

**SUBSTITUTE FOR
SENATE BILL NO. 828**

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2023; 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, 2023, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0
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Full-time equated classified positions	14,072.4
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1	Average population	770.0	
2	GROSS APPROPRIATION		\$ 32,521,336,500
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and		
5	intradepartmental transfers		14,203,400
6	ADJUSTED GROSS APPROPRIATION		\$ 32,507,133,100
7	Federal revenues:		
8	Capped federal revenues		461,679,900
9	Social security act, temporary assistance for		
10	needy families		561,486,800
11	Total other federal revenues		22,357,410,200
12	Special revenue funds:		
13	Total local revenues		152,849,700
14	Total private revenues		178,691,300
15	Michigan merit award trust fund		61,268,700
16	Total other state restricted revenues		2,924,606,600
17	State general fund/general purpose		\$ 5,809,139,900
18	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
19	SUPPORT		
20	Full-time equated unclassified positions	6.0	
21	Full-time equated classified positions	777.4	
22	Unclassified salaries--FTEs	6.0	\$ 1,336,600
23	Administrative hearings officers		\$ 10,004,500
24	Demonstration projects--FTEs	0.0	6,172,900
25	Departmental administration and management--		
26	FTEs	587.1	98,140,800
27	Legal services		12,300,000
28	Office of inspector general--FTEs	177.1	23,413,000



1	Property management		64,701,200
2	Terminal leave payments		7,092,100
3	Training and program support--FTEs	13.2	1,744,200
4	Worker's compensation		8,682,500
5	GROSS APPROPRIATION		\$ 233,587,800
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDG from department of education		1,893,100
9	IDG from department of technology, management,		
10	and budget - office of retirement services		600
11	Federal revenues:		
12	Social security act, temporary assistance for		
13	needy families		31,363,600
14	Capped federal revenues		17,770,400
15	Total other federal revenues		68,423,100
16	Special revenue funds:		
17	Total local revenues		80,000
18	Total private revenues		3,363,900
19	Total other state restricted revenues		1,304,000
20	State general fund/general purpose		\$ 109,389,100
21	Sec. 103. CHILD SUPPORT ENFORCEMENT		
22	Full-time equated classified positions	171.6	
23	Child support enforcement operations--FTEs	166.6	\$ 23,062,400
24	Child support incentive payments		24,409,600
25	Legal support contracts		102,090,200
26	State disbursement unit--FTEs	5.0	7,237,500
27	GROSS APPROPRIATION		\$ 156,799,700
28	Appropriated from:		



1	Federal revenues:		
2	Capped federal revenues		14,839,600
3	Total other federal revenues		118,877,100
4	State general fund/general purpose	\$	23,083,000
5	Sec. 104. COMMUNITY SERVICES AND OUTREACH		
6	Full-time equated classified positions	73.8	
7	Bureau of community services and outreach--FTEs	24.0	\$ 3,482,700
8	Child advocacy centers--FTEs	0.5	2,407,000
9	Community services and outreach administration--		
10	-FTEs	19.0	7,095,000
11	Community services block grant		25,840,000
12	Crime victim grants administration services--		
13	FTEs	13.2	2,557,700
14	Crime victim justice assistance grants		98,579,300
15	Crime victim rights services grants		19,869,900
16	Diaper assistance grant		4,404,400
17	Domestic violence prevention and treatment--		
18	FTEs	15.6	18,357,000
19	Homeless programs		24,082,500
20	Housing and support services		13,031,000
21	Human trafficking intervention services		200,000
22	Kids' food basket		525,000
23	Rape prevention and services--FTE	0.5	5,097,300
24	Runaway and homeless youth grants		7,784,000
25	School success partnership program		1,525,000
26	Uniform statewide sexual assault evidence kit		
27	tracking system--FTE	1.0	369,500
28	Weatherization assistance		15,505,000



1	GROSS APPROPRIATION		\$ 250,712,300
2	Appropriated from:		
3	Federal revenues:		
4	Social security act, temporary assistance for		
5	needy families		32,234,500
6	Capped federal revenues		62,390,400
7	Total other federal revenues		117,414,900
8	Special revenue funds:		
9	Child advocacy centers fund		1,407,000
10	Compulsive gambling prevention fund		1,040,500
11	Crime victim's rights fund		18,764,100
12	Sexual assault victims' prevention and		
13	treatment fund		3,000,000
14	State general fund/general purpose		\$ 14,460,900
15	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD		
16	WELFARE		
17	Full-time equated classified positions	3,715.9	
18	Adoption subsidies		\$ 212,189,700
19	Adoption support services--FTEs	10.0	41,602,300
20	Attorney general contract		4,651,200
21	Child abuse and neglect - children's justice		
22	act--FTE	1.0	627,900
23	Child care fund		279,150,200
24	Child care fund - indirect cost allotment		3,500,000
25	Child legal representation		500,000
26	Child protection		2,050,300
27	Child welfare administration travel		390,000



1	Child welfare field staff - noncaseload		
2	compliance--FTEs	353.0	41,350,200
3	Child welfare institute--FTEs	53.0	7,617,300
4	Child welfare licensing--FTEs	49.0	6,074,600
5	Child welfare medical/psychiatric evaluations		11,428,500
6	Children's protective services - caseload		
7	staff--FTEs	1,410.1	145,009,200
8	Children's protective services supervisors--		
9	FTEs	372.3	46,110,900
10	Children's services administration--FTEs	152.4	17,863,000
11	Children's trust fund--FTEs	4.7	3,801,200
12	Contractual services, supplies, and materials		9,567,600
13	Court-appointed special advocates		1,000,000
14	Education planners--FTEs	11.0	1,486,300
15	Family preservation and prevention services		
16	administration--FTEs	9.0	1,412,100
17	Family preservation programs--FTEs	10.4	55,008,300
18	Foster care payments		326,156,200
19	Foster care services - caseload staff--FTEs	872.6	86,217,400
20	Foster care services supervisors--FTEs	204.0	28,103,800
21	Guardianship assistance program		11,741,200
22	Interstate compact		179,600
23	Peer coaches--FTEs	45.5	6,291,100
24	Performance-based funding implementation--FTE	1.0	1,106,500
25	Permanency resource managers--FTEs	24.0	2,966,400
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	19,848,000
3	Settlement monitor		2,219,900
4	Strong families/safe children		12,600,000
5	Title IV-E compliance and accountability		
6	office--FTEs	3.0	330,300
7	Youth in transition--FTEs	3.9	8,115,500
8	GROSS APPROPRIATION		\$ 1,415,559,500
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG from department of education		244,400
12	Federal revenues:		
13	Social security act, temporary assistance for		
14	needy families		338,994,600
15	Capped federal revenues		105,157,300
16	Total other federal revenues		237,168,900
17	Special revenue funds:		
18	Local funds - county chargeback		42,770,200
19	Private - collections		2,700,000
20	Children's trust fund		2,323,000
21	Total other state restricted revenues		2,000,000
22	State general fund/general purpose		\$ 684,201,100
23	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE		
24	JUSTICE		
25	Full-time equated classified positions	105.1	
26	Bay Pines Center--FTEs	37.9	\$ 4,689,100
27	Committee on juvenile justice administration--		
28	FTE	1.0	171,000



1	Committee on juvenile justice grants		3,000,000
2	Community support services--FTEs	2.0	1,858,800
3	County juvenile officers		3,977,600
4	Juvenile justice, administration and		
5	maintenance--FTEs	21.0	3,812,300
6	Shawono Center--FTEs	43.2	5,405,600
7	GROSS APPROPRIATION		\$ 22,914,400
8	Appropriated from:		
9	Federal revenues:		
10	Capped federal revenues		8,351,900
11	Special revenue funds:		
12	Local funds - state share education funds		1,201,000
13	Local funds - county chargeback		3,921,200
14	State general fund/general purpose		\$ 9,440,300
15	Sec. 107. PUBLIC ASSISTANCE		
16	Full-time equated classified positions	1.0	
17	Emergency services local office allocations		8,813,500
18	Family independence program		56,013,500
19	Food assistance program benefits		4,188,184,600
20	Food Bank Council of Michigan		2,045,000
21	Indigent burial		2,099,000
22	Low-income home energy assistance program		174,951,600
23	Michigan energy assistance program--FTE	1.0	50,000,000
24	Refugee assistance program--FTEs	0.0	3,054,200
25	State disability assistance payments		3,576,700
26	State supplementation		54,992,200
27	State supplementation administration		1,806,100
28	GROSS APPROPRIATION		\$ 4,545,536,400



1	Appropriated from:		
2	Federal revenues:		
3	Social security act, temporary assistance for		
4	needy families		50,729,600
5	Capped federal revenues		178,005,800
6	Total other federal revenues		4,183,474,600
7	Special revenue funds:		
8	Child support collections		9,841,900
9	Low-income energy assistance fund		50,000,000
10	Public assistance recoupment revenue		4,820,000
11	Supplemental security income recoveries		914,400
12	State general fund/general purpose	\$	67,750,100
13	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES		
14	Full-time equated classified positions	5,532.1	
15	Administrative support workers--FTEs	117.5	\$ 1,000,000
16	Adult services field staff--FTEs	478.9	55,126,600
17	Contractual services, supplies, and materials		23,278,500
18	Donated funds positions--FTEs	238.0	28,530,400
19	Elder Law of Michigan MiCAFE contract		350,000
20	Electronic benefit transfer (EBT)		5,993,000
21	Employment and training support services		4,219,100
22	Field policy and administration--FTEs	116.2	18,518,000
23	Field staff travel		6,122,300
24	Medical/psychiatric evaluations		1,120,100
25	Nutrition education--FTEs	2.0	33,062,900
26	Pathways to potential--FTEs	198.0	20,013,000
27	Public assistance field staff--FTEs	4,381.5	479,727,200
28	SSI advocacy legal services grant		325,000



1	GROSS APPROPRIATION		\$ 677,386,100
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from department of corrections	120,200	
5	IDG from department of education	7,551,700	
6	Federal revenues:		
7	Social security act, temporary assistance for		
8	needy families	68,642,900	
9	Capped federal revenues	52,916,800	
10	Total other federal revenues	263,831,900	
11	Special revenue funds:		
12	Local funds - donated funds	4,251,200	
13	Private funds - donated funds	9,795,000	
14	Private revenues	250,000	
15	State general fund/general purpose		\$ 270,026,400
16	Sec. 109. DISABILITY DETERMINATION SERVICES		
17	Full-time equated classified positions	541.1	
18	Disability determination operations--FTEs	537.0	\$ 86,816,500
19	Retirement disability determination--FTEs	4.1	636,800
20	GROSS APPROPRIATION		\$ 87,453,300
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG from department of technology, management,		
24	and budget - office of retirement services	636,800	
25	Federal revenues:		
26	Total other federal revenues	85,169,400	
27	State general fund/general purpose		\$ 1,647,100



