programs, intensive services, and outreach for
7 children exposed to lead coordinated through local community mental
8 health organizations.

9 (e) Department field operations costs.

10 (f) Lead poisoning surveillance, investigations, treatment,
11 and abatement.

12 (g) Nutritional incentives provided to local residents through
13 the double up food bucks expansion program.

14 (h) Genesee County health department food inspectors to
15 perform water testing at local food service establishments.

16 (i) Transportation related to health care delivery.

17 (j) Senior initiatives.

18 (k) Lead abatement contractor workforce development.

19 (2) From the funds appropriated in part 1 for the drinking
20 water declaration of emergency, the department shall allocate
21 \$300,000.00 for Revive Community Health Center for health support
22 services as the center pursues certification as a federally
23 qualified health center.

24 (3) From the funds appropriated in part 1 for the drinking
25 water declaration of emergency, the department shall allocate
26 \$500,000.00 for rides to wellness through the Flint mass
27 transportation authority.

28 Sec. 1307. From the funds appropriated in part 1 for prenatal
29 care outreach and service delivery support, \$175,000.00 of TANF



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

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

29 Sec. 1309. The department shall allocate funds appropriated in



1 section 116 of part 1 according to section 1 of 2002 PA 360, MCL
2 333.1091.

3 Sec. 1311. From the funds appropriated in part 1 for prenatal
4 care outreach and service delivery support, not less than
5 \$2,750,000.00 state general fund/general purpose funds shall be
6 allocated for a rural home visit program. Equal consideration shall
7 be given to all eligible evidence-based providers in all regions in
8 contracting for rural home visitation services.

9 Sec. 1312. From the funds appropriated in part 1 for prenatal
10 care and premature birth avoidance grant, the department shall
11 allocate \$1,000,000.00 as a grant to help fulfill contract
12 obligations between the department and a federal Healthy Start
13 Program located in a county with a population between 600,000 and
14 610,000 according to the most recent decennial census. To be
15 eligible to receive funding, the organization must be a partnership
16 between various health agencies, and utilize a social impact
17 bonding strategy approved by the department to enhance support to
18 underserved populations for prenatal care and premature birth
19 avoidance.

20 Sec. 1313. (1) The department shall continue developing an
21 outreach program on fetal alcohol syndrome services, targeting
22 health promotion, prevention, and intervention.

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

26 (3) By February 1 of the current fiscal year, the department
27 shall provide a report to the house and senate appropriations
28 subcommittees on the department budget, the house and senate fiscal
29 agencies, and the state budget office on planned spending of



1 appropriations within the department budget for fetal alcohol
2 syndrome projects and services, including appropriation line item,
3 agency or recipient entities, amount and purpose of allocation, and
4 detailed uses. The report shall include a summary of outcomes
5 accomplished by the funding investments and metrics used to
6 determine outcomes, if available.

7 Sec. 1314. The department shall seek to enhance education and
8 outreach efforts that encourage women of childbearing age to seek
9 confirmation at the earliest indication of possible pregnancy and
10 initiate continuous and routine prenatal care upon confirmation of
11 pregnancy. The department shall seek to ensure that department
12 programs, policies, and practices promote prenatal and obstetrical
13 care by doing the following:

14 (a) Supporting access to care.

15 (b) Reducing and eliminating barriers to care.

16 (c) Supporting recommendations for best practices.

17 (d) Encouraging optimal prenatal habits such as prenatal
18 medical visits, use of prenatal vitamins, and cessation of use of
19 tobacco, alcohol, or drugs.

20 (e) Tracking of birth outcomes to study improvements in
21 prevalence of fetal drug addiction, fetal alcohol syndrome, and
22 other preventable neonatal disease.

23 (f) Tracking of maternal increase in healthy behaviors
24 following childbirth.

25 Sec. 1315. (1) From the funds appropriated in part 1 for
26 dental programs, \$150,000.00 shall be allocated to the Michigan
27 Dental Association for the administration of a volunteer dental
28 program that provides dental services to the uninsured.

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



1 shall report to the senate and house appropriations subcommittees
2 on the department budget, the senate and house standing committees
3 on health policy, the senate and house fiscal agencies, and the
4 state budget office the number of individual patients treated,
5 number of procedures performed, and approximate total market value
6 of those procedures from the previous fiscal year.

7 Sec. 1316. The department shall use revenue from mobile
8 dentistry facility permit fees received under section 21605 of the
9 public health code, 1978 PA 368, MCL 333.21605, to offset the cost
10 of the permit program.

11 Sec. 1317. (1) From the funds appropriated in part 1 for
12 dental programs, \$437,500.00 of general fund/general purpose
13 revenue and any associated federal match shall be distributed to
14 local health departments who partner with a qualified nonprofit
15 provider of dental services for the purpose of providing high-
16 quality dental homes for seniors, children, and adults enrolled in
17 Medicaid, and low-income uninsured.

18 (2) In order to be considered a qualified nonprofit provider
19 of dental services, the provider must demonstrate the following:

20 (a) An effective health insurance enrollment process for
21 uninsured patients.

22 (b) An effective process of charging patients on a sliding
23 scale based on the patient's ability to pay.

24 (c) Utilization of additional fund sources including, but not
25 limited to, federal Medicaid matching funds.

26 (3) Providers shall report to the department by September 30
27 of the current fiscal year on outcomes and performance measures for
28 the program under this section including, but not limited to, the
29 following:



1 (a) The number of uninsured patients who visited a
2 participating dentist over the previous year, broken down between
3 adults and children.

4 (b) The number of patients assisted with health insurance
5 enrollment, broken down between adults and children.

6 (c) A 5-year trend of the number of uninsured patients being
7 served, broken down between adults and children.

8 (d) The number of unique patient visits by center.

9 (e) The number of unique Medicaid or Healthy Michigan plan
10 patients served broken down by center.

11 (f) The number of children, seniors, and veterans served
12 broken down by center.

13 (g) The total value of services rendered by the organization
14 broken down by center.

15 (4) Within 15 days after receipt of the report required in
16 subsection (3), the department shall provide a copy of the report
17 to the senate and house appropriations subcommittees on the
18 department budget, the senate and house fiscal agencies, the senate
19 and house policy offices, and the state budget office.

20 Sec. 1320. Funds appropriated in part 1 that may be expended
21 for a public media campaign regarding publicly funded family
22 planning or pregnancy prevention services shall not be used to
23 communicate in that media campaign any message that implies,
24 states, or can be interpreted to mean that abortion is a method of
25 family planning or pregnancy prevention.

26 Sec. 1322. (1) The department shall provide a report by April
27 15 of the current fiscal year to the house and senate
28 appropriations subcommittees on the department budget, the house
29 and senate fiscal agencies, the house and senate policy offices,



1 and the state budget office on state immunization policy and
 2 practices. The report shall include all of the following items:

- 3 (a) A list of recommended vaccinations.
 4 (b) The basis and rationale for inclusion of each listed item.
 5 (c) The indicators, measures, and performance outcomes that
 6 document improvement in human health for each listed item.

7 (2) From the funds appropriated in part 1 for immunization
 8 program, \$50,000.00 shall be allocated for the purpose of
 9 publishing and printing the report described in subsection (1) in a
 10 summary format to be made available to the public as an
 11 informational brochure, provided free of charge through the
 12 department's health promotions clearinghouse to providers, groups,
 13 or individuals for free distribution.

14 Sec. 1341. The department shall utilize income eligibility and
 15 verification guidelines established by the Food and Nutrition
 16 Service agency of the United States Department of Agriculture in
 17 determining eligibility of individuals for the special supplemental
 18 nutrition program for women, infants, and children (WIC) as stated
 19 in current WIC policy.

20 Sec. 1342. From the funds appropriated in part 1 for family,
 21 maternal, and child health administration, \$500,000.00 shall be
 22 allocated for a school children's healthy exercise program to
 23 promote and advance physical health for school children in
 24 kindergarten through grade 8. The department shall recommend model
 25 programs for sites to implement that incorporate evidence-based
 26 best practices. The department shall grant the funds appropriated
 27 in part 1 for before- and after-school programs. The department
 28 shall establish guidelines for program sites, which may include
 29 schools, community-based organizations, private facilities,



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

13 Sec. 1343. From the funds appropriated in part 1 for dental
14 programs, the department shall allocate \$440,000.00 of state and
15 local funds plus any private contributions received to support the
16 program to establish and maintain a dental oral assessment program
17 to provide assessments to school children as provided in section
18 9316 of the public health code, 1978 PA 368, MCL 333.9316.

19 Sec. 1344. Programs funded in the department budget in the
20 previous fiscal year with federal title X family planning funds or
21 federal social security act title V MCH block grant funds shall be
22 funded in the current fiscal year with general fund/general purpose
23 funds. For these programs, the department shall not contract with
24 any direct or third-party vendor that provides abortion services.

25 Sec. 1345. From the funds appropriated in part 1 for maternal
26 navigator pilot program, the department must establish not less
27 than 2 geographically diverse maternal navigator pilot programs.
28 Eligible maternal navigator pilot program grantees must be a
29 nonprofit counseling or other similar nonprofit service



1 organization that promotes childbirth and alternatives to abortion.
2 The services provided by the maternal navigator pilot programs must
3 include, but are not limited to, all of the following:

4 (a) Referral services, and partial or full reimbursement, for
5 counseling for victims of rape and other forms of abuse and
6 violence that result in pregnancy.

7 (b) Referral services, and partial or full reimbursement, for
8 specialized substance use disorder services, including residential
9 services.

10 (c) Referral services, and partial or full reimbursement, to a
11 hospital or health system for information and services for women of
12 childbearing age who are seeking nutritional, prenatal, childbirth,
13 and postnatal care and who are also in need of assistance with
14 understanding recent advances in prenatal and postnatal medicines.

15 (d) Referral services, and partial or full reimbursement, for
16 counseling, emotional support services, genetic counseling, and
17 other services to individuals and couples experiencing difficulties
18 or having genetic concerns related to pregnancy or parenting.

19 Sec. 1346. (1) From the funds appropriated in part 1 for
20 pregnancy resource centers, the department shall allocate
21 \$1,500,000.00 as grants to pregnancy resource centers operating in
22 the state. The department shall distribute the funds equally to
23 each pregnancy resource center, at an amount of not more than
24 \$10,000.00 each.

25 (2) As used in this section, "pregnancy resource centers"
26 means private nonprofit organizations that promote childbirth and
27 alternatives to abortion, provide referrals and information, and
28 may also provide other services related to pregnancy or post-
29 pregnancy.



1 Sec. 1347. The department shall not use state restricted funds
 2 or state general funds appropriated in part 1, or allow grantees or
 3 subcontractors to use those funds, for abortion counseling,
 4 referrals, or services, or for any activities regarding human
 5 cloning or research in which a human embryo or embryos are
 6 destroyed or discarded.

7 Sec. 1348. From the funds appropriated in part 1, the
 8 department shall submit a report by June 1, 2021 to the senate and
 9 house appropriations committees, the senate and house
 10 appropriations subcommittees on the department budget, the senate
 11 and house fiscal agencies, and the senate and house policy offices
 12 on any request for proposals issued by this state for the healthy
 13 moms healthy babies program and on any healthy moms healthy babies
 14 programs that are established.

15

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

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

18 (a) Provide special formulas for eligible clients with
 19 specified metabolic and allergic disorders.

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

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

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

26 (e) Provide mental health care for mental health needs that
 27 result from, or are a symptom of, the individual's qualifying
 28 medical condition.