1	Sec. 110. BEHAVIORAL HEALTH PROGRAM		
2	ADMINISTRATION AND SPECIAL PROJECTS		
3	Full-time equated classified positions	96.4	
4	Behavioral health program administration--FTEs	76.0	\$ 47,826,100
5	Community substance use disorder prevention,		
6	education, and treatment--FTEs	0.0	78,050,700
7	Family support subsidy		14,349,500
8	Federal and other special projects		2,535,600
9	Gambling addiction--FTE	1.0	5,518,200
10	Mental health diversion council		2,243,000
11	Michigan child collaborative care		1,129,100
12	Office of recipient rights--FTEs	19.4	2,714,900
13	Opioid response activities		88,155,600
14	Protection and advocacy services support		194,400
15	GROSS APPROPRIATION		\$ 242,717,100
16	Appropriated from:		
17	Federal revenues:		
18	Social security act, temporary assistance for		
19	needy families		14,529,300
20	Total other federal revenues		161,436,600
21	Special revenue funds:		
22	Total private revenues		2,904,700
23	Total other state restricted revenues		23,769,300
24	State general fund/general purpose		\$ 40,077,200
25	Sec. 111. BEHAVIORAL HEALTH SERVICES		
26	Full-time equated classified positions	18.0	
27	Autism services		\$ 286,697,900



1	Behavioral health community supports and		
2	services--FTEs	6.0	13,372,500
3	Certified community behavioral health clinic		
4	demonstration		101,252,100
5	Civil service charges		297,500
6	Community mental health non-Medicaid services		125,578,200
7	Court-appointed guardian and conservator		
8	reimbursement		5,000,000
9	Federal mental health block grant--FTEs	5.0	20,611,800
10	Health homes--FTE	1.0	61,337,400
11	Healthy Michigan plan - behavioral health		583,086,100
12	Medicaid mental health services		2,975,893,900
13	Medicaid substance use disorder services		82,657,700
14	Multicultural integration funding		17,284,900
15	Nursing home PAS/ARR-OBRA--FTEs	6.0	13,833,400
16	State disability assistance program substance		
17	use disorder services		2,018,800
18	GROSS APPROPRIATION		\$ 4,288,922,200
19	Appropriated from:		
20	Federal revenues:		
21	Social security act, temporary assistance for		
22	needy families		421,000
23	Capped federal revenues		184,500
24	Total other federal revenues		2,888,887,600
25	Special revenue funds:		
26	Total local revenues		246,900
27	Total other state restricted revenues		45,764,800
28	State general fund/general purpose		\$ 1,353,417,400



1	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND		
2	FORENSIC MENTAL HEALTH SERVICES		
3	Full-time equated classified positions	2,014.1	
4	Average population	770.0	
5	Caro Regional Mental Health Center -		
6	psychiatric hospital - adult--FTEs	389.7	\$ 40,225,500
7	Average population	145.0	
8	Center for forensic psychiatry--FTEs	561.4	90,481,600
9	Average population	240.0	
10	Developmental disabilities council and		
11	projects--FTEs	10.0	3,169,400
12	Gifts and bequests for patient living and		
13	treatment environment		1,000,000
14	Hawthorn Center - psychiatric hospital -		
15	children and adolescents--FTEs	226.7	33,178,300
16	Average population	55.0	
17	IDEA, federal special education		120,000
18	Kalamazoo Psychiatric Hospital - adult--FTEs	413.1	51,556,100
19	Average population	170.0	
20	Purchase of medical services for residents of		
21	hospitals and centers		445,600
22	Revenue recapture		750,100
23	Special maintenance		924,600
24	State hospital administration--FTEs	24.0	4,251,900
25	Walter P. Reuther Psychiatric Hospital - adult-		
26	-FTEs	389.2	64,613,000
27	Average population	160.0	
28	GROSS APPROPRIATION		\$ 290,716,100



1	Appropriated from:		
2	Federal revenues:		
3	Total other federal revenues		39,265,300
4	Special revenue funds:		
5	Total local revenues		19,562,400
6	Total private revenues		1,000,000
7	Total other state restricted revenues		12,722,200
8	State general fund/general purpose	\$	218,166,200
9	Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND		
10	INITIATIVES		
11	Full-time equated classified positions	31.9	
12	Bone marrow donor and blood bank programs	\$	750,000
13	Certificate of need program administration--		
14	FTEs	10.8	2,716,700
15	Michigan essential health provider		3,519,600
16	Minority health grants and contracts--FTEs	3.0	1,146,200
17	Nurse education and research program--FTEs	3.0	816,500
18	Policy and planning administration--FTEs	12.9	1,889,600
19	Primary care services--FTEs	2.2	3,702,500
20	Rural health services--FTEs	0.0	175,000
21	GROSS APPROPRIATION	\$	14,716,100
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG from department of education		1,500
25	IDG from department of licensing and regulatory		
26	affairs		816,500
27	IDG from department of treasury, Michigan		
28	finance authority		117,700



1	Federal revenues:		
2	Social security act, temporary assistance for		
3	needy families		99,400
4	Capped federal revenues		8,300
5	Total other federal revenues		2,735,000
6	Special revenue funds:		
7	Total private revenues		864,700
8	Total other state restricted revenues		3,102,300
9	State general fund/general purpose	\$	6,970,700
10	Sec. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL		
11	SERVICES, AND LABORATORY		
12	Full-time equated classified positions	322.0	
13	Bioterrorism preparedness--FTEs	42.4	\$ 29,481,900
14	Childhood lead program--FTEs	3.0	2,139,800
15	Emergency medical services program--FTEs	14.3	9,252,600
16	Epidemiology administration--FTEs	52.3	20,130,600
17	Healthy homes program--FTEs	15.5	29,364,400
18	Laboratory services--FTEs	97.4	28,417,900
19	Newborn screening follow-up and treatment		
20	services--FTEs	10.5	8,363,000
21	PFAS and environmental contamination response--		
22	FTEs	29.8	13,742,600
23	Vital records and health statistics--FTEs	56.8	9,026,100
24	GROSS APPROPRIATION	\$	149,918,900
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	IDG from department of environment, Great		
28	Lakes, and energy		1,761,200



1	Federal revenues:		
2	Capped federal revenues		64,100
3	Total other federal revenues		70,895,300
4	Special revenue funds:		
5	Total private revenues		301,600
6	Total other state restricted revenues		30,919,500
7	State general fund/general purpose	\$	45,977,200
8	Sec. 115. LOCAL HEALTH AND ADMINISTRATIVE		
9	SERVICES		
10	Full-time equated classified positions	131.3	
11	AIDS prevention, testing, and care programs--		
12	FTEs	59.5	\$ 109,609,200
13	Cancer prevention and control program--FTEs	13.2	15,254,800
14	Chronic disease control and health promotion		
15	administration--FTEs	14.9	7,708,700
16	Diabetes and kidney program--FTEs	6.0	3,878,400
17	Essential local public health services		51,419,300
18	Implementation of 1993 PA 133, MCL 333.17015		20,000
19	Local health services--FTEs	0.0	8,284,300
20	Medicaid outreach cost reimbursement to local		
21	health departments		12,500,000
22	Public health administration--FTEs	4.0	1,801,000
23	Sexually transmitted disease control program--		
24	FTEs	20.0	8,496,800
25	Smoking prevention program--FTEs	7.7	3,442,800
26	Violence prevention--FTEs	6.0	12,608,600
27	GROSS APPROPRIATION	\$	235,023,900
28	Appropriated from:		



1	Federal revenues:		
2	Total other federal revenues		87,059,600
3	Special revenue funds:		
4	Total local revenues		5,150,000
5	Total private revenues		75,661,900
6	Total other state restricted revenues		9,717,600
7	State general fund/general purpose	\$	57,434,800
8	Sec. 116. FAMILY HEALTH SERVICES		
9	Full-time equated classified positions	104.3	
10	Child and adolescent health care centers	\$	16,242,700
11	Dental programs--FTEs	1.6	10,759,800
12	Drinking water declaration of emergency		4,271,000
13	Family, maternal, and child health		
14	administration--FTEs	39.8	8,539,600
15	Family planning local agreements		8,810,700
16	Immunization program--FTEs	10.0	19,915,600
17	Local MCH services		7,018,100
18	Pregnancy prevention program		1,298,800
19	Prenatal care and premature birth avoidance		
20	grant		1,000,000
21	Prenatal care outreach and service delivery		
22	support--FTEs	7.9	35,951,000
23	Special projects		6,147,700
24	Sudden and unexpected infant death and		
25	suffocation prevention program		321,300
26	Women, infants, and children program		
27	administration and special projects--FTEs	45.0	19,547,400



1	Women, infants, and children program local		
2	agreements and food costs		231,285,000
3	GROSS APPROPRIATION	\$	371,108,700
4	Appropriated from:		
5	Federal revenues:		
6	Total other federal revenues		227,457,700
7	Special revenue funds:		
8	Total local revenues		17,699,600
9	Total private revenues		64,541,300
10	Total other state restricted revenues		3,887,500
11	State general fund/general purpose	\$	57,522,600
12	Sec. 117. CHILDREN'S SPECIAL HEALTH CARE		
13	SERVICES		
14	Full-time equated classified positions	38.8	
15	Bequests for care and services--FTEs	2.8	\$ 2,087,100
16	Children's special health care services		
17	administration--FTEs	36.0	6,848,300
18	Medical care and treatment		280,080,000
19	Nonemergency medical transportation		801,200
20	Outreach and advocacy		5,510,000
21	GROSS APPROPRIATION	\$	295,326,600
22	Appropriated from:		
23	Federal revenues:		
24	Total other federal revenues		155,069,300
25	Special revenue funds:		
26	Total private revenues		1,365,500
27	Total other state restricted revenues		4,848,200
28	State general fund/general purpose	\$	134,043,600



Sec. 118. HEALTH AND AGING SERVICES**ADMINISTRATION**

Full-time equated classified positions	397.6	
Aging services administration--FTEs	27.1	7,410,100
Electronic health record incentive program	\$	8,000,000
Healthy Michigan plan administration--FTEs	20.0	14,657,200
Medical services administration--FTEs	350.5	80,199,600
GROSS APPROPRIATION	\$	110,266,900

Appropriated from:

Federal revenues:

Total other federal revenues 74,535,400

Special revenue funds:

Total local revenues 35,400

Total private revenues 1,512,000

Total other state restricted revenues 315,600

State general fund/general purpose \$ 33,868,500**Sec. 119. HEALTH AND AGING SERVICES**

Adult home help services	\$	489,631,700
Ambulance services		18,448,200
Auxiliary medical services		7,113,500
Community services		53,476,000
Dental clinic program		1,000,000
Dental services		396,343,200
Employment assistance		3,500,000
Federal Medicare pharmaceutical program		351,347,500
Health plan services		6,149,848,200
Healthy Michigan plan		5,193,756,900
Home health services		3,065,700



1	Hospice services	141,688,900
2	Hospital disproportionate share payments	45,000,000
3	Hospital services and therapy	791,973,900
4	Integrated care organizations	344,532,700
5	Long-term care services	1,933,089,200
6	Maternal and child health	35,100,000
7	Medicaid home- and community-based services	
8	waiver	454,139,600
9	Medicare premium payments	783,641,200
10	Nutrition services	48,054,200
11	Personal care services	7,179,700
12	Pharmaceutical services	305,072,500
13	Physician services	217,244,900
14	Program of all-inclusive care for the elderly	243,393,900
15	Respite care program	6,468,700
16	School-based services	135,680,000
17	Senior volunteer service programs	4,765,300
18	Special Medicaid reimbursement	333,762,400
19	Transportation	16,424,000
20	GROSS APPROPRIATION	\$ 18,514,742,000
21	Appropriated from:	
22	Federal revenues:	
23	Total other federal revenues	13,233,065,000
24	Special revenue funds:	
25	Total local revenues	57,931,800
26	Total private revenues	9,200,000
27	Michigan merit award trust fund	61,268,700
28	Total other state restricted revenues	2,693,566,400



1	State general fund/general purpose	\$ 2,459,710,100
2	Sec. 120. INFORMATION TECHNOLOGY	
3	Bridges information system	\$ 63,397,600
4	Child support automation	44,502,800
5	Comprehensive child welfare information system-	
6	-FTEs	0.0 3,096,300
7	Information technology services and projects	258,029,700
8	Michigan Medicaid information system--FTEs	0.0 116,715,300
9	Michigan statewide automated child welfare	
10	information system	21,542,100
11	Technology supporting integrated service	
12	delivery--FTEs	0.0 14,770,300
13	GROSS APPROPRIATION	\$ 522,054,100
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG from department of education	1,059,700
17	Federal revenues:	
18	Social security act, temporary assistance for	
19	needy families	24,471,900
20	Capped federal revenues	21,990,800
21	Total other federal revenues	342,643,500
22	Special revenue funds:	
23	Total private revenues	5,230,700
24	Total other state restricted revenues	578,300
25	State general fund/general purpose	\$ 126,079,200
26	Sec. 121. ONE-TIME APPROPRIATIONS	
27	Alternative payment model statewide	
28	implementation	\$ 100



1	Alternative payment model pilot program	3,400,000
2	Community house capital grant	5,000,000
3	Crisis stabilization services and behavioral	
4	healthcare	5,000,000
5	Emergency homeless shelter repair and services	
6	grant	1,000,000
7	Foster youth transition program grant	1,500,000
8	Great Lakes recovery center	250,000
9	Healthy communities grant	1,000,000
10	Hospital improvement grant	6,600,000
11	Injury control intervention - traumatic brain	
12	injury	5,000,000
13	Jail diversion fund	10,000,000
14	Program of all-inclusive care for the elderly	
15	pandemic relief	31,000,000
16	Ride-to-work program	1,000,000
17	Rural firefighter equipment readiness	100
18	Rural independent primary care initiative	7,624,000
19	Senior living and healthcare expansion	100
20	Substance abuse community and school outreach	500,000
21	Supplemental payments to private child caring	
22	institutions	15,000,000
23	Upper Peninsula robotic spinal surgery capital	
24	cost grant	2,000,000
25	Pediatric hospital support grant	100
26	GROSS APPROPRIATION	\$ 95,874,400
27	Appropriated from:	
28	State general fund/general purpose	\$ 95,874,400



PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2022-2023 is \$8,795,015,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$1,898,568,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CHILD SUPPORT ENFORCEMENT

Child support incentive payments	\$ 10,857,300
Legal support contracts	200

COMMUNITY SERVICES AND OUTREACH

Crime victim grants administration services	395,300
Crime victim rights services grants	12,033,300
Domestic violence prevention and treatment	217,600
Homeless programs	9,200
Housing and support services	121,300

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Adoption subsidies	25,400
Child care fund	152,649,000
Child care fund - indirect cost allotment	3,483,000
Child welfare licensing	120,000



1	Child welfare medical/psychiatric evaluations	20,800
2	Children's trust fund grants	24,200
3	Contractual services, supplies, and materials	156,200
4	Family preservation programs	311,500
5	Foster care payments	1,274,700
6	Strong families/safe children	73,800
7	Youth in transition	2,900
8	CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE	
9	Bay Pines Center	37,100
10	Community support services	103,300
11	Shawono Center	1,700
12	PUBLIC ASSISTANCE	
13	Emergency services local office allocations	765,600
14	Family independence program	1,100
15	Indigent burial	4,800
16	Michigan energy assistance program	216,100
17	State disability assistance payments	151,500
18	FIELD OPERATIONS AND SUPPORT SERVICES	
19	Contractual services, supplies, and materials	64,300
20	Employment and training support services	7,200
21	DISABILITY DETERMINATION SERVICES	
22	Disability determination operations	2,700
23	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND	
24	SPECIAL PROJECTS	
25	Behavioral health program administration	599,800
26	Community substance use disorder prevention,	
27	education, and treatment	4,977,700
28	Gambling addiction	1,376,700



1	Mental health diversion council	202,200
2	BEHAVIORAL HEALTH SERVICES	
3	Autism services	100,084,100
4	Community mental health non-Medicaid services	127,888,900
5	Health homes	231,500
6	Healthy Michigan plan - behavioral health	69,732,000
7	Medicaid mental health services	1,163,193,500
8	Medicaid substance use disorder services	28,721,000
9	Multicultural integration funding	1,494,000
10	Nursing home PAS/ARR-OBRA	2,709,100
11	State disability assistance program substance	
12	use disorder services	1,788,900
13	STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL	
14	HEALTH SERVICES	
15	Caro Regional Mental Health Center -	
16	psychiatric hospital - adult	195,200
17	Center for forensic psychiatry	606,500
18	Hawthorn Center - psychiatric hospital -	
19	children and adolescents	60,600
20	Kalamazoo Psychiatric Hospital - adult	54,600
21	Walter P. Reuther Psychiatric Hospital - adult	52,100
22	HEALTH AND HUMAN SERVICES POLICY AND	
23	INITIATIVES	
24	Primary care services	98,000
25	EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND	
26	LABORATORY	
27	Epidemiology administration	285,100
28	Healthy homes program	1,333,200

1	LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
2	AIDS prevention, testing, and care programs	2,416,200
3	Cancer prevention and control program	46,900
4	Essential local public health services	44,364,400
5	Implementation of 1993 PA 133, MCL 333.17015	400
6	Local health services	1,537,100
7	Sexually transmitted disease control program	505,100
8	Smoking prevention program	201,800
9	FAMILY HEALTH SERVICES	
10	Family planning local agreements	253,200
11	Immunization program	2,197,400
12	Pregnancy prevention program	28,100
13	Prenatal care outreach and service delivery	
14	support	4,967,400
15	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
16	Medical care and treatment	461,000
17	Outreach and advocacy	2,631,100
18	HEALTH AND AGING SERVICES ADMINISTRATION	
19	Aging and adult services administration	1,303,600
20	Community services	23,833,500
21	Nutrition services	13,031,400
22	Respite care program	5,632,700
23	Senior volunteer service programs	914,800
24	HEALTH AND AGING SERVICES	
25	Adult home help services	139,900
26	Ambulance services	516,600
27	Auxiliary medical services	1,300
28	Dental services	822,000

1	Healthy Michigan plan	850,200
2	Home health services	6,500
3	Hospice services	23,900
4	Hospital disproportionate share payments	19,900
5	Hospital services and therapy	2,736,300
6	Long-term care services	82,997,200
7	Medicaid home- and community-based services	
8	waiver	15,147,800
9	Personal care services	27,300
10	Pharmaceutical services	3,600
11	Physician services	2,015,400
12	Special Medicaid reimbursement	29,600
13	Transportation	88,800
14	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,898,568,200

15
16 Sec. 202. The appropriations authorized under this part and
17 part 1 are subject to the management and budget act, 1984 PA 431,
18 MCL 18.1101 to 18.1594.

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

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

21 (b) "CMHSP" means a community mental health services program
22 as that term is defined in section 100a of the mental health code,
23 1974 PA 258, MCL 330.1100a.

24 (c) "CMS" means the Centers for Medicare and Medicaid
25 Services.

26 (d) "Current fiscal year" means the fiscal year ending
27 September 30, 2023.

28 (e) "Department" means the department of health and human
29 services.



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

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

3 (h) "EPSDT" means early and periodic screening, diagnosis, and
4 treatment.

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

9 (j) "FQHC" means federally qualified health center.

10 (k) "FTE" means full-time equated.

11 (l) "GME" means graduate medical education.

12 (m) "Health plan" means, at a minimum, an organization that
13 meets the criteria for delivering the comprehensive package of
14 services under the department's comprehensive health plan.

15 (n) "HEDIS" means health care effectiveness data and
16 information set.

17 (o) "HMO" means health maintenance organization.

18 (p) "IDEA" means the individuals with disabilities education
19 act, 20 USC 1400 to 1482.

20 (q) "IDG" means interdepartmental grant.

21 (r) "MCH" means maternal and child health.

22 (s) "Medicaid" means subchapter XIX of the social security
23 act, 42 USC 1396 to 1396w-6.

24 (t) "Medicare" means subchapter XVIII of the social security
25 act, 42 USC 1395 to 1395III.

26 (u) "MiCAFE" means Michigan's coordinated access to food for
27 the elderly.

28 (v) "MICHild" means the program described in section 1670 of
29 this part.



1 (w) "MiSACWIS" means Michigan statewide automated child
2 welfare information system.

3 (x) "PAS/ARR-OBRA" means the preadmission screening and annual
4 resident review required under the omnibus budget reconciliation
5 act of 1987, section 1919(e)(7) of the social security act, 42 USC
6 1396r.

7 (y) "PFAS" means perfluoroalkyl and polyfluoroalkyl
8 substances.

9 (z) "PIHP" means an entity designated by the department as a
10 regional entity or a specialty prepaid inpatient health plan for
11 Medicaid mental health services, services to individuals with
12 developmental disabilities, and substance use disorder services.
13 Regional entities are described in section 204b of the mental
14 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
15 inpatient health plans are described in section 232b of the mental
16 health code, 1974 PA 258, MCL 330.1232b.

17 (aa) "Previous fiscal year" means the fiscal year ending
18 September 30, 2022.

19 (bb) "Quarterly reports" means 4 reports shall be submitted to
20 the required recipients by the following dates: February 1, April
21 1, July 1, and September 30 of the current fiscal year.

22 (cc) "Semiannual basis" means March 1 and September 30 of the
23 current fiscal year.

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

27 (ee) "SSI" means supplemental security income.

28 (ff) "Temporary assistance for needy families" or "TANF" or
29 "title IV-A" means part A of subchapter IV of the social security



1 act, 42 USC 601 to 619.

2 (gg) "Title IV-B" means part B of title IV of the social
3 security act, 42 USC 621 to 629m.

4 (hh) "Title IV-D" means part D of title IV of the social
5 security act, 42 USC 651 to 669b.

6 (ii) "Title IV-E" means part E of title IV of the social
7 security act, 42 USC 670 to 679c.

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

11 Sec. 204. The department shall use the internet to fulfill the
12 reporting requirements of this part. This requirement shall include
13 transmission of reports via email to the recipients identified for
14 each reporting requirement and it shall include placement of
15 reports on an internet site.

16 Sec. 205. To the extent permissible under section 261 of the
17 management and budget act, 1984 PA 431, MCL 18.1261, all of the
18 following apply to funds appropriated in part 1:

19 (a) The funds must not be used for the purchase of foreign
20 goods or services, or both, if competitively priced and of
21 comparable quality American goods or services, or both, are
22 available.