29 Sec. 1361. From the funds appropriated in part 1 for medical



1 care and treatment, the department may spend those funds for the
 2 continued development and expansion of telemedicine capacity to
 3 allow families with children in the children's special health care
 4 services program to access specialty providers more readily and in
 5 a more timely manner. The department may spend funds to support
 6 chronic complex care management of children enrolled in the
 7 children's special health care services program to minimize
 8 hospitalizations and reduce costs to the program while improving
 9 outcomes and quality of life.

10 Sec. 1362. From the funds appropriated in part 1 for medical
 11 care and treatment, the department may expend up to \$4,000,000.00
 12 to expand the number of childhood rare diseases covered under the
 13 children's special health care services for individuals under the
 14 age of 21.

15 Sec. 1363. From the funds appropriated in part 1 for
 16 children's special health care services administration, the
 17 department shall allocate \$1,000,000.00 as a grant to an
 18 independent biomedical research and science education organization
 19 in a county with a population between 600,000 and 610,000 and in a
 20 city with a population over 185,000 according to the most recent
 21 federal decennial census to be used for matching federal funds,
 22 private and nonprofit grants, and private contributions.

23

24 **AGING AND ADULT SERVICES AGENCY**

25 Sec. 1402. The department may encourage the Food Bank Council
 26 of Michigan to collaborate directly with each area agency on aging
 27 and any other organizations that provide senior nutrition services
 28 to secure the food access of older adults.

29 Sec. 1403. (1) By February 1 of the current fiscal year, the



1 aging and adult services agency shall require each region to report
 2 to the aging and adult services agency and to the legislature home-
 3 delivered meals waiting lists based upon standard criteria.

4 Determining criteria shall include all of the following:

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

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

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

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

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

15 Sec. 1417. The department shall provide to the senate and
 16 house appropriations subcommittees on the department budget, senate
 17 and house fiscal agencies, and state budget director a report by
 18 March 30 of the current fiscal year that contains all of the
 19 following:

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

22 (b) Detailed expenditures by each area agency on aging by
 23 individual program and administration including both state-funded
 24 resources and locally funded resources.

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

28 Sec. 1422. (1) From the funds appropriated in part 1 for aging
 29 and adult services administration, not less than \$300,000.00 shall



1 be allocated for the department to contract with the Prosecuting
2 Attorneys Association of Michigan to provide the support and
3 services necessary to increase the capability of the state's
4 prosecutors, adult protective service system, and criminal justice
5 system to effectively identify, investigate, and prosecute elder
6 abuse and financial exploitation.

7 (2) By March 1 of the current fiscal year, the Prosecuting
8 Attorneys Association of Michigan shall provide a report to the
9 department on the efficacy of the contract. By March 1 of the
10 current fiscal year, the department shall submit the report to the
11 state budget office, the house and senate appropriations
12 subcommittees on the department budget, the house and senate fiscal
13 agencies, and the house and senate policy offices.

14 Sec. 1425. The department shall coordinate with the department
15 of licensing and regulatory affairs to ensure that, upon receipt of
16 the order of suspension of a licensed adult foster care home, home
17 for the aged, or nursing home, the department of licensing and
18 regulatory affairs shall provide notice to the department, to the
19 house and senate appropriations subcommittees on the department
20 budget, and to the members of the house and senate that represent
21 the legislative districts of the county in which the facility lies.

22 Sec. 1426. From the funds appropriated in part 1 for community
23 services, \$40,000.00 shall be allocated to expand existing friendly
24 reassurance and friendly caller programs through the area agencies
25 on aging. The purpose of these programs is to allow an older person
26 to voluntarily sign up to receive a daily or weekly call checking
27 on the older person's well-being and possible conversation with an
28 individual. The program shall be available to all residents of this
29 state age 60 or older and shall target isolated or homebound



1 seniors to provide a check on mental health, physical health and
2 wellness, and address feelings of loneliness or depression.

3
4 **MEDICAL SERVICES ADMINISTRATION**

5 Sec. 1501. (1) The unexpended funds appropriated in part 1 for
6 the electronic health records incentive program are designated as a
7 work project appropriation, and any unencumbered or unallotted
8 funds shall not lapse at the end of the fiscal year and shall be
9 available for expenditures for projects under this section until
10 the projects have been completed. The following is in compliance
11 with section 451a(1) of the management and budget act, 1984 PA 431,
12 MCL 18.1451a:

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

18 (b) The projects will be accomplished by utilizing state
19 employees or contracts with service providers, or both, and
20 according to the approved federal advanced planning document.

21 (c) The total estimated cost of the work project is
22 \$37,477,500.00.

23 (d) The tentative completion date is September 30, 2025.

24 (2) It is the intent of the legislature that dental providers
25 be eligible for the funds available in part 1 for the Medicaid
26 electronic health records incentive program, and that distributions
27 of the funds be made to assist eligible dental providers to
28 implement Medicaid electronic health records.

29 Sec. 1505. By March 1 of the current fiscal year, the



1 department shall submit a report to the senate and house
2 appropriations subcommittees on the department budget, the senate
3 and house fiscal agencies, and the state budget office on the
4 actual reimbursement savings and cost offsets that have resulted
5 from the funds appropriated in part 1 for the office of inspector
6 general and third party liability efforts in the previous fiscal
7 year.

8 Sec. 1507. From the funds appropriated in part 1 for office of
9 inspector general, the inspector general shall audit and recoup
10 inappropriate or fraudulent payments from Medicaid managed care
11 organizations to health care providers. Unless authorized by
12 federal or state law, the department shall not fine, temporarily
13 halt operations of, disenroll as a Medicaid provider, or terminate
14 a managed care organization or health care provider from providing
15 services due to the discovery of an inappropriate payment found
16 during the course of an audit.

17 Sec. 1509. By September 30 of the current fiscal year, the
18 department shall report to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies, the senate and house policy offices, and the state budget
21 office on the implementation of employment-related activity
22 requirements for medical assistance. The report shall include, but
23 is not limited to, the number of recipients who are noncompliant
24 with the required self-sufficiency goals, an explanation of the
25 actions undertaken, and the number of recipients subject to
26 employment-related activity requirements.

27 Sec. 1512. The updated Medicaid utilization and net cost
28 report shall continue to separate nonclinical administrative costs
29 from actual claims and encounter costs.



1 Sec. 1513. (1) The department shall participate in a workgroup
 2 to determine an equitable and adequate reimbursement methodology
 3 for Medicaid inpatient psychiatric hospital care. The workgroup
 4 shall include representatives from the department, CMHSPs, PIHPs,
 5 the Michigan Association of Health Plans, the Michigan Health and
 6 Hospital Association, inpatient psychiatric facilities, Blue Cross
 7 Blue Shield of Michigan, the Community Mental Health Association of
 8 Michigan, and other individuals or organizations as determined
 9 appropriate by the department.

10 (2) By June 15 of the current fiscal year, the workgroup shall
 11 report to the senate and house appropriations subcommittees on the
 12 department budget, the senate and house fiscal agencies, the senate
 13 and house policy offices, and the state budget office on the
 14 implementation of recommendations made by the workgroup required by
 15 section 1513 of 2019 PA 67. The report shall include, but is not
 16 limited to, the following:

17 (a) Descriptions of the recommendations being implemented.

18 (b) Descriptions of the recommendations not being implemented
 19 and barriers preventing implementation.

20 (3) The department shall assist in providing data to inform
 21 the workgroup discussion, assist in modeling appropriate
 22 reimbursement methods, and assist in developing the final report.

23 Sec. 1514. From the funds appropriated in part 1 for medical
 24 services administration, the department shall allocate \$300,000.00
 25 general fund/general purpose revenue and any associated federal
 26 match to support a predictive modeling tool to improve provider
 27 billing accuracy and reduce fraud, waste, and abuse in the Medicaid
 28 program. The tool must provide a prepayment cost avoidance solution
 29 that uses statistical predictive modeling techniques to identify



1 outlier claims.

2 Sec. 1515. A qualified job placement agency may request
3 contact information from the department for Healthy Michigan plan
4 recipients subject to the workforce engagement requirements program
5 in section 107b of the social welfare act, 1939 PA 280, MCL
6 400.107b, for the geographic region the agency services, who have
7 not verified their employment in the previous quarter and are at
8 risk of losing Medicaid benefits as a result of failure by the
9 recipient to verify employment. This contact information shall not
10 include personal health information or extensive personal
11 identifying information. For the purposes of this section, a
12 "qualified job placement agency" means a regional Michigan Works!
13 agency or another nonprofit, governmental, or quasi-governmental
14 body that provides job placement assistance as designated by the
15 department.

16 Sec. 1516. (1) By March 1 of the current fiscal year, the
17 department shall do all of the following:

18 (a) Seek any appropriate federal approvals to enroll and
19 recognize community health workers as Medicaid providers and to
20 authorize Medicaid reimbursement for community health worker
21 services. The appropriate federal approval must allow for community
22 health worker services on a statewide basis and must not be a
23 limited geography waiver. The Medicaid reimbursement must cover all
24 services commensurate to community health workers' scope of
25 training and abilities as provided by evidence-based research and
26 programs. The Medicaid reimbursement methodology may include fee-
27 for-service reimbursement, value-based payment, or a combination of
28 the 2.

29 (b) Develop and test a value-based payment approach for



1 community health workers, based on shared-risk, that provides
 2 incentives to Medicaid health plans and other health plans to use
 3 community health workers to improve the quality and cost of care
 4 and patient satisfaction.

5 (c) Work to pool Medicaid health plan and other department
 6 funding for community health workers to expand the number of
 7 community health workers who provide preventive services education
 8 and care coordination within community-based human services
 9 organizations, public health agencies, primary care providers,
 10 hospitals, health care systems, and any other appropriate setting.

11 (d) Identify the ratio of community health workers to Medicaid
 12 health plan recipients that is optimal to meet the needs of
 13 Medicaid health plan recipients in each county or region in the
 14 state.

15 (e) Identify the ratio of community health workers to
 16 individuals that is optimal to meet the needs of high-risk
 17 individuals in each county or region in the state.

18 (2) By March 1 of the current fiscal year, the department
 19 shall report to the senate and house appropriations subcommittees
 20 on the department budget, the senate and house fiscal agencies, the
 21 senate and house policy offices, and the state budget office on the
 22 progress of meeting the requirements in subsection (1).

23 Sec. 1517. (1) From the funds appropriated in part 1 for
 24 medical services administration, the department shall allocate
 25 \$500,000.00 to complete an actuarial analysis and any necessary
 26 federal approvals to create a specialty Medicaid managed care
 27 health plan for children in foster care. The specialty Medicaid
 28 managed care health plan must be responsible for comprehensive
 29 medical, behavioral, and dental services, including Early and



1 Periodic Screening, Diagnostic, and Treatment (EPSDT) exams, as
 2 well as case management, specialty supports and services, home- and
 3 community-based waiver services, and any other medically necessary
 4 value-added services.

5 (2) By March 1 of the current fiscal year, the department
 6 shall report to the house and senate appropriations subcommittees
 7 on the department budget, the house and senate fiscal agencies, the
 8 house and senate policy offices, and the state budget office on the
 9 implementation status of this section.

10

11 **MEDICAL SERVICES**

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

17 Sec. 1605. The protected income level for Medicaid coverage
 18 determined pursuant to section 106(1)(b) *(iii)* of the social welfare
 19 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
 20 assistance standard.

21 Sec. 1606. For the purpose of guardian and conservator
 22 charges, the department may deduct up to \$83.00 per month as an
 23 allowable expense against a recipient's income when determining
 24 medical services eligibility and patient pay amounts.