23 (b) Preference must be given to goods or services, or both,
24 manufactured or provided by Michigan businesses, if they are
25 competitively priced and of comparable quality.

26 (c) Preference must be given to goods or services, or both,
27 that are manufactured or provided by Michigan businesses owned and
28 operated by veterans, if they are competitively priced and of
29 comparable quality.



1 Sec. 206. To the extent permissible under the management and
2 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall
3 take all reasonable steps to ensure businesses in deprived and
4 depressed communities compete for and perform contracts to provide
5 services or supplies, or both. The director shall strongly
6 encourage firms with which the department contracts to subcontract
7 with certified businesses in depressed and deprived communities for
8 services, supplies, or both.

9 Sec. 207. The department shall prepare a report on out-of-
10 state travel expenses not later than January 1 of each year. The
11 travel report shall be a listing of all travel by classified and
12 unclassified employees outside this state in the previous fiscal
13 year that was funded in whole or in part with funds appropriated in
14 the department's budget. The report shall be submitted to the
15 senate and house appropriations committees, the senate and house
16 fiscal agencies, and the state budget director. The report shall
17 include the following information:

18 (a) The dates of each travel occurrence.

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

24 Sec. 208. Funds appropriated in part 1 may be used by a
25 principal executive department, state agency, or authority to hire
26 a person to provide legal services that the attorney general has
27 the responsibility or the discretion to provide. A principal
28 executive department, state agency, or authority may request
29 reimbursement from the office of the attorney general for costs



1 incurred for the purposes of hiring outside counsel to provide
2 legal services.

3 Sec. 209. Not later than November 30, the state budget office
4 shall prepare and transmit a report that provides for estimates of
5 the total general fund/general purpose appropriation lapses at the
6 close of the previous fiscal year. This report shall summarize the
7 projected year-end general fund/general purpose appropriation
8 lapses by major departmental program or program areas. The report
9 shall be transmitted to the chairpersons of the senate and house
10 appropriations committees, and the senate and house fiscal
11 agencies.

12 Sec. 211. From the funds appropriated in part 1, the
13 department shall provide to the department of technology,
14 management, and budget information sufficient to maintain a
15 searchable website accessible by the public at no cost that
16 includes, but is not limited to, all of the following for each
17 department or agency:

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

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

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

23 (d) The number of active department employees by job
24 classification.

25 (e) Job specifications and wage rates.

26 Sec. 212. Within 14 days after the release of the executive
27 budget recommendation, the department shall cooperate with the
28 state budget office to provide the chairpersons of the senate and
29 house appropriations committees, the chairpersons of the senate and



1 house appropriations subcommittees on the department budget, and
2 the senate and house fiscal agencies with an annual report on
3 estimated state restricted fund balances, state restricted fund
4 projected revenues, and state restricted fund expenditures for the
5 previous fiscal year and the current fiscal year.

6 Sec. 213. The department shall maintain, on a publicly
7 accessible website, a department scorecard that identifies, tracks,
8 and regularly updates key metrics that are used to monitor and
9 improve the department's performance.

10 Sec. 214. Total authorized appropriations from all sources
11 under part 1 for legacy costs for the current fiscal year are
12 estimated at \$309,264,700.00. From this amount, total department
13 appropriations for pension-related legacy costs are estimated at
14 \$187,764,100.00. Total department appropriations for retiree health
15 care legacy costs are estimated at \$121,500,600.00.

16 Sec. 215. If either of the following events occurs, within 30
17 days after that event the department shall notify the state budget
18 director, the chairs of the house and senate appropriations
19 subcommittees on the department budget, and the house and senate
20 fiscal agencies and policy offices of that fact:

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

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

27 Sec. 216. (1) In addition to funds appropriated in part 1 for
28 all programs and services, there is appropriated for write-offs of
29 accounts receivable, deferrals, and for prior year obligations in



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

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

9 Sec. 217. (1) By February 1 of the current fiscal year, the
10 department shall report to the house and senate appropriations
11 subcommittees on the department budget, the house and senate fiscal
12 agencies, and the state budget director on the detailed name and
13 amounts of estimated federal, restricted, private, and local
14 sources of revenue that support the appropriations in each of the
15 line items in part 1.

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

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

- 26 (a) Immunizations.
27 (b) Communicable disease control.
28 (c) Sexually transmitted disease control.
29 (d) Tuberculosis control.



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

2 (f) Screening newborns for the conditions listed in section
3 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
4 recommended by the newborn screening quality assurance advisory
5 committee created under section 5430 of the public health code,
6 1978 PA 368, MCL 333.5430.

7 (g) Health and human services annex of the Michigan emergency
8 management plan.

9 (h) Prenatal care.

10 (2) By January 1 of the current fiscal year, the department
11 shall report to the house and senate appropriations subcommittees
12 on the department budget, the house and senate fiscal agencies, the
13 house and senate policy offices, and the state budget office on the
14 revisions to the list of basic health services, listed in
15 subsection (1), and program statements that have been prepared and
16 published as required under section 2311 of the public health code,
17 1978 PA 368, MCL 333.2311.

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

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

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



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

3 (c) The expected project duration.

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

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

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

19 Sec. 221. According to section 1b of the social welfare act,
20 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
21 part as a time-limited addendum to the social welfare act, 1939 PA
22 280, MCL 400.1 to 400.119b.

23 Sec. 222. (1) The department shall provide written
24 notification to the senate and house appropriations subcommittees
25 on the department budget, the senate and house fiscal agencies, the
26 senate and house policy offices, and the state budget office of any
27 major policy changes at least 30 days before the implementation
28 date of those policy changes.

29 (2) The department shall make the entire policy and procedures



1 manual available and accessible to the public via the department
2 website.

3 (3) The department shall report by April 1 of the current
4 fiscal year on each specific policy change made to implement a
5 public act affecting the department that took effect during the
6 prior calendar year to the senate and house appropriations
7 committees, the senate and house appropriations subcommittees on
8 the department budget, the joint committee on administrative rules,
9 and the senate and house fiscal agencies.

10 (4) The department shall attach each policy bulletin issued
11 during the prior calendar year to the report issued in subsection
12 (3).

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

26 Sec. 224. The department may retain all of the state's share
27 of food assistance overissuance collections as an offset to general
28 fund/general purpose costs. Retained collections shall be applied
29 against federal funds deductions in all appropriation units where



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

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

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

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

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

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

28 Sec. 227. The state departments, agencies, and commissions
29 receiving tobacco tax funds and Healthy Michigan fund revenue from



1 part 1 shall report by April 1 of the current fiscal year to the
2 senate and house appropriations committees, the senate and house
3 fiscal agencies, and the state budget director on the following:

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

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

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

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

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

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



1 Sec. 229. From the \$370,000.00 of TANF revenue appropriated in
2 part 1 for training and program support, the department shall
3 extend the interagency agreement with the office of employment and
4 training within the department of labor and economic opportunity
5 for the duration of the current fiscal year, which concerns TANF
6 funding to provide job readiness and welfare-to-work programming.
7 \$10,000.00 of TANF revenue is appropriated in part 1 for the
8 department to report the following specific outcome and performance
9 measures to the senate and house appropriations subcommittees on
10 the department budget, the senate and house appropriations
11 subcommittees on general government, the senate and house fiscal
12 agencies, the senate and house policy offices, and the state budget
13 office by January 1 of the current fiscal year for the previous
14 fiscal year:

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

17 (i) Direct services to recipients.

18 (ii) Administrative expenditures.

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

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

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

25 (iii) Average TANF spending per recipient.

26 (iv) The number and percentage of recipients who were referred
27 to Michigan Works! but did not receive a job or job readiness
28 placement and the reasons why.

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



1 (i) The number of referrals to Michigan Works! job readiness
2 programs.

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

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

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

21 Sec. 231. (1) From the funds appropriated in part 1, the
22 department shall provide sufficient funding to increase the wages
23 paid to direct care workers described in subsection (2) by \$2.35
24 per hour above the rates paid on March 1, 2020 for the current
25 fiscal year.

26 (2) The direct care wage increase shall be provided to direct
27 care workers employed by the department, its contractors, and its
28 subcontractors who received a \$2.00 per hour state-funded wage
29 increase beginning in April 2020. The total combined direct care



1 wage increases from the April 2020 direct care wage increase and
2 the wage increase outlined in this section is \$2.35 per hour and is
3 in effect for the current fiscal year.

4 (3) From the funds appropriated in part 1, the department
5 shall provide sufficient funding to increase the wages paid to
6 direct care workers described in subsections (4), (5), (6), and (7)
7 by \$2.35 per hour above the rates paid on June 1, 2020 for the
8 current fiscal year.

9 (4) A direct care wage increase of \$2.35 per hour shall be
10 provided to direct care workers employed by skilled nursing
11 facilities for the current fiscal year. This funding shall include
12 all costs incurred by the employer, including payroll taxes, due to
13 the \$2.35 per hour increase. As used in this subsection, "direct
14 care workers" means a registered professional nurse, licensed
15 practical nurse, competency-evaluated nursing assistant, and
16 respiratory therapist.

17 (5) A direct care wage increase of \$2.35 per hour shall be
18 provided to direct care workers employed by area agencies on aging
19 and their contractors for in-home and respite services for the
20 current fiscal year. This funding shall include all costs incurred
21 by the employer, including payroll taxes, due to the \$2.35 per hour
22 increase.

23 (6) A direct care wage increase of \$2.35 per hour shall be
24 provided for the current fiscal year to direct care workers
25 employed by licensed adult foster care homes and licensed homes for
26 the aged that provide Medicaid-funded personal care services who
27 were not eligible for any direct care worker pay adjustment under
28 any other subsection of this section. This funding shall include
29 all costs incurred by the employer, including payroll taxes, due to



1 the \$2.35 per hour increase.

2 (7) A direct care wage increase of \$2.35 per hour shall be
3 provided for the current fiscal year to direct support employees
4 and job coaches who work in Medicaid-funded supported employment
5 arrangements and who were not eligible for any direct care worker
6 pay adjustment under any other subsection of this section. This
7 funding shall include all costs incurred by the employer, including
8 payroll taxes, due to the \$2.35 per hour increase.

9 (8) From the funds appropriated in part 1, a direct care wage
10 increase of \$2.00 per hour shall be provided for the current fiscal
11 year to frontline workers employed by private child caring
12 institutions. This funding shall include all costs incurred by the
13 employer, including payroll taxes, due to the \$2.00 per hour
14 increase. As used in this section, a "child caring institution"
15 means that term as defined in section 1 of 1973 PA 116, MCL
16 722.111.

17 (9) Contractors and subcontractors receiving funding to
18 support these direct care wage increases shall be required to
19 provide documentation of the wage increases provided under this
20 section to the department.

21 (10) Any payment enhancement above the hourly rate in effect
22 immediately before the wage increase is of no effect in determining
23 any employee's average compensation as provided by any contract or
24 other provision of law.

25 (11) A direct care worker may elect to not receive the wage
26 increase provided in this section. The election to not receive the
27 wage increase in this section must be made either in writing or
28 electronically. The employer of a direct care worker who has
29 elected to not receive the wage increase in this section must remit



1 back to this state any of the funds authorized by this section
2 based on the number of direct care workers it employs who have
3 elected to not receive the wage increase authorized by this
4 section.

5 (12) Contractors and subcontractors receiving funding to
6 support the direct care wage increase under this section shall
7 report to the department by February 1 of the current fiscal year
8 the range of wages paid to direct care workers, including
9 information on the number of direct care workers at each wage
10 level.

11 (13) The department shall report the information required to
12 be reported according to subsection (12) to the senate and house
13 appropriations subcommittees on the department budget, the senate
14 and house fiscal agencies, the senate and house policy offices, and
15 the state budget office by March 1 of the current fiscal year.

16 Sec. 232. (1) The department shall provide the approved
17 spending plan for each line item receiving an appropriation in the
18 current fiscal year to the senate and house appropriations
19 subcommittees on the department budget and the senate and house
20 fiscal agencies within 60 days after approval by the department but
21 not later than January 15 of the current fiscal year. Compliance
22 with this section is not met unless a line-item appropriation name
23 is included in all places that a line-item appropriation number is
24 listed. The spending plan shall include the following information
25 regarding planned expenditures for each category: allocation in the
26 previous period, change in the allocation, and new allocation. The
27 spending plan shall include the following information regarding
28 each revenue source for the line item: category of the fund source
29 indicated by general fund/general purpose, state restricted, local,



1 private, or federal. Figures included in the approved spending plan
2 shall not be assumed to constitute the actual final expenditures,
3 as line items may be updated on an as-needed basis to reflect
4 changes in projected expenditures and projected revenue. The
5 department shall supplement the spending plan information by
6 providing a list of all active contracts and grants in the
7 department's contract system. For amounts listed in the other
8 contracts category of each spending plan, the department shall
9 provide a list of all contracts and grants and amounts for the
10 current fiscal year, and include the name of the line item and the
11 name of the fund source related to each contract or grant and
12 amount. For amounts listed in the all other costs category of each
13 spending plan, the department shall provide a list detailing
14 planned expenditures and amounts for the current fiscal year, and
15 include the name of the line item and the name of the fund source
16 related to each amount and expenditure.

17 (2) Notwithstanding any other appropriation authority granted
18 in part 1, the department shall not appropriate any additional
19 general fund/general purpose funds or any related federal and state
20 restricted funds without providing a written 30-day notice to the
21 senate and house appropriations subcommittees on the department
22 budget, the senate and house fiscal agencies, and the senate and
23 house policy offices.

24 Sec. 233. If the state administrative board, acting under
25 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
26 appropriated under this article, the legislature may, by a
27 concurrent resolution adopted by a majority of the members elected
28 to and serving in each house, inter-transfer funds within this
29 article for the particular department, board, commission, office,



1 or institution.

2 Sec. 234. The departments and agencies receiving
3 appropriations in part 1 shall receive and retain copies of all
4 reports funded from appropriations in part 1. Federal and state
5 guidelines for short-term and long-term retention of records shall
6 be followed. The department may electronically retain copies of
7 reports unless otherwise required by federal and state guidelines.

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

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

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

21 (c) By February 1, report to the house and senate
22 appropriations subcommittees on the department budget, the house
23 and senate fiscal agencies, the house and senate policy offices,
24 and the state budget office on the total amount of severance pay
25 remitted to former department employees during the previous fiscal
26 year and the total number of former department employees that were
27 remitted severance pay during the previous fiscal year.

28 (2) As used in this section, "severance pay" means
29 compensation that is both payable or paid upon the termination of



1 employment and in addition to either wages or benefits earned
2 during the course of employment or generally applicable retirement
3 benefits.

4 Sec. 237. (1) Any department, agency, board, commission, or
5 public officer that receives funding under part 1 shall not:

6 (a) Require as a condition of accessing any facility or
7 receiving services that an individual provide proof that he or she
8 has received a COVID-19 vaccine except as provided by federal law
9 or as a condition of receiving federal Medicare or Medicaid
10 funding.

11 (b) Produce, develop, issue, or require a COVID-19 vaccine
12 passport.

13 (c) Develop a database or make any existing database publicly
14 available to access an individual's COVID-19 vaccine status by any
15 person, company, or governmental entity.

16 (d) Require as a condition of employment that an employee or
17 official provide proof that he or she has received a COVID-19
18 vaccine. This subdivision does not apply to any hospital,
19 congregate care facility, or other medical facility or any
20 hospital, congregate care facility, or other medical facility
21 operated by a local subdivision that receives federal Medicare or
22 Medicaid funding.

23 (2) A department, agency, board, commission, or public officer
24 may not subject any individual to any negative employment
25 consequence, retaliation, or retribution because of that
26 individual's COVID-19 vaccine status.

27 (3) Subsection (1) does not prohibit any person, department,
28 agency, board, commission, or public officer from transmitting
29 proof of an individual's COVID-19 vaccine status to any person,



1 company, or governmental entity, so long as the individual provides
2 affirmative consent.

3 (4) If a department, agency, board, commission, subdivision,
4 or official or public officer is required to establish a vaccine
5 policy due to a federal mandate, it must provide exemptions to any
6 COVID-19 vaccine policy to the following individuals:

7 (a) An individual for whom a physician certifies that a COVID-
8 19 vaccine is or may be detrimental to the individual's health or
9 is not appropriate.

10 (b) An individual who provides a written statement to the
11 effect that the requirements of the COVID-19 vaccine policy cannot
12 be met because of religious convictions or other consistently held
13 objection to immunization.

14 (5) As used in this section, "public officer" means a person
15 appointed by the governor or another executive department official
16 or an elected or appointed official of this state or a political
17 subdivision of this state.

18 Sec. 239. For behavioral and physical health services provided
19 through managed care or the fee-for-service program, the department
20 shall require, for the nonfacility component of the reimbursement
21 rate, at least the same reimbursement for that service, if that
22 service is provided through telemedicine, as if the service
23 involved face-to-face contact between the health care professional
24 and the patient.

25 Sec. 240. Appropriations in part 1 shall, to the extent
26 possible by the department, not be expended until all existing work
27 project authorization available for the same purposes is exhausted.

28 Sec. 241. By March 1 of the current fiscal year, the
29 department shall report to the house and senate appropriations



1 subcommittees on the department budget, the house and senate fiscal
2 agencies, the house and senate policy offices, and the state budget
3 director on total actual expenditures in the previous fiscal year
4 for advertising and media outreach, including the purpose and
5 amount by program or appropriation line-item.

6 Sec. 242. From the funds appropriated in part 1 for
7 departmental administration and management, \$100,000.00 is
8 allocated to produce a description of programs report for the
9 current fiscal year by March 1 of the current fiscal year. The
10 report shall be submitted to the senate and house appropriations
11 committees, the senate and house fiscal agencies, and the senate
12 and house policy offices. The report shall include the
13 appropriation unit, the line-item name and number, the
14 appropriation history, the program name, the program overview, the
15 financing detail, and where applicable, the legal basis for the
16 program and program effectiveness and outcomes.

17 Sec. 244. On a monthly basis, the department shall report to
18 the senate and house appropriations subcommittees on the department
19 budget, the senate and house fiscal agencies, and the state budget
20 office on any line-item appropriation for which the department
21 estimates total annual expenditures would exceed the funds
22 appropriated for that line-item appropriation by 5% or more. The
23 department shall provide a detailed explanation for any relevant
24 line-item appropriation exceedance and shall identify the
25 corrective actions undertaken to mitigate line-item appropriation
26 expenditures from exceeding the funds appropriated for that line-
27 item appropriation by a greater amount. This section does not apply
28 for line-item appropriations that are part of the May revenue
29 estimating conference caseload and expenditure estimates.



1 Sec. 245. From the funds appropriated in part 1, no funding
2 for any purpose in part 1 other than to support this state's
3 Medicaid program or Healthy Michigan Plan program, in the form of a
4 grant, reimbursement, contract, or any other type of payment shall
5 be provided to any organization, provider, facility, individual, or
6 any type of entity that provides elective abortion services,
7 abortion counseling, or abortion referrals, or subcontracts with an
8 organization that provides elective abortion services, abortion
9 counseling, or abortion referrals. Nothing in this section
10 restricts a Medicaid recipient's ability to select a qualified
11 medical provider of their choosing for Medicaid or Healthy Michigan
12 Plan covered services.

13 Sec. 250. The director or a local health officer shall not
14 issue or enforce any orders or other directives that require an
15 individual in this state who is under the age of 18 to wear a face
16 mask or face covering.

17 Sec. 251. From the funds appropriated in part 1 for
18 departmental administration and support, the department must
19 develop reports related to emergency orders involving an epidemic
20 issued during the fiscal year ending on September 30, 2022. Within
21 7 days after the issuance of any emergency order involving an
22 epidemic, a report under this section must be provided to the
23 senate and house appropriations committees and the senate and house
24 fiscal agencies, and posted publicly on the department's website. A
25 report under this section must contain the following:

26 (a) An explanation of the nature and scope of the epidemic
27 that the emergency order is intended to address.

28 (b) A description of each area of the state that the
29 department has determined is threatened by the epidemic.



1 (c) If applicable, an explanation that contains the evidence
2 relied upon to determine that a procedure established in the
3 emergency order ensures the continuation of essential public health
4 services or the enforcement of health laws.

5 (d) If applicable, an explanation that contains the evidence
6 relied upon to determine that a prohibition on gathering contained
7 in the emergency order is necessary to protect the public health.

8 (e) A list of primary experts, organizations, or sources not
9 affiliated with the department that were relied upon to issue the
10 emergency order and any corresponding expenditures by the
11 department associated with any such experts, organizations, or
12 sources.

13 (f) A list of primary state government personnel responsible
14 for developing the emergency order.

15 (g) A description of what factors the department will consider
16 when deciding to terminate or modify the order.

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

29 Sec. 263. (1) Except as otherwise provided in this subsection,



1 before submission of a waiver, a state plan amendment, or a similar
2 proposal to CMS or other federal agency, the department shall
3 provide written notification of the planned submission to the house
4 and senate appropriations subcommittees on the department budget,
5 the house and senate fiscal agencies and policy offices, and the
6 state budget office. This subsection does not apply to the
7 submission of a waiver, a state plan amendment, or similar proposal
8 that does not propose a material change or is outside of the
9 ordinary course of waiver, state plan amendment, or similar
10 proposed submissions.

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

21 Sec. 264. The department shall not take disciplinary action
22 against an employee of the department in the state classified civil
23 service for communicating with a member of the legislature or his
24 or her staff, unless the communication is prohibited by law and the
25 department is exercising its authority as provided by law.

26 Sec. 270. The department shall advise the legislature of the
27 receipt of a notification from the attorney general's office of a
28 legal action in which expenses had been recovered according to
29 section 106(6) of the social welfare act, 1939 PA 280, MCL 400.106.



1 By February 1 of the current fiscal year, the department shall
2 submit a written report to the house and senate appropriations
3 subcommittees on the department budget, the house and senate fiscal
4 agencies, and the state budget office that includes, at a minimum,
5 all of the following:

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

7 (b) The program or service for which the money was originally
8 expended.

9 (c) Details on the disposition of the funds recovered such as
10 the appropriation or revenue account in which the money was
11 deposited.