25 Sec. 1607. (1) An applicant for Medicaid, whose qualifying
 26 condition is pregnancy, shall immediately be presumed to be
 27 eligible for Medicaid coverage unless the preponderance of evidence
 28 in her application indicates otherwise. The applicant who is
 29 qualified as described in this subsection shall be allowed to



1 select or remain with the Medicaid participating obstetrician of
2 her choice.

3 (2) All qualifying applicants shall be entitled to receive all
4 medically necessary obstetrical and prenatal care without
5 preauthorization from a health plan. All claims submitted for
6 payment for obstetrical and prenatal care shall be paid at the
7 Medicaid fee-for-service rate in the event a contract does not
8 exist between the Medicaid participating obstetrical or prenatal
9 care provider and the managed care plan. The applicant shall
10 receive a listing of Medicaid physicians and managed care plans in
11 the immediate vicinity of the applicant's residence.

12 (3) In the event that an applicant, presumed to be eligible
13 under subsection (1), is subsequently found to be ineligible, a
14 Medicaid physician or managed care plan that has been providing
15 pregnancy services to an applicant under this section is entitled
16 to reimbursement for those services until they are notified by the
17 department that the applicant was found to be ineligible for
18 Medicaid.

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

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

27 (6) The department shall mandate enrollment of women, whose
28 qualifying condition for Medicaid is pregnancy, into Medicaid
29 managed care plans.



1 (7) The department shall encourage physicians to provide
2 women, whose qualifying condition for Medicaid is pregnancy, with a
3 referral to a Medicaid participating dentist at the first
4 pregnancy-related appointment.

5 Sec. 1611. (1) For care provided to medical services
6 recipients with other third-party sources of payment, medical
7 services reimbursement shall not exceed, in combination with such
8 other resources, including Medicare, those amounts established for
9 medical services-only patients. The medical services payment rate
10 shall be accepted as payment in full. Other than an approved
11 medical services co-payment, no portion of a provider's charge
12 shall be billed to the recipient or any person acting on behalf of
13 the recipient. This section does not affect the level of payment
14 from a third-party source other than the medical services program.
15 The department shall require a nonenrolled provider to accept
16 medical services payments as payment in full.

17 (2) Notwithstanding subsection (1), medical services
18 reimbursement for hospital services provided to dual
19 Medicare/medical services recipients with Medicare part B coverage
20 only shall equal, when combined with payments for Medicare and
21 other third-party resources, if any, those amounts established for
22 medical services-only patients, including capital payments.

23 Sec. 1615. To minimize errors and overpayments, and to ensure
24 the quality of actuarial rate setting of capitated rates, the
25 department shall provide effective oversight and ensure the
26 integrity of encounter claims submitted to the department by
27 Medicaid health plans.

28 Sec. 1620. (1) For fee-for-service Medicaid claims, the
29 professional dispensing fee for drugs indicated as specialty



1 medications on the Michigan pharmaceutical products list is \$20.02
2 or the pharmacy's usual or customary cash charge, whichever is
3 less.

4 (2) For fee-for-service Medicaid claims, for drugs not
5 indicated as specialty drugs on the Michigan pharmaceutical
6 products list, the professional dispensing fee for medications is
7 as follows:

8 (a) For medications indicated as preferred on the department's
9 preferred drug list, \$10.80 or the pharmacy's usual or customary
10 cash charge, whichever is less.

11 (b) For medications not on the department's preferred drug
12 list, \$10.64 or the pharmacy's usual or customary cash charge,
13 whichever is less.

14 (c) For medications indicated as nonpreferred on the
15 department's preferred drug list, \$9.00 or the pharmacy's usual or
16 customary cash charge, whichever is less.

17 (3) The department shall require a prescription co-payment for
18 Medicaid recipients not enrolled in the Healthy Michigan plan or
19 with an income less than 100% of the federal poverty level of \$1.00
20 for a generic drug indicated as preferred on the department's
21 preferred drug list and \$3.00 for a brand-name drug indicated as
22 nonpreferred on the department's preferred drug list, except as
23 prohibited by federal or state law or regulation.

24 (4) The department shall require a prescription co-payment for
25 Medicaid recipients enrolled in the Healthy Michigan plan with an
26 income of at least 100% of the federal poverty level of \$4.00 for a
27 generic drug indicated as preferred on the department's preferred
28 drug list and \$8.00 for a brand-name drug indicated as nonpreferred
29 on the department's preferred drug list, except as prohibited by



1 federal or state law or regulation.

2 Sec. 1625. The department shall not enter into any contract
3 with a Medicaid managed care organization that relies on a pharmacy
4 benefit manager that does not do all of the following:

5 (a) For pharmacies with not more than 7 retail outlets,
6 utilizes a pharmacy reimbursement methodology of the national
7 average drug acquisition cost plus a professional dispensing fee
8 comparable to the applicable professional dispensing fee provided
9 through section 1620. The pharmacy benefit manager or the involved
10 pharmacy services administrative organization shall not receive any
11 portion of the additional professional dispensing fee. The
12 department shall identify the pharmacies this subdivision applies
13 to and provide the list of applicable pharmacies to the Medicaid
14 managed care organizations.

15 (b) For pharmacies with not more than 7 retail outlets,
16 utilizes a pharmacy reimbursement methodology, when a national
17 average drug acquisition cost price is not available, for brand
18 drugs of the lesser of the wholesale acquisition cost, the average
19 wholesale price less 16.7% plus a professional dispensing fee
20 comparable to the applicable professional dispensing fee provided
21 through section 1620, or the usual and customary charge by the
22 pharmacy. The department shall identify the pharmacies this
23 subdivision applies to and provide the list of applicable
24 pharmacies to the Medicaid managed care organizations.

25 (c) For pharmacies with not more than 7 retail outlets,
26 utilizes a pharmacy reimbursement methodology, when a national
27 average drug acquisition cost price is not available, for generic
28 drugs of the lesser of wholesale acquisition cost plus a
29 professional dispensing fee comparable to the applicable



1 professional dispensing fee provided through section 1620, average
2 wholesale price less 30.0% plus a professional dispensing fee
3 comparable to the applicable professional dispensing fee provided
4 through section 1620, or the usual and customary charge by the
5 pharmacy. The department shall identify the pharmacies this
6 subdivision applies to and provide the list of applicable
7 pharmacies to the Medicaid managed care organizations.

8 (d) Reimburses for a legally valid claim at a rate not less
9 than the rate in effect at the time the original claim adjudication
10 as submitted at the point of sale.

11 (e) Agrees to move to a transparent "pass-through" pricing
12 model, in which the pharmacy benefit manager discloses the
13 administrative fee as a percentage of the professional dispensing
14 costs to the department.

15 (f) Agrees to not create new pharmacy administration fees and
16 to not increase current fees more than the rate of inflation. This
17 subdivision does not apply to any federal rule or action that
18 creates a new fee.

19 (g) Agrees to not terminate an existing contract with a
20 pharmacy with not more than 7 retail outlets for the sole reason of
21 the additional professional dispensing fee authorized under this
22 section.

23 Sec. 1626. (1) By January 15 of the current fiscal year, each
24 pharmacy benefit manager that receives reimbursements, either
25 directly or through a Medicaid health plan, from the funds
26 appropriated in part 1 for medical services must submit all of the
27 following information to the department for the previous fiscal
28 year:

29 (a) The total number of prescriptions that were dispensed.



1 (b) The aggregate wholesale acquisition cost for each drug on
2 its formulary.

3 (c) The aggregate amount of rebates, discounts, and price
4 concessions that the pharmacy benefit manager received for each
5 drug on its formulary. The amount of rebates shall include any
6 utilization discounts the pharmacy benefit manager receives from a
7 manufacturer.

8 (d) The aggregate amount of administrative fees that the
9 pharmacy benefit manager received from all pharmaceutical
10 manufacturers.

11 (e) The aggregate amount identified in subdivisions (b) and
12 (c) that were retained by the pharmacy benefit manager and did not
13 pass through to the department or to the Medicaid health plan.

14 (f) The aggregate amount of reimbursements the pharmacy
15 benefit manager pays to contracting pharmacies.

16 (g) Any other information as considered necessary by the
17 department.

18 (2) By March 1 of the current fiscal year, the department
19 shall submit the information provided under subsection (1) to the
20 house and senate appropriations subcommittees on the department
21 budget, the house and senate fiscal agencies, the house and senate
22 policy offices, and the state budget office.

23 (3) Any nonaggregated information submitted under this section
24 shall be confidential and shall not be disclosed to any person by
25 the department. Such information is not considered a public record
26 of the department.

27 Sec. 1629. The department shall utilize maximum allowable cost
28 pricing for generic drugs that is based on wholesaler pricing to
29 providers that is available from at least 2 wholesalers who deliver



1 in this state.

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

6 (2) Except as otherwise prohibited by federal or state law or
7 regulation, the department shall require Medicaid recipients not
8 enrolled in the Healthy Michigan plan or with an income less than
9 100% of the federal poverty level to pay not less than the
10 following co-payments:

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

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

13 (c) Fifty dollars for the first day of an inpatient hospital
14 stay.

15 (d) Two dollars for an outpatient hospital visit.

16 (3) Except as otherwise prohibited by federal or state law or
17 regulation, the department shall require Medicaid recipients
18 enrolled in the Healthy Michigan plan with an income of at least
19 100% of the federal poverty level to pay the following co-payments:

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

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

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

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

27 Sec. 1641. An institutional provider that is required to
28 submit a cost report under the medical services program shall
29 submit cost reports completed in full within 5 months after the end



1 of its fiscal year.

2 Sec. 1645. (1) It is the intent of the legislature that the
3 department establish the class I nursing facility current asset
4 value bed limit based on the rolling 15-year history of new
5 construction.

6 (2) It is the intent of the legislature that, for the fiscal
7 year beginning October 1, 2022, the department modify the class I
8 nursing facility current asset value bed limit based on the rolling
9 15-year history of new construction. The increase in the current
10 asset value bed limit shall not exceed 4% of the limit for the
11 fiscal year beginning October 1, 2021.

12 Sec. 1646. (1) From the funds appropriated in part 1 for long-
13 term care services, the department shall continue to administer a
14 nursing facility quality measure initiative program. The initiative
15 shall be financed through the quality assurance assessment for
16 nursing homes and hospital long-term care units, and the funds
17 shall be distributed according to the following criteria:

18 (a) The department shall award more dollars to nursing
19 facilities that have a higher CMS 5-star quality measure domain
20 rating, then adjusted to account for both positive and negative
21 aspects of a patient satisfaction survey.

22 (b) A nursing facility with a CMS 5-star quality measure
23 domain star rating of 1 or 2 must file an action plan with the
24 department describing how it intends to use funds appropriated
25 under this section to increase quality outcomes before funding
26 shall be released.

27 (c) The total incentive dollars must reflect the following
28 Medicaid utilization scale:

29 (i) For nursing facilities with a Medicaid participation rate



1 of above 63%, the facility shall receive 100% of the incentive
2 payment.

3 (ii) For nursing facilities with a Medicaid participation rate
4 between 50% and 63%, the facility shall receive 75% of the
5 incentive payment.

6 (iii) For nursing facilities with a Medicaid participation rate
7 of less than 50%, the facility shall receive a payment
8 proportionate to their Medicaid participation rate.

9 (iv) For nursing facilities not enrolled in Medicaid, the
10 facility shall not receive an incentive payment.

11 (d) Facilities designated as special focus facilities are not
12 eligible for any payment under this section.

13 (e) Number of licensed beds.