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

13 Sec. 274. (1) The department, in collaboration with the state
14 budget office, shall submit to the house and senate appropriations
15 subcommittees on the department budget, the house and senate fiscal
16 agencies, and the house and senate policy offices 1 week after the
17 day the governor submits to the legislature the budget for the
18 ensuing fiscal year a report on spending and revenue projections
19 for each of the capped federal funds listed below. The report shall
20 contain actual spending and revenue in the previous fiscal year,
21 spending and revenue projections for the current fiscal year as
22 enacted, and spending and revenue projections within the executive
23 budget proposal for the fiscal year beginning October 1, 2023 for
24 each individual line item for the department budget. The report
25 shall also include federal funds transferred to other departments.
26 The capped federal funds shall include, but not be limited to, all
27 of the following:

28 (a) TANF.

29 (b) Title XX social services block grant.



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

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

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

5 (2) It is the intent of the legislature that the department,
6 in collaboration with the state budget office, not utilize capped
7 federal funding for economics adjustments for FTEs or other
8 economics costs that are included as part of the budget submitted
9 to the legislature by the governor for the ensuing fiscal year,
10 unless there is a reasonable expectation for increased federal
11 funding to be available to the department from that capped revenue
12 source in the ensuing fiscal year.

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

17 (a) Other departments.

18 (b) Local units of government.

19 (c) Private sources.

20 Sec. 275. (1) On a quarterly basis, the department, with the
21 approval of the state budget director, is authorized to realign
22 sources between other federal, TANF, and capped federal financing
23 authorizations in order to maximize federal revenues. This
24 realignment of financing shall not produce a gross increase or
25 decrease in the department's total individual line item
26 authorizations, nor will it produce a net increase or decrease in
27 total federal revenues, or a net increase in TANF authorization.

28 (2) On a quarterly basis the department shall report to the
29 house and senate appropriations subcommittees on the department



1 budget, the house and senate fiscal agencies, and the house and
2 senate policy offices on the realignment of federal fund sources
3 transacted to date in the current fiscal year under the authority
4 of subsection (1), including the dates, line items, and amounts of
5 the transactions. If, at the time a quarterly report is due, no
6 transactions were made under subsection (1), then no report is
7 required to be provided.

8 (3) Within 30 days after the date on which year-end book
9 closing is completed, the department shall submit to the house and
10 senate appropriations subcommittees on the department budget, the
11 house and senate fiscal agencies, and the house and senate policy
12 offices a report on the realignment of federal fund sources that
13 took place as part of the year-end closing process for the previous
14 fiscal year.

15 Sec. 280. By March 1 of the current fiscal year, the
16 department shall provide a report to the house and senate
17 appropriations subcommittees on the department budget, the house
18 and senate fiscal agencies, the house and senate policy offices,
19 and the state budget director that provides all of the following
20 for each line item in part 1 containing personnel-related costs,
21 including the specific individual amounts for salaries and wages,
22 payroll taxes, and fringe benefits:

23 (a) FTE authorization.

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

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

28 (d) The projected year-end balance or shortfall for personnel-
29 related costs, by fund source, based on actual monthly spending



1 levels through the end of the prior month.

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

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

10 (2) The department may allow a contract to exceed the
11 limitation on administrative and services costs under subsection
12 (1) if a grantee can demonstrate to the department that an
13 exception should be made to the provision in subsection (1).

14 (3) By September 30 of the current fiscal year, the department
15 shall report to the house and senate appropriations subcommittees
16 on the department budget, house and senate fiscal agencies, and
17 state budget office on the rationale for all exceptions made to
18 subsection (1) and the number of contracts terminated due to
19 violations of subsection (1). If, at the time the report is due, no
20 contracts were terminated due to violations of subsection (1) and
21 no exceptions were made under subsection (2), then no report is
22 required to be provided.

23 Sec. 289. By March 1 of the current fiscal year, the
24 department shall provide to the senate and house appropriations
25 subcommittees on the department budget, the senate and house fiscal
26 agencies, and the senate and house policy offices an annual report
27 on the supervisor-to-staff ratio by department divisions and
28 subdivisions.

29 Sec. 290. Any public advertisement for public assistance shall



1 also inform the public of the welfare fraud hotline operated by the
2 department.

3 Sec. 296. From the funds appropriated in part 1, the
4 department to the extent permissible under section 8 of 1964 PA
5 170, MCL 691.1408, is responsible for the necessary and reasonable
6 attorney fees and costs incurred by private and independent legal
7 counsel chosen by current and former classified and unclassified
8 department employees in the defense of the employees in any state
9 or federal lawsuit or investigation related to the water system in
10 a city or community in which a declaration of emergency was issued
11 because of drinking water contamination.

12 Sec. 297. (1) On a quarterly basis, the department shall
13 report to the senate and house appropriations committees, the
14 senate and house appropriations subcommittees on the department
15 budget, and the senate and house fiscal agencies the following
16 information:

17 (a) The number of FTE positions in pay status by civil service
18 classification.

19 (b) A comparison by line item of the number of FTE positions
20 authorized from funds appropriated in part 1 to the actual number
21 of FTE positions employed by the department at the end of the
22 reporting period.

23 (2) By March 1 of the current fiscal year, the department
24 shall report to the senate and house appropriations committees, the
25 senate and house appropriations subcommittees on the department
26 budget, and the senate and house fiscal agencies the following
27 information:

28 (a) Number of employees that were engaged in remote work in
29 2022.



1 (b) Number of employees of the department authorized to work
2 remotely and the actual number of those working remotely in the
3 current reporting period.

4 (c) Estimated net cost savings achieved by the department by
5 remote work.

6 (d) Reduced use of office space associated with remote work.

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

17 (2) From funds appropriated in part 1, for all RFPs issued
18 during the current fiscal year where an existing service received
19 proposals by multiple vendors, the department shall notify all
20 vendors within 30 days after the RFP decision. The notification to
21 vendors shall include details on the RFP process, including the
22 respective RFP scores and the respective cost for each vendor. If
23 the highest scored RFP or lowest cost RFP does not receive the
24 contract for an existing service offered by the department, the
25 notification shall issue an explanation for the reasons that the
26 highest scored RFP or lowest cost RFP did not receive the contract
27 and detail the incremental cost target amount or service level
28 required that was required to migrate the service to a new vendor.
29 Additionally, the department shall include in the notification



1 details as to why a cost or service difference is justifiable if
2 the highest scored or lowest cost vendor does not receive the
3 contract.

4 (3) The department shall submit to the senate and house
5 appropriations subcommittees on the department budget, the senate
6 and house fiscal agencies, the senate and house policy offices, and
7 the state budget office by September 30 of the current fiscal year,
8 a report that includes the following:

9 (a) A summary of all RFPs issued for a contract in excess of
10 \$5,000,000.00 including whether an RFI or RFQ was considered, and
11 whether an RFI or RFQ was issued before issuing the RFP or whether
12 the issuance of an RFI or RFQ was determined not to be necessary.

13 (b) A summary of all RFPs during the current fiscal year if an
14 existing service received proposals by multiple vendors.

15 (c) A list of all finalized RFPs if there was a divergence
16 from awarding the contract to the lowest-cost or highest-scoring
17 vendor, and details as to why a divergence is justifiable as
18 provided in the notification to vendors under subsection (2).

19 (d) The cost or service threshold required by department
20 policy that must be satisfied in order for an existing contract to
21 be received by a new vendor.

22 23 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

24 Sec. 301. From the funds appropriated in part 1 for terminal
25 leave payments, the department shall not spend in excess of its
26 annual gross appropriation unless it identifies and requests a
27 legislative transfer from another budgetary line item supporting
28 administrative costs, as provided by section 393(2) of the
29 management and budget act, 1984 PA 431, MCL 18.1393.



CHILD SUPPORT ENFORCEMENT

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

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

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

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

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

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

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

(2) Each county whose retained child support collections in



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

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

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

20 **COMMUNITY SERVICES AND OUTREACH**

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

28 (a) Increasing school attendance and decreasing chronic
29 absenteeism.



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

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

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

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

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

21 Sec. 453. (1) From the funds appropriated in part 1 for
22 homeless programs, the department shall allocate funds to the
23 emergency shelter program to support efforts of shelter providers
24 to move homeless individuals and households into permanent housing
25 as quickly as possible. Funding provided shall be equal to or
26 exceed the amount a provider would receive if paid a \$19.00 per
27 diem rate per bed night. Expected outcomes are increased shelter
28 discharges to stable housing destinations, decreased recidivism
29 rates for shelter clients, and a reduction in the average length of



1 stay in emergency shelters.

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

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

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

28 Sec. 456. From the funds appropriated in part 1 for homeless
29 programs, the department shall allocate \$90,000.00 to reimburse



1 public service agencies that provide documentation of paying birth
2 certificate fees on behalf of category 1 homeless clients at county
3 clerk's offices. Public service agencies shall be reimbursed for
4 the cost of the birth certificate fees quarterly until this
5 allocation is fully spent.

6 Sec. 457. (1) From the funds appropriated in part 1 for the
7 uniform statewide sexual assault evidence kit tracking system, in
8 accordance with the final report of the Michigan sexual assault
9 evidence kit tracking and reporting commission, \$369,500.00 is
10 allocated to contract for the administration of a uniform statewide
11 sexual assault evidence kit tracking system, and 1.0 FTE to provide
12 administrative support. The system shall include the following:

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

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

18 (c) Secure electronic access for victims.

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

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

29 (3) The sexual assault evidence tracking fund established in



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

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

25 Sec. 458. From the funds appropriated in part 1 for crime
26 victim rights services grants, the department shall allocate
27 \$2,000,000.00 from the crime victim's rights fund to maintain
28 increased grant funding to support the further use of crime victim
29 advocates in the criminal justice system. The purpose of the



1 additional funding is to increase available grant funding for crime
2 victim advocates to ensure that the advocates have the resources,
3 training, and funding needed to respond to the physical and
4 emotional needs of crime victims and to provide victims with the
5 necessary services, information, and assistance in order to help
6 them understand and participate in the criminal justice system and
7 experience a measure of safety and security throughout the legal
8 process.

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

19 Sec. 460. From the funds appropriated in part 1 for kids' food
20 basket, the department shall allocate \$525,000.00 to fund a project
21 with a nonprofit, community-based organization organized under the
22 laws of this state that is exempt from federal income tax under
23 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
24 and is located in a city with a population between 185,000 and
25 200,000 according to the most recent federal decennial census and
26 in a county with a population between 450,000 and 850,000 according
27 to the most recent federal decennial census. The nonprofit
28 organization recipient shall have an existing network of food
29 delivery to low-income children to at least 3 counties in this



1 state. The nonprofit organization shall use the funds for increased
2 operational costs due to the coronavirus pandemic and for expansion
3 of services to additional schools and communities. The funding may
4 be used to cover employee costs, food and supplies, equipment, and
5 other operational costs identified by the organization to support
6 their mission and goals.