14 (2) The department and nursing facility representatives shall
15 evaluate the quality measure incentive program's effectiveness on
16 quality, measured by the change in the CMS 5-star quality measure
17 domain rating since the implementation of quality measure incentive
18 program. By March 1 of the current fiscal year, the department
19 shall report to the senate and house appropriations subcommittees
20 on the department budget, the senate and house fiscal agencies, and
21 the senate and house policy offices on the findings of the
22 evaluation.

23 Sec. 1657. (1) Reimbursement for medical services to screen
24 and stabilize a Medicaid recipient, including stabilization of a
25 psychiatric crisis, in a hospital emergency room shall not be made
26 contingent on obtaining prior authorization from the recipient's
27 HMO. If the recipient is discharged from the emergency room, the
28 hospital shall notify the recipient's HMO within 24 hours of the
29 diagnosis and treatment received.



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

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

9 Sec. 1662. (1) The department shall ensure that an external
10 quality review of each contracting HMO is performed that results in
11 an analysis and evaluation of aggregated information on quality,
12 timeliness, and access to health care services that the HMO or its
13 contractors furnish to Medicaid beneficiaries.

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

18 (3) The department shall provide a copy of the analysis of the
19 Medicaid HMO annual audited HEDIS reports and the annual external
20 quality review report to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies, and the state budget director, within 30 days after the
23 department's receipt of the final reports from the contractors.

24 Sec. 1670. (1) The appropriation in part 1 for the MICHild
25 program is to be used to provide comprehensive health care to all
26 children under age 19 who reside in families with income at or
27 below 212% of the federal poverty level, who are uninsured and have
28 not had coverage by other comprehensive health insurance within 6
29 months after applying for MICHild benefits, and who are residents



1 of this state. The department shall develop detailed eligibility
2 criteria through the medical services administration public
3 concurrence process, consistent with the provisions of this part
4 and part 1.

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

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

15 Sec. 1673. The department may establish premiums for MIChild
16 eligible individuals in families with income at or below 212% of
17 the federal poverty level. The monthly premiums shall be \$10.00 per
18 month.

19 Sec. 1677. The MIChild program shall provide, at a minimum,
20 all benefits available under the Michigan benchmark plan that are
21 delivered through contracted providers and consistent with federal
22 law, including, but not limited to, the following medically
23 necessary services:

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

28 (b) Outpatient mental health services, other than substance
29 use disorder services, including services furnished in a state-



1 operated mental hospital and community-based services.

2 (c) Durable medical equipment and prosthetic and orthotic
3 devices.

4 (d) Dental services as outlined in the approved MIChild state
5 plan.

6 (e) Substance use disorder treatment services that may include
7 inpatient, outpatient, and residential substance use disorder
8 treatment services.

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

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

12 (h) Emergency ambulance services.

13 Sec. 1682. (1) In addition to the appropriations in part 1,
14 the department is authorized to receive and spend penalty money
15 received as the result of noncompliance with medical services
16 certification regulations. Penalty money, characterized as private
17 funds, received by the department shall increase authorizations and
18 allotments in the long-term care accounts.

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

21 Sec. 1692. (1) The department is authorized to pursue
22 reimbursement for eligible services provided in Michigan schools
23 from the federal Medicaid program. The department and the state
24 budget director are authorized to negotiate and enter into
25 agreements, together with the department of education, with local
26 and intermediate school districts regarding the sharing of federal
27 Medicaid services funds received for these services. The department
28 is authorized to receive and disburse funds to participating school
29 districts pursuant to such agreements and state and federal law.



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

4 (a) Finance activities within the medical services
5 administration related to this project.

6 (b) Reimburse participating school districts pursuant to the
7 fund-sharing ratios negotiated in the state-local agreements
8 authorized in subsection (1).

9 (c) Offset general fund costs associated with the medical
10 services program.

11 Sec. 1693. The special Medicaid reimbursement appropriation in
12 part 1 may be increased if the department submits a medical
13 services state plan amendment pertaining to this line item at a
14 level higher than the appropriation. The department is authorized
15 to appropriately adjust financing sources in accordance with the
16 increased appropriation.

17 Sec. 1694. From the funds appropriated in part 1 for special
18 Medicaid reimbursement, \$1,121,400.00 of general fund/general
19 purpose revenue and any associated federal match shall be
20 distributed for poison control services to an academic health care
21 system that has a high indigent care volume.

22 Sec. 1697. The department shall require that Medicaid health
23 plans administering Healthy Michigan plan benefits maintain a
24 network of dental providers in sufficient numbers, mix, and
25 geographic locations throughout their respective service areas in
26 order to provide adequate dental care for Healthy Michigan plan
27 enrollees.

28 Sec. 1699. (1) The department may make separate payments in
29 the amount of \$45,000,000.00 directly to qualifying hospitals



1 serving a disproportionate share of indigent patients and to
2 hospitals providing GME training programs. If direct payment for
3 GME and DSH is made to qualifying hospitals for services to
4 Medicaid recipients, hospitals shall not include GME costs or DSH
5 payments in their contracts with HMOs.

6 (2) The department shall allocate \$45,000,000.00 in DSH
7 funding using the distribution methodology used in fiscal year
8 2003-2004.

9 Sec. 1700. By December 1 of the current fiscal year, the
10 department shall report to the senate and house appropriations
11 subcommittees on the department budget, the senate and house fiscal
12 agencies, and the state budget office on the distribution of
13 funding provided, and the net benefit if the special hospital
14 payment is not financed with general fund/general purpose revenue,
15 to each eligible hospital during the previous fiscal year from the
16 following special hospital payments:

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

18 (b) GME.

19 (c) Special rural hospital payments provided under section
20 1802(2) of this part.

21 (d) Lump-sum payments to rural hospitals for obstetrical care
22 provided under section 1802(1) of this part.

23 Sec. 1702. From the funds appropriated in part 1, the
24 department shall provide a 10% rate increase from the rates
25 established in fiscal year 2020-2021 for private duty nursing
26 services for Medicaid beneficiaries under the age of 21. These
27 additional funds must be used to attract and retain highly
28 qualified registered nurses and licensed practical nurses to
29 provide private duty nursing services so that medically frail



1 children can be cared for in the most homelike setting possible.

2 Sec. 1704. (1) From the funds appropriated in part 1 for
3 health plan services, the department shall maintain the Medicaid
4 adult dental benefit for pregnant women enrolled in a Medicaid
5 program.

6 (2) By April 15 of the current fiscal year, the department
7 shall report to the house and senate appropriations subcommittees
8 on the department budget, the house and senate fiscal agencies, and
9 the state budget office on the following:

10 (a) The number of pregnant women enrolled in Medicaid who
11 visited a dentist over the prior year.

12 (b) The number of dentists statewide who participate in
13 providing dental services to pregnant women enrolled in Medicaid.

14 Sec. 1757. The department shall obtain proof from all Medicaid
15 recipients that they are United States citizens or otherwise
16 legally residing in this country and that they are residents of
17 this state before approving Medicaid eligibility.

18 Sec. 1763. It is the intent of the legislature that upon
19 expiration of contract no. 071b7700073, the department shall issue
20 an RFP for a 3-year contract for actuarial services, including, but
21 not limited to, capitation rate setting for Medicaid and the
22 Healthy Michigan plan. The department shall notify the senate and
23 house appropriations subcommittees on the department budget, the
24 senate and house fiscal agencies, and the senate and house policy
25 offices on what vendors submitted bids for the contract, which
26 vendor received the contract, the evaluation process, and the
27 criteria used by the department in awarding the contract for
28 actuarial services.

29 Sec. 1764. The department shall annually certify whether rates



1 paid to Medicaid health plans and specialty PIHPs are actuarially
2 sound in accordance with federal requirements and shall provide a
3 copy of the rate certification and approval of rates paid to
4 Medicaid health plans and specialty PIHPs within 5 business days
5 after certification or approval to the senate and house
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, and the state budget office. Following
8 the rate certification, the department shall ensure that no new or
9 revised state Medicaid policy bulletin that is promulgated
10 materially impacts the capitation rates that have been certified in
11 a negative manner.

12 Sec. 1775. (1) By March 1 of the current fiscal year, the
13 department shall report to the senate and house appropriations
14 subcommittees on the department budget, the senate and house fiscal
15 agencies, and the state budget office on progress in implementing
16 the waiver to implement managed care for individuals who are
17 eligible for both Medicare and Medicaid, known as MI Health Link,
18 including any problems and potential solutions as identified by the
19 ombudsman described in subsection (2).

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

26 Sec. 1782. Subject to federal approval, from the funds
27 appropriated in part 1 for health plan services, the department
28 shall allocate \$740,000.00 general fund/general purpose plus any
29 available work project funds and federal match through an



1 administered contract with oversight from Medical Services
2 Administration and Public Health Administration. The funds shall be
3 used to support a statewide media campaign for improving this
4 state's immunization rates.

5 Sec. 1789. The department may increase the practitioner rates
6 paid for physical and occupational therapy procedures through
7 Medicaid fee-for-service and through the comprehensive Medicaid
8 health plans up to 100% of the Medicare rate received for
9 rehabilitation procedures provided for Medicaid recipients under
10 the age of 21.

11 Sec. 1790. The department shall maintain the current
12 practitioner rates paid for current procedural terminology (CPT)
13 codes 90791 through 90899 for psychiatric procedures through
14 Medicaid fee-for-service and through the comprehensive Medicaid
15 health plans.

16 Sec. 1791. From the funds appropriated in part 1 for health
17 plan services and physician services, the department shall provide
18 Medicaid reimbursement rates for neonatal services at 95% of the
19 Medicare rate received for those services in effect on the date the
20 services are provided to eligible Medicaid recipients. The current
21 procedural terminology (CPT) codes that are eligible for this
22 reimbursement rate increase are 99468, 99469, 99471, 99472, 99475,
23 99476, 99477, 99478, 99479, and 99480.

24 Sec. 1792. By April 30 of the current fiscal year, the
25 department shall evaluate pharmacy encounter data through the first
26 2 quarters of the fiscal year to determine, in consultation with
27 the Medicaid health plans, if rates must be recertified. By May 30
28 of the current fiscal year, the department shall report the
29 evaluation results to the senate and house appropriations



1 subcommittees on the department budget, the senate and house fiscal
2 agencies, the senate and house policy offices, the state budget
3 office, and the Medicaid health plans.

4 Sec. 1801. From the funds appropriated in part 1 for physician
5 services and health plan services, the department shall continue
6 the increase to Medicaid rates for primary care services provided
7 only by primary care providers. Providers performing a service and
8 whose primary practice is as a non-primary-care subspecialty are
9 not eligible for the increase. The department shall establish
10 policies that most effectively limit the increase to primary care
11 providers for primary care services only. As used in this section,
12 "primary care provider" means a physician, or a practitioner
13 working in collaboration with a physician, who is either licensed
14 under part 170 or part 175 of the public health code, 1978 PA 368,
15 MCL 333.17001 to 333.17097 and 333.17501 to 333.17556, and working
16 as a primary care provider in general practice or board-eligible or
17 certified with a specialty designation of family medicine, general
18 internal medicine, or pediatric medicine, or a provider who
19 provides the department with documentation of equivalency.

20 Sec. 1802. (1) From the funds appropriated in part 1 for
21 hospital services and therapy, \$7,995,200.00 in general
22 fund/general purpose revenue shall be provided as lump-sum payments
23 to noncritical access hospitals that qualified for rural hospital
24 access payments in fiscal year 2013-2014 and that provide
25 obstetrical care in the current fiscal year. Payment amounts shall
26 be based on the volume of obstetrical care cases and newborn care
27 cases for all such cases billed by each qualified hospital in the
28 most recent year for which data is available. Payments shall be
29 made by January 1 of the current fiscal year.



1 (2) From the funds appropriated in part 1 for hospital
2 services and therapy and Healthy Michigan plan, \$13,904,800.00 in
3 general fund/general purpose revenue and any associated federal
4 match shall be awarded as rural access payments to noncritical
5 access hospitals that meet criteria established by the department
6 for services to low-income rural residents. One of the
7 reimbursement components of the distribution formula shall be
8 assistance with labor and delivery services. The department shall
9 ensure that the rural access payments described in this subsection
10 are distributed in a manner that ensures both of the following:

11 (a) A hospital does not receive more than 10.0% of the total
12 rural access funding referenced in this subsection.

13 (b) The methodology for distribution under this subsection and
14 its applicable data that are used to determine the payment amounts
15 are provided to each hospital by August 1 of the current fiscal
16 year. The department shall publish the distribution of payments for
17 the current fiscal year and the immediately preceding fiscal year.

18 Sec. 1803. The department shall maintain rules to allow for
19 billing to and reimbursement by the Medicaid program directly for
20 transportation charges related to portable X-ray services rendered
21 to patients residing in a nursing facility or an assisted living
22 facility, or who are otherwise homebound. By October 1 of the
23 current fiscal year, the department shall set payment rates for
24 Medicaid transportation charges related to portable X-ray services.

25 Sec. 1804. The department shall continue to work to identify
26 Medicaid recipients who are veterans and who may be eligible for
27 federal veterans' health care benefits or other benefits and shall
28 continue to refer veterans to the department of military and
29 veterans affairs for assistance in securing additional benefits. To



1 accomplish this, the department may utilize the federal public
2 assistance reporting information system.

3 Sec. 1810. In advance of the annual rate setting development,
4 Medicaid health plans shall be given at least 60 days to dispute
5 and correct any discarded encounter data before rates are
6 certified. The department shall notify each contracting Medicaid
7 health plan of any encounter data that have not been accepted for
8 the purposes of rate setting.

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

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

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

26 (3) As used in this section, "national accrediting entity"
27 means the National Committee for Quality Assurance, the URAC,
28 formerly known as the Utilization Review Accreditation Commission,
29 or other appropriate entity, as approved by the department.



1 Sec. 1837. The department shall continue, and expand where
2 appropriate, utilization of telemedicine and telepsychiatry as
3 strategies to increase access to services for Medicaid recipients.

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

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

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

12 (c) The training of practitioners providing pediatric
13 psychiatry services.

14 Sec. 1850. The department may allow Medicaid health plans to
15 assist with maintaining eligibility through outreach activities to
16 ensure continuation of Medicaid eligibility and enrollment in
17 managed care. This may include mailings, telephone contact, or
18 face-to-face contact with beneficiaries enrolled in the individual
19 Medicaid health plan. Health plans may offer assistance in
20 completing paperwork for beneficiaries enrolled in their plan.

21 Sec. 1851. From the funds appropriated in part 1 for adult
22 home help services, the department shall allocate \$150,000.00 state
23 general fund/general purpose revenue plus any associated federal
24 match to develop and deploy a mobile electronic visit verification
25 solution to create administrative efficiencies, reduce error, and
26 minimize fraud. The development of the solution shall be predicated
27 on input from the results of the 2017 stakeholder survey.

28 Sec. 1854. The funds appropriated in part 1 for program of
29 all-inclusive care for the elderly (PACE) must support a current



1 fiscal year enrollment cap that is not less than 6,920.

2 Sec. 1855. From the funds appropriated in part 1 for program
3 of all-inclusive care for the elderly (PACE), to the extent that
4 funding is available in the PACE line item and unused program slots
5 are available, the department may do the following:

6 (a) Increase the number of slots for an already-established
7 local PACE program if the local PACE program has provided
8 appropriate documentation to the department indicating its ability
9 to expand capacity to provide services to additional PACE clients.

10 (b) Suspend the 10 member per month individual PACE program
11 enrollment increase cap in order to allow unused and unobligated
12 slots to be allocated to address unmet demand for PACE services.

13 (c) Give funding priority to programs established in this
14 state before calendar year 2021.

15 Sec. 1856. (1) From the funds appropriated in part 1 for
16 hospice services, \$3,318,000.00 shall be expended to provide room
17 and board for Medicaid recipients who meet hospice eligibility
18 requirements and receive services at Medicaid enrolled hospice
19 residences in this state. The department shall distribute funds
20 through grants based on the total beds located in all eligible
21 residences that have been providing these services as of October 1,
22 2017. Any eligible grant applicant may inform the department of
23 their request to reduce the grant amount allocated for their
24 residence and the funds shall be distributed proportionally to
25 increase the total grant amount of the remaining grant-eligible
26 residences. Grant amounts shall be paid out monthly with 1/12 of
27 the total grant amount distributed each month to the grantees.

28 (2) By September 15 of the current fiscal year, each Medicaid-
29 enrolled hospice with a residence that receives funds under this



1 section shall provide a report to the department on the utilization
2 of the grant funding provided in subsection (1). The report shall
3 be provided in a format prescribed by the department and shall
4 include the following:

5 (a) The number of patients served.

6 (b) The number of days served.

7 (c) The daily room and board rates for the patients served.

8 (d) If there is not sufficient funding to cover the total room
9 and board need, the number of patients who did not receive care due
10 to insufficient grant funding.

11 (3) If there is funding remaining at the end of the current
12 fiscal year, the Medicaid-enrolled hospice with a residence shall
13 return funding to the state.

14 Sec. 1858. By April 1 of the current fiscal year, the
15 department shall report to the senate and house appropriations
16 subcommittees on the department budget and the senate and house
17 fiscal agencies on all of the following elements related to the
18 current Medicaid pharmacy carve-out of pharmaceutical products as
19 provided for in section 109h of the social welfare act, 1939 PA
20 280, MCL 400.109h:

21 (a) The number of prescriptions paid by the department during
22 the previous fiscal year.

23 (b) The total amount of expenditures for prescriptions paid by
24 the department during the previous fiscal year.

25 (c) The number of and total expenditures for prescriptions
26 paid for by the department for generic equivalents during the
27 previous fiscal year.

28 Sec. 1859. The department shall partner with the Michigan
29 Association of Health Plans (MAHP) and Medicaid health plans to



1 develop and implement strategies for the use of information
2 technology services for Medicaid research activities. The
3 department shall make available state medical assistance program
4 data, including Medicaid behavioral data, to MAHP and Medicaid
5 health plans or any vendor considered qualified by the department
6 for the purpose of research activities consistent with this state's
7 goals of improving health; increasing the quality, reliability,
8 availability, and continuity of care; and reducing the cost of care
9 for the eligible population of Medicaid recipients.

10 Sec. 1860. By March 1 of the current fiscal year, the
11 department shall provide a report to the senate and house
12 appropriations subcommittees, the senate and house fiscal agencies,
13 and the state budget office on uncollected co-pays and premiums in
14 the Healthy Michigan plan. The report shall include information on
15 the number of participants who have not paid their co-pays and
16 premiums, the total amount of uncollected co-pays and premiums, and
17 steps taken by the department and health plans to ensure greater
18 collection of co-pays and premiums.

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

22 Sec. 1867. (1) The department shall continue a workgroup that
23 includes psychiatrists, other relevant prescribers, and pharmacists
24 to identify best practices and to develop a protocol for
25 psychotropic medications. Any changes proposed by the workgroup
26 shall protect a Medicaid beneficiary's current psychotropic
27 pharmaceutical treatment regimen by not requiring a physician
28 currently prescribing any treatment to alter or adjust that
29 treatment.



1 (2) By March 1 of the current fiscal year, the department
2 shall provide the workgroup's recommendations to the senate and
3 house appropriations subcommittees on the department budget, the
4 senate and house fiscal agencies, and the state budget office.

5 Sec. 1870. (1) From the funds appropriated in part 1 for
6 hospital services and therapy, the department shall appropriate
7 \$5,100,000.00 in general fund/general purpose revenue plus any
8 contributions from public entities, up to \$5,000,000.00, and any
9 associated federal match to the MiDocs consortium to create new
10 primary care residency slots in underserved communities. The new
11 primary care residency slots must be in 1 of the following
12 specialties: family medicine, general internal medicine, general
13 pediatrics, general OB-GYN, psychiatry, or general surgery.

14 (2) The department shall seek any necessary approvals from CMS
15 to allow the department to implement the program described in this
16 section.

17 (3) Assistance with repayment of medical education loans, loan
18 interest payments, or scholarships provided by MiDocs shall be
19 contingent upon a minimum 2-year commitment to practice in an
20 underserved community in this state post-residency and an agreement
21 to forego any sub-specialty training for at least 2 years post-
22 residency with the exception of a child and adolescent psychiatry
23 fellowship which must be integrated with a psychiatry residency
24 training program in a MiDocs affiliated institution.

25 (4) The MiDocs shall work with the department to integrate the
26 Michigan inpatient psychiatric admissions discussion (MIPAD)
27 recommendations and, when possible, prioritize training
28 opportunities in state psychiatric hospitals and community mental
29 health organizations.



1 (5) The MiDocs consortium may allocate local funding, and any
2 associated federal match, to a community-based Accreditation
3 Council for Graduate Medical Education (ACGME), which operates from
4 the local funds appropriated in this subsection, to administer a
5 community-based residency training program. The funds appropriated
6 in this subsection may be allocated and administered on a local
7 level to communities with high disparities related to COVID-19 and
8 high infant mortality rates for community and public health-based
9 training programs for providers in family medicine. The community-
10 based residency training program shall have a particular emphasis
11 on addressing local psychiatric issues, local health disparities,
12 and local maternal child health issues. The department and the
13 MiDocs consortium may secure federal match on local funds allocated
14 in this subsection to serve Medicaid and uninsured individuals
15 through this community-based residency training program.

16 (6) The department shall maintain the MiDocs initiative
17 advisory council to help support implementation of the program
18 described in this section, and provide oversight. The advisory
19 council shall be composed of the MiDocs consortium, the Michigan
20 Area Health Education Centers, the Michigan Primary Care
21 Association, the Michigan Center for Rural Health, the Michigan
22 Academy of Family Physicians, and any other appointees designated
23 by the department.

24 (7) By September 1 of the current fiscal year, MiDocs shall
25 report to the senate and house appropriations subcommittees on the
26 department budget, the senate and house fiscal agencies, the senate
27 and house policy offices, and the state budget office, on the
28 following:

29 (a) Audited financial statement of per-resident costs.



1 (b) Education and clinical quality data.

2 (c) Roster of trainees, including areas of specialty and
3 locations of training.

4 (d) Medicaid revenue by training site.

5 (8) Outcomes and performance measures for this program
6 include, but are not limited to, the following:

7 (a) Increasing this state's ability to recruit, train, and
8 retain primary care physicians and other select specialty
9 physicians in underserved communities.

10 (b) Maximizing training opportunities with community health
11 centers, rural critical access hospitals, solo or group private
12 practice physician practices, schools, and other community-based
13 clinics, in addition to required rotations at inpatient hospitals.

14 (c) Increasing the number of residency slots for family
15 medicine, general internal medicine, general pediatrics, general
16 OB-GYN, psychiatry, and general surgery.