7 Sec. 462. (1) If funding becomes available from the funds
8 appropriated in part 1 for crime victim justice assistance grants,
9 the department shall allocate \$4,000,000.00 to implement 4 trauma
10 recovery center program pilot projects. The pilot projects shall
11 utilize the evidence-informed integrated trauma recovery services
12 model developed by the University of California - San Francisco for
13 service provision and shall be located in a city with a population
14 between 52,700 and 53,300 according to the most recent federal
15 decennial census, in a city with a population between 80,000 and
16 82,000 according to the most recent federal decennial census, in a
17 city with a population between 150,000 and 200,000 according to the
18 most recent federal decennial census, and in a city with a
19 population greater than 500,000 according to the most recent
20 federal decennial census.

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

23 (3) If funding becomes available, by March 1 of the current
24 fiscal year, the department shall report to the senate and house
25 subcommittees on the department budget, the senate and house fiscal
26 agencies, the senate and house policy offices, and the state budget
27 office on all of the following:

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

29 (b) The number of participants by crime type, broken down by



1 pilot project site.

2 (c) The number of direct service providers by pilot project
3 site.

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

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

7 (f) The average length of service provision by pilot project
8 site.

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

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

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

15 Sec. 463. From the funds appropriated in part 1 for runaway
16 and homeless youth grants and domestic violence prevention and
17 treatment, the department is authorized to make allocations of TANF
18 revenue only to agencies that report necessary data to the
19 department to meet TANF eligibility reporting requirements.

20 Sec. 464. From the funds appropriated in part 1 for diaper
21 assistance payments, \$4,404,400.00 of TANF revenue must be
22 allocated as grants to diaper assistance programs, maternity homes,
23 and other nonprofit agencies that distribute diapers free of charge
24 and were established as of January 1, 2020. The funds must only be
25 used to purchase diapering supplies for children under 36 months of
26 age. Funds must be evenly distributed to all regions of this state
27 as defined by the Michigan economic recovery council.

28 Sec. 465. (1) From the funds appropriated in part 1 for
29 community services and outreach administration, \$2,950,000.00 must



1 be distributed as provided in subsection (2). The amount
2 distributed under this subsection must not exceed 50% of the total
3 operating expenses of the program described in subsection (2), with
4 the remaining 50% paid by local United Way organizations and other
5 nonprofit organizations and foundations.

6 (2) Funds distributed under subsection (1) shall be
7 distributed to Michigan 2-1-1, a nonprofit corporation organized
8 under the laws of this state that is exempt from federal income tax
9 under section 501(c)(3) of the internal revenue code of 1986, 26
10 USC 501, and whose mission is to coordinate and support a statewide
11 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill
12 the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in
13 January 2005.

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

17 (4) Michigan 2-1-1 shall report annually to the department,
18 the house and senate standing committees with primary jurisdiction
19 over matters relating to human services and telecommunications on
20 2-1-1 system performance, the senate and house appropriations
21 subcommittees on the department budget, and the senate and house
22 fiscal agencies, including, but not limited to, call volume by
23 health and human service needs and unmet needs identified through
24 caller data and number and percentage of callers referred to public
25 or private provider types.

26
27 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

28 Sec. 501. (1) A goal is established that not more than 25% of
29 all children in foster care at any given time during the current



1 fiscal year, if in the best interest of the child, will have been
2 in foster care for 24 months or more.

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

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

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

27 (2) The department, in conjunction with members from both the
28 house of representatives and senate, private child placing
29 agencies, the courts, and counties shall continue to implement the



1 recommendations that are described in the workgroup report that was
2 provided in section 503 of article X of 2013 PA 59 to establish a
3 performance-based funding model pilot program for public and
4 private child welfare services providers. By July 1 of the current
5 fiscal year, the department shall provide a report on the status of
6 the performance-based contracting model to the senate and house
7 appropriations subcommittees on the department budget, the senate
8 and house standing committees on families and human services, and
9 the senate and house fiscal agencies and policy offices.

10 Sec. 504. (1) From the funds appropriated in part 1, the
11 department shall implement a 3-year master agreement with an option
12 for 2 additional years with the West Michigan Partnership for
13 Children Consortium to maintain the performance-based child welfare
14 contracting program. The consortium shall consist of a network of
15 affiliated child welfare service providers that will accept and
16 comprehensively assess referred youth, assign cases to members of
17 its continuum or leverage services from other entities, and make
18 appropriate case management decisions during the duration of a
19 case.

20 (2) As a condition for receiving the funding in part 1, the
21 West Michigan Partnership of Children Consortium shall maintain a
22 contract agreement with the department that supports a global
23 capitated payment model. The capitated payment amount shall be
24 based on historical averages of the number of children served in
25 Kent County and for the costs per foster care case. The West
26 Michigan Partnership for Children Consortium is required to manage
27 the cost of the child population it serves. The administrative
28 portion of the contracted agreement must reflect the cumulative
29 annual percentage change in the Detroit Consumer Price Index from



1 the previous year. The capitated payment amount shall be reviewed
2 and adjusted no less than twice during the current fiscal year or
3 due to any policy changes implemented by the department that result
4 in a volume of placements that differ in a statistically
5 significant manner from the amount allocated in the annual contract
6 between the department and the West Michigan Partnership for
7 Children Consortium as determined by an independent actuary as well
8 as to account for changes in case volumes and any statewide rate
9 increases that are implemented. The contract agreement requires
10 that the West Michigan Partnership for Children Consortium shall
11 maintain the following stipulations and conditions:

12 (a) That the service component of the capitated payment will
13 be calculated assuming rates paid to providers under the program
14 are generally consistent with the department's payment policies for
15 providers throughout the rest of this state.

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

19 (c) To cooperate with the department on an independent fiscal
20 analysis of costs incurred and revenues received.

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

27 Sec. 505. By March 1 of the current fiscal year, the
28 department shall provide 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 a report
2 on youth referred or committed to the department for care or
3 supervision in the previous fiscal year and in the first quarter of
4 the current fiscal year outlining the number of youth served by the
5 department within the juvenile justice system, the type of setting
6 for each youth, performance outcomes, and financial costs or
7 savings.

8 Sec. 506. From the funds appropriated in part 1 for attorney
9 general contract, by March 1 of the current fiscal year, the
10 department shall submit 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 report on the juvenile justice system in any county in
14 which funds appropriated in part 1 are expended. The report shall
15 include, but not be limited to, the following:

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

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

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

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



1 during the current fiscal year for services provided in prior
2 fiscal years.

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

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

13 Sec. 509. From the funds appropriated in part 1 for adoption
14 support services, the department shall maintain the increase of
15 contracted rates paid to private child placing agencies, including
16 the \$23.00 per diem for all foster youth from the date of the case
17 acceptance to the date of adoption petition acceptance or for 150
18 days, whichever occurs sooner, for licensed child placing agencies
19 contracted with the department to provide adoption services for
20 foster youth. The per diem rate is to be separate from the outcome-
21 based reimbursement system and must not be deducted from the total
22 reimbursement an agency receives for the applicable placement or
23 finalization rate of an adoption.

24 Sec. 510. (1) From the funds appropriated in part 1 for child
25 care fund and foster care payments, the department shall allocate
26 all necessary funding to ensure that all private child caring
27 institutions and privately operated child welfare and juvenile
28 justice residential facilities operating as of September 30, 2022
29 remain in operation with the necessary capacity for the potential



1 placement of children into care. The department shall award funding
2 to the facilities prospectively from the funds appropriated in part
3 1 to ensure the necessary staffing, supplies, and other identified
4 and allowable variable and fixed costs.

5 (2) The department shall provide reports on a monthly basis to
6 the senate and house appropriations subcommittees on the department
7 budget and the senate and house fiscal agencies and policy offices
8 on the number of children awaiting placement in a child caring
9 institution in this state. The report must include the number of
10 children awaiting placement by child caring institution and must
11 state the reason for the delay in placement including, but not
12 limited to, facility bed shortages, placement process delays, or
13 other reasons.

14 Sec. 511. (1) The department shall provide reports on a
15 semiannual basis to the senate and house appropriations
16 subcommittees on the department budget, the senate and house
17 standing committees on families and human services, and the senate
18 and house fiscal agencies and policy offices on the number and
19 percentage of children who received timely physical and mental
20 health examinations after entry into foster care. The goal of the
21 program is that at least 85% of children shall have an initial
22 medical and mental health examination within 30 days after entry
23 into foster care.

24 (2) From the funds appropriated in part 1 for foster care
25 payments, the department shall allocate \$1,000,000.00 to increase
26 access to physical and mental health providers for children in
27 foster care with an emphasis on providing timely dental
28 examinations for children located in rural areas of the state.

29 Sec. 512. By March 1 of the current fiscal year, the



1 department shall report to the senate and house appropriations
2 subcommittees on the department budget, the senate and house fiscal
3 agencies, the senate and house policy offices, and the state budget
4 office on the following information for cases of child abuse or
5 child neglect from the previous fiscal year:

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

7 (b) The total number of relatives with a placement who became
8 licensed.

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

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

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

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

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

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

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

29 (2) The department shall not expend money for a child placed



1 in an out-of-state facility without approval of the executive
2 director of the children's services agency.

3 (3) The department shall submit an annual report by March 1 of
4 the current fiscal year to the state court administrative office,
5 the house and senate appropriations subcommittees on the department
6 budget, the house and senate fiscal agencies, the house and senate
7 policy offices, and the state budget office on the number of
8 Michigan children residing in out-of-state facilities in the
9 previous fiscal year and shall include the total cost and average
10 per diem cost of these out-of-state placements to this state, and a
11 list of each such placement arranged by the Michigan county of
12 residence for each child.

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

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

20 (i) The total number of reports of child abuse or child neglect
21 investigated under the child protection law, 1975 PA 238, MCL
22 722.621 to 722.638, and the number of cases classified under
23 category I or category II and the number of cases classified under
24 category III, category IV, or category V.

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



1 methamphetamine.

2 (iii) The mandatory reporter category in which the individual
3 who made the report fits, or other categorization if the individual
4 is not within a group required to report under the child protection
5 law, 1975 PA 238, MCL 722.621 to 722.638.

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

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

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

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

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

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

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

29 (iii) The number of cases in category III referred to voluntary



1 community services and monitored for up to 90 days.

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

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

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

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

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

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

20 Sec. 516. From funds appropriated in part 1 for child care
21 fund, the administrative or indirect cost payment equal to 10% of a
22 county's total monthly gross expenditures shall be distributed to
23 the county on a monthly basis and a county is not required to
24 submit documentation to the department for any of the expenditures
25 that are covered under the 10% payment as described in section
26 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL
27 400.117a.

28 Sec. 519. The department shall permit any private agency that
29 has an existing contract with this state to provide foster care



1 services to be also eligible to provide treatment foster care
2 services.

3 Sec. 520. (1) The department shall submit a report to the
4 house and senate appropriations subcommittees on the department
5 budget, the house and senate fiscal agencies, the house and senate
6 policy offices, and the state budget office by February 15 of the
7 current fiscal year on the number of days of care and expenditures
8 by funding source for the previous fiscal year for out-of-home
9 placements by specific placement programs for child abuse or child
10 neglect and juvenile justice, including, but not limited to, paid
11 relative placement, department direct family foster care, private
12 agency supervised foster care, private child caring institutions,
13 county-supervised facilities, court-supervised facilities, and
14 independent living. The report shall also include the number of
15 days of care for department-operated residential juvenile justice
16 facilities by security classification.