17 (9) Unexpended and unencumbered funds up to a maximum
18 \$5,100,000.00 in general fund/general purpose revenue plus any
19 contributions from public entities, up to \$5,000,000.00, and any
20 associated federal match remaining in accounts appropriated in part
21 1 for hospital services and therapy are designated as work project
22 appropriations, and any unencumbered or unallotted funds shall not
23 lapse at the end of the fiscal year and shall be available for
24 expenditures for the MiDocs consortium to create new primary care
25 residency slots in underserved communities under this section until
26 the work project has been completed. All of the following are in
27 compliance with section 451a(1) of the management and budget act,
28 1984 PA 431, MCL 18.1451a:

29 (a) The purpose of the work project is to fund the cost of the



1 MiDocs consortium to create new primary care residency slots in
2 underserved communities.

3 (b) The work project will be accomplished by contracting with
4 the MiDocs consortium to oversee the creation of new primary care
5 residency slots.

6 (c) The total estimated completion cost of the work project is
7 \$20,200,000.00.

8 (d) The tentative completion date is September 30, 2026.

9 Sec. 1871. The funds appropriated in part 1 for the Healthy
10 Michigan plan healthy behaviors incentives program shall only
11 provide reductions in cost-sharing responsibilities and shall not
12 include other financial rewards such as gift cards.

13 Sec. 1872. From the funds appropriated in part 1 for personal
14 care services, the department shall maintain the monthly Medicaid
15 personal care supplement paid to adult foster care facilities and
16 homes for the aged that provide personal care services to Medicaid
17 recipients in place during the previous fiscal year.

18 Sec. 1873. From the funds appropriated in part 1 for long-term
19 care services, the department may allocate up to \$3,700,000.00 for
20 the purpose of outreach and education to nursing home residents and
21 the coordination of housing in order to move out of the facility.
22 In addition, any funds appropriated shall be used for other quality
23 improvement activities of the program. The department shall
24 consider working with all relevant stakeholders to develop a plan
25 for the ongoing sustainability of the nursing facility transition
26 initiative.

27 Sec. 1874. The department shall ensure, in counties where
28 program of all-inclusive care for the elderly or PACE services are
29 available, that the program of all-inclusive care for the elderly



1 (PACE) is included as an option in all options counseling and
2 enrollment brokering for aging services and managed care programs,
3 including, but not limited to, Area Agencies on Aging, centers for
4 independent living, and the MiChoice home and community-based
5 waiver. Such options counseling must include approved marketing and
6 discussion materials.

7 Sec. 1875. (1) The department and its contractual agents may
8 not subject Medicaid prescriptions to prior authorization
9 procedures during the current fiscal year if that drug is carved
10 out or is not subject to prior authorization procedures as of
11 January 22, 2020, and is generally recognized in a standard medical
12 reference or the American Psychiatric Association's Diagnostic and
13 Statistical Manual for the Treatment of a Psychiatric Disorder.

14 (2) The department and its contractual agents may not subject
15 Medicaid prescriptions to prior authorization procedures during the
16 current fiscal year if that drug is carved out or is not subject to
17 prior authorization procedures as of January 22, 2020 and is a
18 prescription drug that is generally recognized in a standard
19 medical reference for the treatment of human immunodeficiency virus
20 or acquired immunodeficiency syndrome, epilepsy or seizure
21 disorder, or organ replacement therapy. The department shall
22 explore including medications for the treatment of Duchenne
23 Muscular Dystrophy to the list of Medicaid prescriptions not
24 subject to prior authorization.

25 (3) As used in this section, "prior authorization" means a
26 process implemented by the department or its contractual agents
27 that conditions, delays, or denies delivery or particular pharmacy
28 services to Medicaid beneficiaries upon application of
29 predetermined criteria by the department or its contractual agents



1 to those pharmacy services. The process of prior authorization
2 often requires that a prescriber do 1 or both of the following:

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

5 (b) Verify to the department or its contractual agents that
6 the use of a drug prescribed for an individual meets predetermined
7 criteria from the department or its contractual agents for a
8 prescription drug that is otherwise available under the Medicaid
9 program in this state.

10 Sec. 1877. (1) The department must not subject providers of
11 Medicaid-funded medical care or services to waiting more than 72
12 hours to receive prior authorization appeal decisions for urgent
13 requests made by a provider. The department may use either
14 electronic or written means to notify a provider of Medicaid-funded
15 services of its prior authorization appeal decision.

16 (2) As used in this section, "urgent request" means a request
17 for Medicaid-funded medical care or services where application of
18 the time frame for making routine or non-life-threatening medical
19 care or services determinations would do any of the following:

20 (a) Seriously jeopardize the life or health of the individual
21 or the individual's ability to regain maximum function, based on a
22 prudent layperson's judgment.

23 (b) Seriously jeopardize the life, health, or safety of the
24 individual or others, due to the individual's psychological state.

25 (c) In the opinion of a practitioner with knowledge of the
26 individual's medical or behavioral condition, would subject the
27 individual to adverse health consequences without the medical care
28 or service that is the subject of the request.

29 Sec. 1878. By March 1 of the current fiscal year, the



1 department shall provide a report to the senate and house
2 appropriations subcommittees on the department budget, the senate
3 and house fiscal agencies, the senate and house policy offices, and
4 the state budget office on hepatitis C tracking data. At a minimum,
5 the report shall include information on the following for
6 individuals treated with Harvoni or any other treatment used to
7 cure hepatitis C during the current fiscal year or a previous
8 fiscal year:

9 (a) The total number of people treated broken down by those
10 treated through traditional Medicaid and those treated through the
11 Healthy Michigan plan.

12 (b) The total cost of treatment.

13 (c) The total cost of treatment broken down by those treated
14 through traditional Medicaid and those treated through the Healthy
15 Michigan plan.

16 (d) The cure rate broken down by Metavir Score, genotype,
17 Medicaid match rate, and drug used during treatment.

18 (e) The reinfection rate broken down by Metavir Score,
19 genotype, Medicaid match rate, and drug used during treatment.

20 Sec. 1879. (1) The department shall maintain a single,
21 standard preferred drug list to be used by all contracted Medicaid
22 managed health care programs. Changes to the preferred drug list
23 shall be made in consultation with all contracted managed health
24 care programs and the Michigan pharmacy and therapeutics committee
25 to ensure sufficient access to medically necessary drugs for each
26 disease state. The department has final authority over the list and
27 shall design the list to ensure access to clinically effective and
28 appropriate drug therapies and maximize federal rebates and
29 supplemental rebates.



1 (2) By July 15 of the current fiscal year, the department
2 shall submit a report to the senate and house appropriations
3 subcommittees on the department budget, the senate and house fiscal
4 agencies, the senate and house policy offices, and the state budget
5 office that compares the managed care pharmacy expenditures,
6 utilization, and rebates before implementing a single, standard
7 preferred drug list to managed care pharmacy expenditures,
8 utilization, and rebates after implementing a single, standard
9 preferred drug list. The report shall include data on collected
10 rebates, pharmacy utilization, and expenditures by quarter for at
11 least 8 quarters before implementing a single, standard preferred
12 drug list, and the experienced rebates, pharmacy utilization, and
13 expenditures for at least 6 quarters, and the projected rebates,
14 pharmacy utilization, and expenditures for quarters 7 through 12
15 after implementing a single, standard preferred drug list. The data
16 shall be aggregated by the department so as not to disclose the
17 proprietary or confidential drug-specific information, or the
18 proprietary or confidential information that directly or indirectly
19 identifies financial information linked to a single manufacturer.

20 Sec. 1888. The department shall establish contract performance
21 standards associated with the capitation withhold provisions for
22 Medicaid health plans at least 3 months before the implementation
23 of those standards. The determination of whether performance
24 standards have been met shall be based primarily on recognized
25 concepts such as 1-year continuous enrollment and the healthcare
26 effectiveness data and information set, HEDIS, audited data.

27 Sec. 1894. By March 1 of the current fiscal year, the
28 department shall report to the senate and house appropriations
29 subcommittees on the department budget, the senate and house fiscal



1 agencies, the senate and house policy offices, and the state budget
 2 office on the Healthy Kids Dental program. The report shall
 3 include, but is not limited to, the following:

4 (a) The number of children enrolled in the Healthy Kids Dental
 5 program who visited the dentist during the previous fiscal year
 6 broken down by dental benefit manager.

7 (b) The number of dentists who accept payment from the Healthy
 8 Kids Dental program broken down by dental benefit manager.

9 (c) The annual change in dental utilization of children
 10 enrolled in the Healthy Kids Dental program broken down by dental
 11 benefit manager.

12 (d) Service expenditures for the Healthy Kids Dental program
 13 broken down by dental benefit manager.

14 (e) Administrative expenditures for the Healthy Kids Dental
 15 program broken down by dental benefit manager.

16

17 **INFORMATION TECHNOLOGY**

18 Sec. 1901. (1) The department shall provide a report on a
 19 quarterly basis to the senate and house appropriations
 20 subcommittees on the department budget, the senate and house fiscal
 21 agencies, the senate and house policy offices, and the state budget
 22 office on all of the following information:

23 (a) The process used to define requests for proposals for each
 24 expansion of information technology projects, including timelines,
 25 project milestones, and intended outcomes.

26 (b) If the department decides not to contract the services out
 27 to design and implement each element of the information technology
 28 expansion, the department's own project plan that includes, at a
 29 minimum, the requirements in subdivision (a).



1 (c) A recommended project management plan with milestones and
2 time frames.

3 (d) The proposed benefits from implementing the information
4 technology expansion, including customer service improvement, form
5 reductions, potential time savings, caseload reduction, and return
6 on investment.

7 (e) Details on the implementation of the integrated service
8 delivery project, and the progress toward meeting the outcomes and
9 performance measures listed in section 1904(2) of this part.

10 (f) A list of projects approved in the previous quarter and
11 the purpose for approving each project including any federal,
12 state, court, or legislative requirement for each project.

13 (2) Once an award for an expansion of information technology
14 is made, the department shall report to the senate and house
15 appropriations subcommittees on the department budget, the senate
16 and house fiscal agencies, the senate and house policy offices, and
17 the state budget office a projected cost of the expansion broken
18 down by use and type of expense.

19 Sec. 1902. From the funds appropriated in part 1 for the
20 Michigan Medicaid information system (MMIS) line item, private
21 revenue may be received from and allocated for other states
22 interested in participating as part of the broader MMIS initiative.
23 By March 1 of the current fiscal year, the department shall provide
24 a report on the use of MMIS by other states for the previous fiscal
25 year, including a list of states, type of use, and revenue and
26 expenditures related to the agreements with the other states to use
27 the MMIS. The report shall be provided to the house and senate
28 appropriations subcommittees on the department budget, the house
29 and senate fiscal agencies, and the state budget office.



1 Sec. 1903. (1) The department shall report to the senate and
2 house appropriations subcommittees on the department budget, the
3 senate and house fiscal agencies, the senate and house policy
4 offices, and the state budget office by November 1 of the current
5 fiscal year the status of an implementation plan regarding the
6 appropriation in part 1 to modernize the MiSACWIS. The report shall
7 include, but not be limited to, an update on the status of the
8 settlement and efforts to bring the system in compliance with the
9 settlement and other federal guidelines set forth by the United
10 States Department of Health and Human Services Administration for
11 Children and Families.

12 (2) The department shall report quarterly to the senate and
13 house appropriations subcommittees on the department budget, the
14 senate and house fiscal agencies, the senate and house policy
15 offices, and the state budget office a status report on the
16 planning, implementation, and operation, regardless of the current
17 operational status, regarding the appropriation in part 1 to
18 implement the MiSACWIS. The report shall provide details on the
19 planning, implementation, and operation of the MiSACWIS, including,
20 but not limited to, all of the following:

21 (a) Areas where implementation went as planned, and in each
22 area including whether the implementation results in either
23 enhanced user interface or portal access, conversion to new
24 modules, or substantial operation improvement to the MiSACWIS.

25 (b) The number of known issues.

26 (c) The average number of help tickets submitted per day.

27 (d) Any additional overtime or other staffing costs to address
28 known issues and volume of help tickets.

29 (e) Any contract revisions to address known issues and volume



1 of help tickets.

2 (f) Other strategies undertaken to improve implementation, and
3 for each strategy area including whether the implementation results
4 in either enhanced user interface or portal access, conversion to
5 new modules, or substantial operation improvement to the MiSACWIS.

6 (g) Progress developing cross-system trusted data exchange
7 with the MiSACWIS.

8 (h) Progress in moving away from a statewide automated child
9 welfare information system (SACWIS) to a comprehensive child
10 welfare information system (CCWIS).

11 (i) Progress developing and implementing a program to monitor
12 data quality.

13 (j) Progress developing and implementing custom integrated
14 systems for private agencies.

15 (k) A list of all change orders, planned or in progress.

16 (l) The status of all change orders, planned or in progress.

17 (m) The estimated costs for all planned change orders.

18 (n) The estimated and actual costs for all change orders in
19 progress.

20 Sec. 1904. (1) From the funds appropriated in part 1 for the
21 technology supporting integrated service delivery line item, the
22 department shall maintain information technology tools and enhance
23 existing systems to improve the eligibility and enrollment process
24 for citizens accessing department administered programs. This
25 information technology system shall consolidate beneficiary
26 information, support department caseworker efforts in building a
27 success plan for beneficiaries, and better support department staff
28 in supporting enrollees in assistance programs.

29 (2) Outcomes and performance measures for the initiative under



1 subsection (1) include, but are not limited to, the following:

2 (a) Successful consolidation of data warehouses maintained by
3 the department.

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

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

9 (d) A reduction in department caseworker workload.

10 Sec. 1905. (1) The department shall report on a monthly basis
11 to the chairs of the senate and house standing committees on
12 appropriations, the senate and house appropriations subcommittees
13 on the department budget, the senate and house appropriations
14 subcommittees on the general government budget, the senate and
15 house fiscal agencies, the senate and house policy offices, and the
16 state budget office on all of the following:

17 (a) Fiscal year-to-date information technology spending for
18 the current fiscal year by service and project and by line-item
19 appropriation.

20 (b) Planned information technology spending for the remainder
21 of the current fiscal year by service and project and by line-item
22 appropriation.

23 (c) Total fiscal year-to-date information technology spending
24 and planned spending for the current fiscal year by service and
25 project and by line-item appropriation.

26 (d) A list of all information technology projects estimated to
27 cost more than \$250,000.00 that exceed their allotted budget and
28 all information technology projects that have exceeded their
29 allotted budget by 25% or more.



1 (2) As used in subsection (1), "project" includes, but is not
2 limited to, all of the following major projects:

3 (a) Community health automated Medicaid processing system
4 (CHAMPS).

5 (b) Bridges and MiBridges eligibility determination.

6 (c) MiSACWIS.

7 (d) Integrated service delivery.

8 (3) By April 30 of the current fiscal year, the department, in
9 coordination with the department of technology, management, and
10 budget, shall provide to the senate and house appropriations
11 subcommittees on the department budget, the senate and house fiscal
12 agencies, the senate and house policy offices, and the state budget
13 office a 5-year strategic plan for information technology services
14 and projects for the department. The strategic plan shall identify
15 any scheduled changes in the federal and state shares of costs
16 related to information technology services and projects over the 5-
17 year period. As part of the strategic plan, the department shall
18 include total information technology expenditures from the previous
19 fiscal year by fund source, total information technology
20 appropriations as a percentage of total department appropriations
21 by fund source, and a return on investment, by project, for all
22 information technology expenditures in the previous fiscal year.
23 The strategic plan shall also include, for the previous 5 fiscal
24 years, the department's information technology spending compared to
25 similar departments in 3 other states located in the Midwest.

26 Sec. 1907. By October 1 and March 1 of the current fiscal
27 year, the department shall report to the house and senate
28 appropriations subcommittees on the department budget, the house
29 and senate fiscal agencies, the house and senate policy offices,



1 and the state budget office on all current, contracted information
2 technology-related projects, total contractual costs, spending in
3 previous fiscal years, planned spending for the current fiscal
4 year, and fiscal year-to-date spending, by project.

5 Sec. 1909. (1) From the funds appropriated in part 1 for child
6 support automation, the department shall only encumber or expend
7 funds for the operation, maintenance, and improvements of the
8 Michigan child support enforcement system (MiCSES).

9 (2) From the funds appropriated in part 1 for bridges
10 information system, the department shall only encumber or expend
11 funds for the operation, maintenance, and improvements of Bridges
12 and MIBridges.

13 (3) From the funds appropriated in part 1 for technology
14 supporting integrated service delivery, the department shall only
15 encumber or expend funds for the operation, maintenance, and
16 improvements of integrated service delivery.

17 (4) From the funds appropriated in part 1 for Michigan
18 Medicaid information system, the department shall only encumber or
19 expend funds for the operation, maintenance, and improvements of
20 the community health automated Medicaid processing system (CHAMPS).

21 (5) From the funds appropriated in part 1 for Michigan
22 statewide automated child welfare information system, the
23 department shall only encumber or expend funds for the operation,
24 maintenance, and improvements of MiSACWIS.

25 (6) From the funds appropriated in part 1 for comprehensive
26 child welfare information system, the department shall only
27 encumber or expend funds for the operation, maintenance, and
28 improvements to the comprehensive child welfare information system.

29 (7) From the funds appropriated in part 1 for comprehensive



1 child welfare information system, the department shall allocate
2 \$3,762,200.00 to develop a new information system to replace
3 MiSACWIS consistent with the plan provided by the department to the
4 United States District Court for Eastern District of Michigan as a
5 part of the settlement. The development of the comprehensive child
6 welfare information system shall adhere to department of
7 technology, management, and budget and IT Investment Fund (ITIF)
8 policies and practices, including use of the state unified
9 information technology environment methodology and agile
10 development. The project team shall also participate in and comply
11 with the enterprise portfolio management office process and product
12 quality assurance. To ensure full transparency, the project shall
13 be included in the ITIF portfolio for executive, legislative, and
14 external reporting purposes. As a component of the ITIF portfolio,
15 the project is subject to governance and oversight by the IT
16 investment management board.

17

18 **ONE-TIME APPROPRIATIONS**

19 Sec. 1910. From the funds appropriated in part 1 for Special
20 Olympics capital improvement project, the department shall allocate
21 \$1,000,000.00 to a nonprofit organization organized under the laws
22 of this state that is exempt from federal income tax under section
23 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and
24 with a stated mission to provide year-round sports training and
25 athletic competition for children and adults with intellectual
26 disabilities. The funding shall be used to perform capital
27 improvements on a facility located in a county with a population
28 between 500,000 and 825,000 according to the most recent federal
29 decennial census and ensure the facility complies with the



1 Americans with disabilities act of 1990, Public Law 101-336.

2 Sec. 1911. From the funds appropriated in part 1 for first
3 responder and public safety staff mental health, the department
4 shall allocate \$2,500,000.00 towards a program to support
5 firefighters, police officers, emergency medical services
6 personnel, dispatchers, and correctional officers suffering from
7 post-traumatic stress syndrome and other mental health conditions.
8 The program will primarily provide grants to behavioral health
9 providers and may also include funding to improve information and
10 referrals for these services.

11 Sec. 1913. From the funds appropriated in part 1 for lead
12 poisoning prevention fund, the department shall allocate
13 \$2,000,000.00 to the lead poisoning prevention fund established
14 according to section 1913 of article 6 of 2020 PA 166 for loans to
15 landlords and homeowners to remediate lead hazards from their
16 property.

17 Sec. 1915. From the funds appropriated in part 1 for healthy
18 communities grant, \$300,000.00 shall be allocated for a 1-time
19 grant to Leaders Advancing and Helping Communities for community
20 healthy living, obesity prevention, and substance abuse prevention
21 programs.

22 Sec. 1916. From the funds appropriated in part 1 for kids'
23 food basket, the department shall allocate \$250,000.00 to fund a
24 project with a nonprofit, community-based organization organized
25 under the laws of this state that is exempt from federal income tax
26 under section 501(c)(3) of the internal revenue code of 1986, 26
27 USC 501, and is located in a city with a population between 185,000
28 and 195,000 according to the most recent federal decennial census
29 which city is located in a county with a population between 600,000



1 and 605,000 according to the most recent federal decennial census.
2 The nonprofit organization recipient shall have an existing network
3 of food delivery to low-income children to at least 3 counties in
4 this state. The nonprofit organization shall use the funds for
5 increased operational costs due to the coronavirus pandemic and for
6 expansion of services to additional schools and communities. The
7 funding may be used to cover employee costs, food and supplies,
8 equipment, and other operational costs identified by the
9 organization to support their mission and goals.

10 Sec. 1918. From the funds appropriated in part 1 for substance
11 abuse community and school outreach, the department shall allocate
12 \$250,000.00 to a coalition located in a county with a population of
13 at least 1,500,000 with an aim to lead and support communities to
14 dispel the myths and stigmas about drug addiction through public
15 education, sharing stories of recovery, partnering with local and
16 state leaders, creating positive social changes, and providing
17 recovery support services for those in need.

18 Sec. 1919. (1) From the funds appropriated in part 1 for
19 unified clinics resiliency center for families and children, the
20 department shall allocate \$750,000.00 to a 4-year state university
21 located in a county with a population between 250,000 and 251,000
22 according to the most recent decennial census to be used to develop
23 and operate a resiliency center for families and children to
24 address the multifaceted needs of those experiencing trauma, toxic
25 stress, chronic disability, neurodevelopmental disorders, or
26 addictions.

27 (2) Outcomes and performance measures for the resiliency
28 center funded under this section shall include, but not be limited
29 to, the following:



1 (a) The number of children and families who received services
2 from the center.

3 (b) The types of screening offered by the center and the
4 number of clients that received each screening type.

5 (c) The number of trauma assessments completed through the
6 center's programs and the average cost of a trauma assessment for
7 each type of client, including children, adults, and families.

8 (d) The types of services offered by the center and the number
9 of clients that received each service type.

10 (e) The number of referrals for services made to children and
11 families.

12 (f) A breakdown of the expenditures made for the development
13 of the resiliency center for families and children by major
14 category.

15 (3) By August 1 of the current fiscal year, the resiliency
16 center for families and children shall report to the house and
17 senate appropriations subcommittees on the department budget, the
18 house and senate fiscal agencies, the house and senate policy
19 offices, and the state budget office on the status of the
20 development of the resiliency center funded under this section and
21 on the information required in subsection (2).

22 (4) The unexpended portion of funds appropriated in part 1 for
23 unified clinics resiliency center for families and children is
24 designated as a work project appropriation. Any unencumbered or
25 unallotted funds shall not lapse at the end of the fiscal year and
26 shall be available for expenditure for the project under this
27 section until the project has been completed. The following is in
28 compliance with section 451a(1) of the management and budget act,
29 1984 PA 431, MCL 18.1451a:



1 (a) The purpose of the work project is to provide funding for
2 the operation and maintenance of a unified clinics resiliency
3 center for families and children as provided by this section.

4 (b) The project will be accomplished through funding to a 4-
5 year state university for the operation and maintenance of the
6 center.

7 (c) The total estimated cost of the work project is
8 \$750,000.00 of general fund/general purpose revenue.

9 (d) The estimated completion date is September 30, 2024.

10 (5) It is the intent of the legislature that this is the
11 second year out of 3 years that funding is to be provided by the
12 legislature for the unified clinics resiliency center for families
13 and children described in this section, and that in the following
14 year, \$750,000.00 be provided by the legislature.

15 Sec. 1921. From the funds appropriated in part 1 for statewide
16 health information exchange projects, the department shall allocate
17 \$100.00 to a public and private nonprofit collaboration that is
18 designated as this state's statewide health information exchange by
19 cooperative agreement to implement health information technology
20 strategies for data management, data clean-up, and data governance.

21 Sec. 1923. From the funds appropriated in part 1 for senior
22 citizen center program grants, the department shall allocate
23 \$150,000.00 for a grant program administered by the aging and adult
24 services agency to support health-related senior programs at
25 multipurpose senior citizen centers. Program goals shall include
26 mental and physical health maintenance and improvement for senior
27 participants. Grant awards shall not exceed \$5,000.00 for a
28 program. Grantees are encouraged to match the funding with
29 participant fees or other nonstate source of funds. A private



1 housing facility with senior activity programs is not eligible for
2 the grant program.

3 Sec. 1925. From the funds appropriated in part 1 for nonprofit
4 mental health clinics, the department shall allocate \$200,000.00 as
5 grants to nonprofit mental health clinics that provide counseling
6 services, accept clients regardless of their ability to pay for
7 services through sliding scale copayments and volunteer services,
8 and that use fundraising to support their clinic. The maximum grant
9 per clinic is \$100,000.00 and as a condition of receiving these
10 grants, the clinic must have at least a like amount of funds
11 collected through fundraising as the state grant award. By December
12 15 of the current fiscal year, the department shall submit a report
13 on the number of grant applications and the status of the grant
14 awards to the house and senate appropriations subcommittees on the
15 department budget, the house and senate fiscal agencies, the house
16 and senate policy offices, and the state budget office.

17 Sec. 1929. From the funds appropriated in part 1 for
18 behavioral health patient health information tool, the department
19 shall allocate \$100.00 to create an online and interactive version
20 of the protected health information consent tool and make any
21 revisions to the tool to reflect any recent legislative changes.
22 The contracting entity that receives the funds appropriated in this
23 section must also develop accompanying trainings and resources for
24 users. Additionally, the contracting entity that receives the funds
25 appropriated in this section must work closely with the department
26 and its vendors to effectuate the substance use disorder health
27 information technology plan as cited in the special terms and
28 conditions of the relevant federal demonstration waiver approved
29 under section 1115 of the social security act, 42 USC 1315. This



1 includes, but is not limited to, working with the Michigan Health
2 Information Network and the department to develop the technical
3 specifications for integrating the protected health information
4 consent tool with other relevant systems and applications,
5 including, but not limited to, the eConsent tool, provider
6 electronic health records, and state databases such as the MDHHS
7 Data Warehouse and CareConnect 360.

8 Sec. 1931. (1) From the funds appropriated in part 1 for human
9 trafficking victims inclusive services grant program, the
10 department shall allocate \$500,000.00 to create and implement the
11 human trafficking victims services expansion pilot program. The
12 pilot program shall utilize victim-centered and trauma informed
13 approaches to serve human trafficking victims.

14 (2) The human trafficking victims services expansion pilot
15 program is a 3-year project administered by the division of victim
16 services and shall do all of the following:

17 (a) Encourage the development of specific and dedicated human
18 trafficking victims services.

19 (b) Focus on building capacity within eligible organizations
20 to offer services specifically designed to meet the needs of human
21 trafficking victims.

22 (c) Provide training and technical assistance to established
23 organizations that support the development of human trafficking
24 victims services that align with the criteria set forth in
25 subsection (4).

26 (d) Increase organizations' capacity to provide victim
27 services designed to meet the unique needs of human trafficking
28 victims.

29 (e) Fund human trafficking service organizations that agree to



1 develop services and accompanying policies and procedures for human
2 trafficking victims aligned with the criteria of subsection (4).

3 (3) By January 1 of the current fiscal year, the division of
4 victim services shall make available to eligible entities the human
5 trafficking victims service expansion pilot request for proposal.

6 (4) In order to be considered for funding under the human
7 trafficking victims service expansion pilot program, eligible
8 organizations must meet all of the following:

9 (a) Be a nonprofit organization that is exempt from taxation
10 under section 501(c)(3) of the internal revenue code, 26 USC 501.

11 (b) Have engaged in at least 1 year of providing human
12 trafficking victims services or demonstrate meaningful
13 collaboration with a human trafficking organization in its
14 community.

15 (c) Adhere to the mission of the human trafficking health
16 advisory board created in the human trafficking health advisory
17 board act, 2014 PA 461, MCL 752.991 to 752.994.

18 (d) Agree to develop policies and procedures and provide
19 services in accordance with the standards set forth by the division
20 of victim services throughout the duration of the pilot program
21 that include, at a minimum, both of the following:

22 (i) Providing victim-centered services.

23 (ii) Providing empowerment-based services that encourage self-
24 determination.

25 (5) The unexpended portion of funds appropriated in part 1 for
26 human trafficking victims inclusive services grant program is
27 designated as a work project appropriation. Any unencumbered or
28 unallotted funds shall not lapse at the end of the fiscal year and
29 shall be available for expenditure for the project under this



1 section until the project has been completed. The following is in
2 compliance with section 451a(1) of the management and budget act,
3 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the work project is to provide funding for
5 human trafficking victims services expansion pilot as provided by
6 this section.

7 (b) The project will be accomplished through funding to the
8 division of victim services for administration of the pilot
9 program.

10 (c) The total estimated cost of the work project is
11 \$500,000.00 of general fund/general purpose revenue.

12 (d) The estimated completion date is September 30, 2024.

13 (e) As used in this section, "human trafficking" means any of
14 the following:

15 (a) Sex trafficking in which a commercial sex act is induced
16 by force, fraud, or coercion, or in which the person induced to
17 perform that act has not attained 18 years of age.

18 (b) The recruitment, harboring, transportation, provision, or
19 obtaining of a person for labor or services, through the use of
20 force, fraud, or coercion for the purpose of subjection to
21 involuntary servitude, peonage, debt bondage, or slavery.

22 (c) A violation under chapter LXVIIA of the penal code, 1931
23 PA 328, MCL 750.462a to 750.462h.

24 Sec. 1932. (1) From the funds appropriated in part 1 for legal
25 assistance, \$20,000.00 shall be distributed to a county legal
26 assistance center located in a city with a population between 4,900
27 and 5,000 according to the most recent federal decennial census,
28 within a county with a population between 111,400 and 111,500,
29 according to the most recent decennial census. The grantee must



1 provide civil law legal assistance to low-income individuals.

2 (2) The funds appropriated in part 1 for legal assistance
3 shall be disbursed no later than March 1 of the current fiscal
4 year.

5 Sec. 1933. From the funds appropriated in part 1 for Home
6 Health and Safety, the department shall create a pilot health and
7 safety fund grant program. The creation of the pilot program shall
8 be supported by a work group which may include representatives from
9 the department, Michigan energy utility companies, residential
10 energy efficiency and weatherization experts and companies,
11 community-action agencies, low-income and affordable housing
12 organizations, affordable housing owners and renters, and
13 environmental and public health organizations. Funds from the pilot
14 program shall be used for the purpose of making grants for
15 construction, reconstruction, improvement, or repair of single-
16 family and multi-family residential buildings to correct health and
17 safety conditions as identified by the department's weatherization
18 assistance program's energy audit, directed by the weatherization
19 assistance manager that would require a deferral from participation
20 in energy efficiency and weatherization programs targeted at low-
21 income residential buildings.

22 Sec. 1934. (1) From the funds appropriated in part 1 for long-
23 term care facility supports, the department shall allocate
24 \$37,500,000.00 of federal Coronavirus state fiscal recovery funds
25 for a supplemental payment to nursing facilities. This payment
26 shall be structured as a 1.5% increase to the Medicaid per-bed day
27 variable cost reimbursement rate. Payment will not be made until
28 the department has received federal approval.

29 (2) The intent of the payment in subsection (1) is to provide



1 1-time support for nursing home providers to support additional
2 COVID related expenditures and decreasing census during the
3 coronavirus public health emergency.

4 Sec. 1935. (1) From the funds appropriated in part 1 for nurse
5 practitioner expansion program, the department shall allocate
6 \$1,573,000.00 general fund/general purpose funds for a 4-year pilot
7 program to increase the number of prepared advanced practice
8 psychiatric-mental health nurse practitioners to expand access to
9 mental health services and provide care in underserved communities
10 throughout the state. The office of nursing programs may oversee
11 the program. The program shall be piloted through a college of
12 nursing at a 4-year state university located in a county with a
13 population greater than 1,500,000 according to the most recent
14 federal decennial census.

15 (2) The unexpended portion of funds appropriated in part 1 for
16 nurse practitioner expansion program is designated as a work
17 project appropriation. Any unencumbered or unallotted funds shall
18 not lapse at the end of the fiscal year and shall be available for
19 expenditure for the project under this section until the project
20 has been completed. The following is in compliance with section
21 451a(1) of the management and budget act, 1984 PA 431, MCL
22 18.1451a:

23 (a) The purpose of the work project is to recruit, educate,
24 and train an additional 32 advanced practice psychiatric-mental
25 health nurse practitioners and to provide each new psychiatric-
26 mental health nurse practitioner student with a 1-time stipend to
27 commit to practicing for 2 years in a medically underserved
28 community upon completion of the student's program.

29 (b) The work project will be accomplished through funding to a



1 4-year state university with oversight by the department and the
2 office of nursing programs.

3 (c) The total estimated cost of the work project is
4 \$1,573,000.00 of general fund/general purpose revenue.

5 (d) The estimated completion date of the work project is
6 September 30, 2026.

7 Sec. 1936. From the funds appropriated in part 1 for primary
8 care and wellness services, \$250,000.00 shall be allocated for
9 integrated services including primary care, mental health, dental
10 health, and other related support services to underserved
11 populations in Detroit, Wayne County, surrounding counties, and
12 throughout this state, to be provided by an organization with a
13 stated mission of providing an array of comprehensive behavioral
14 and physical health services in an environment that promotes
15 quality of life, continuous improvement, and social awareness.

16 Sec. 1937. From the funds appropriated in part 1 for injury
17 control intervention - traumatic brain injury, \$100.00 shall be
18 allocated for implementation of evidence-based, real-time, quality
19 assurance decision support software in the treatment of pediatric
20 traumatic brain injury and adult strokes and for protocols that are
21 to be available to all hospitals providing those trauma services.
22 The funds shall be used to purchase statewide licenses for
23 pediatric traumatic brain injury and adult stroke treatment
24 software and related software services and to offset hospital
25 software integration costs. The department shall seek federal
26 matching funds that may be available for implementation of this
27 section.

28 Sec. 1938. From the funds appropriated in part 1 for the
29 special residential care facility, the department shall allocate



1 \$300,000.00 to a private nonprofit organization organized under the
2 laws of this state that is exempt from federal income tax under
3 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
4 that was established in 1960 and is a residential community for
5 children and adults with intellectual and developmental
6 disabilities administered by the Servants of Charity and has the
7 mission of serving individuals with intellectual and developmental
8 disabilities in an intentional, faith-based community.