17 (2) For the purposes of the report in subsection (1), living
18 arrangements include, but are not limited to, paid relative
19 placement, department direct family foster care, private agency
20 supervised foster care, private child caring institutions, county-
21 supervised facilities, court-supervised facilities, and independent
22 living.

23 Sec. 521. (1) From the funds appropriated in part 1 for child
24 care fund - indirect cost allotment, the department shall allocate
25 \$3,500,000.00 to counties and tribal governments that receive
26 reimbursements in part 1 from child care fund.

27 (2) The amount described in subsection (1) shall be
28 distributed to each county or tribal government in the same
29 proportion as indirect cost allotments are provided to counties in



1 the manner described in section 117a of the social welfare act,
2 1939 PA 280, MCL 400.117a.

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

11 (2) On a semiannual basis, the department shall provide a
12 report to the senate and house appropriations subcommittees on the
13 department budget, the senate and house fiscal agencies, the senate
14 and house policy offices, and the state budget office that includes
15 the number of youths who received scholarships under this section
16 and the amount of each scholarship, and the total amount of funds
17 spent or encumbered in the current fiscal year.

18 Sec. 523. (1) By February 15 of the current fiscal year, the
19 department shall submit 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 a report on the families first, family reunification, and
23 families together building solutions family preservation programs.
24 The report shall provide population and outcome data based on
25 contractually required follow-up evaluations for families who
26 received family preservation services and shall include information
27 for each program on any innovations that may increase child safety
28 and risk reduction.

29 (2) By October 1 of the current fiscal year, from the funds



1 appropriated in part 1 for family preservation services, the
2 department shall retain the rates established by the increase
3 provided in section 523(3) of article 6 of 2020 PA 166.

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

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

16 Sec. 526. From the funds appropriated in part 1 for court-
17 appointed special advocates, the department shall allocate
18 \$1,000,000.00 to fund a project with a nonprofit, community-based
19 organization organized under the laws of this state that are exempt
20 from federal income tax under section 501(c)(3) of the internal
21 revenue code of 1986, 26 USC 501, located in a charter township
22 with a population of between 18,000 and 19,000 according to the
23 most recent federal decennial census that is located in a county
24 with a population of between 600,000 and 700,000 according to the
25 most recent federal decennial census. The nonprofit organization
26 recipient shall have an existing network of affiliate programs
27 operating in at least 25 counties in this state. The nonprofit
28 organization shall use the funds to recruit, screen, train, and
29 supervise volunteers who provide advocacy services on behalf of



1 abused and neglected children.

2 Sec. 527. With the approval of the settlement monitor, for the
3 purposes of calculating adoption worker caseloads for private child
4 placing agencies, the department shall exclude the following case
5 types:

6 (a) Cases in which there are multiple applicants as that term
7 is defined in section 22(e) of chapter X of the probate code of
8 1939, 1939 PA 288, MCL 710.22, also known as a competing party
9 case, in which the case has a consent motion pending from
10 Michigan's children's institute or the court for more than 30 days.

11 (b) Cases in which a birth parent has an order or motion for a
12 rehearing or an appeal as of right that has been pending for more
13 than 15 days.

14 Sec. 528. From the funds appropriated in part 1 for child care
15 fund, the department shall allocate \$2,366,700.00 to increase the
16 annual basic grant to counties with a population of less than
17 75,000 according to the most recent federal decennial census as
18 described in section 117e of the social welfare act, 1939 PA 280,
19 MCL 400.117e. The basic grant shall be increased from \$15,000.00
20 per year to \$56,520.00 per year for eligible counties.

21 Sec. 529. From the funds appropriated in part 1 for family
22 preservation programs, the department shall maintain the total
23 combined funding levels of the families first, family
24 reunification, and families together building solutions family
25 preservation programs at an amount not less than the amount
26 provided as of September 30, 2021. For the current fiscal year as
27 the department moves towards implementation of the federal Family
28 First Prevention Services Act, Public Law 115-123, the funding
29 available to serve families through the existing family



1 preservation programs shall not be reduced.

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

8 (2) By February 1 of the current fiscal year, the department
9 shall provide the senate and house appropriations subcommittees on
10 the department budget, the senate and house fiscal agencies and
11 policy offices, and the state budget office a report detailing
12 measurable performance indicators, desired outcomes, and an
13 assessment of the quality of services provided by the department
14 during the previous fiscal year.

15 Sec. 531. The department shall notify the house and senate
16 appropriations subcommittees on the department budget, the house
17 and senate fiscal agencies, and the house and senate policy offices
18 of any changes to a child welfare master contract template,
19 including the adoption master contract template, the independent
20 living plus master contract template, the child placing agency
21 foster care master contract template, and the residential foster
22 care juvenile justice master contract template, not less than 30
23 days before the change takes effect.

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



1 Sec. 534. The department shall submit 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 by March 1 of the current fiscal year a
5 report on the adoption subsidies expenditures from the previous
6 fiscal year. The report shall include, but is not limited to, the
7 range of non-\$0.00 annual adoption support subsidy amounts, for
8 both title IV-E eligible cases and state-funded cases, paid to
9 adoptive families, the number of title IV-E and state-funded cases,
10 the number of cases in which the adoption support subsidy request
11 of adoptive parents for assistance was denied by the department,
12 and the number of adoptive parents who requested a redetermination
13 of adoption support subsidy.

14 Sec. 535. (1) From the funds appropriated in part 1 for foster
15 care payments, the department shall allocate up to \$1,500,000.00 of
16 private revenues from The New Foster Care Inc. to fund a 3-year
17 culturally competent kinship placement, support, and licensing
18 services pilot program in a county with a population between
19 1,200,000 and 1,300,000 according to the most recent federal
20 decennial census and a county with a population over 1,500,000
21 according to the most recent federal decennial census based on the
22 work conducted by A Second Chance Inc. The goal of the pilot
23 program is to increase the kinship licensure rate and reduce the
24 average length of stay for children in foster care with the intent
25 to expand the program statewide, contingent on legislative
26 appropriations. Efforts to reach this goal shall include the
27 following:

28 (a) Locate appropriate kinship family for out-of-home
29 placement of children.



1 (b) Provide support to kinship care providers and facilitate
2 connections to programs and services to assist them in meeting the
3 needs of children.

4 (c) Assist kinship care providers in meeting state foster
5 parent licensing requirements.

6 (d) Support parents to expedite permanency planning.

7 (2) Subject to part 1 appropriations and pursuant to an annual
8 evaluation, the department through legislative appropriations shall
9 reallocate any savings and revenue stemming from program services
10 that result in a reduction in the length of stay in foster care for
11 the children served by the program compared to the average and
12 maximize federal funds associated with this pilot program.

13 (3) The agency selected to administer the pilot program will
14 be selected with input from The New Foster Care, Inc. and approved
15 by the executive director of the children's services agency.

16 Sec. 536. By March 1 of the current fiscal year, the
17 department shall submit to the senate and house appropriations
18 subcommittees on the department budget, the senate and house fiscal
19 agencies, and the policy offices a report on the status of the
20 department's planned and achieved implementation of the federal
21 family first prevention services act, Public Law 115-123. The
22 report shall include, but not be limited to, an estimate of the 5-
23 year spending plan for administrative and compliance costs, a
24 summary of all historical expenditures made to date for
25 implementation by line-item appropriation and program type,
26 information regarding compliance with title IV-E prevention
27 requirements, the status of statewide compliance with the qualified
28 residential treatment program requirements, a summary of provider
29 concerns with respect to requirements under the qualified



1 residential treatment program as that term is defined in section 1
2 of 1973 PA 116, MCL 722.111, a detailed methodology in determining
3 any savings realized or estimated from a reduction in congregate
4 care or residential placements, the department's conformity with
5 federal model licensing standards, the department's plan for
6 tracking and preventing child maltreatment deaths, and the
7 department's plan for extending John H. Chafee foster care
8 independence programs up to age 23.

9 Sec. 537. By March 1 of the current fiscal year, the
10 department shall submit to the senate and house appropriations
11 subcommittees on the department budget, the senate and house fiscal
12 agencies, and the senate and house policy offices a report on the
13 number of unlicensed relative providers with a relative placement
14 denied a foster home license for not meeting the standards
15 established for state licensing for foster care. The report shall
16 also include the status of title IV-E claims for foster care
17 maintenance payments and foster care administrative payments for
18 licensed relative caregivers with placements.

19 Sec. 538. By October 1 of the current fiscal year, the
20 department shall submit to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies, and the policy offices a report on the status of the
23 department's program improvement plan associated with round 3 of
24 the child and family services review (CFSR). The report shall also
25 include, but not be limited to, a specific and detailed plan to
26 provide an update on areas of substantial nonconformity identified
27 in the CFSR such as the inadequacy of caseworker training provided
28 by the department, the estimated costs necessary to reduce travel
29 time for service delivery to rural areas, plans to improve



1 caseworker engagement to reduce maltreatment in care, and steps
2 undertaken by the department to emphasize permanency in case
3 planning. Additionally, the department shall include the status for
4 items currently being implemented and the description and cost
5 estimate for the implementation for items that will be implemented
6 in the current fiscal year.

7 Sec. 539. The department, in collaboration with child placing
8 agencies, shall continue to comply with section 115o of the social
9 welfare act, 1939 PA 280, MCL 400.115o. Department caseworkers
10 responsible for preparing a recommendation to a court concerning a
11 juvenile placement shall provide, as part of the recommendation,
12 information regarding the requirements of section 115o of the
13 social welfare act, 1939 PA 280, MCL 400.115o.

14 Sec. 540. If a physician or psychiatrist who is providing
15 services to state or court wards placed in a residential facility
16 submits a formal request to the department to change the
17 psychotropic medication of a ward, the department shall, if the
18 ward is a state ward, make a determination on the proposed change
19 within 7 business days after the request or, if the ward is a
20 temporary court ward, seek parental consent within 7 business days
21 after the request. If parental consent is not provided within 7
22 business days, the department shall petition the court on the
23 eighth business day.

24 Sec. 542. (1) The department shall develop strategies to use
25 the input from court-appointed special advocates and foster care
26 parents throughout case management and any legal proceedings for
27 abused and neglected children in foster care.

28 (2) By September 30 of the current fiscal year, the department
29 shall submit to the house and senate appropriations subcommittees



1 on the department budget, the house and senate fiscal agencies, and
2 the house and senate policy offices a report on the strategies
3 developed by the department.

4 Sec. 543. The department shall develop a clear policy that
5 caseworkers ensure that children who are victims of child abuse or
6 child neglect have the ability either in the courtroom or in the
7 judge's chambers to speak directly to, or be interviewed by, the
8 judge or magistrate who is overseeing their case, in order to give
9 children the opportunity to provide input into the legal
10 proceedings.

11 Sec. 544. The department may require all foster care parents,
12 caseworkers, and guardians ad litem to receive trauma-informed
13 training.

14 Sec. 545. From the funds appropriated in part 1 for the child
15 welfare institute, the department shall provide training that is
16 consistent with the practices taught under therapeutic crisis
17 intervention training to all employees responsible for the
18 investigation of complaints and licensing determinations for child
19 caring institutions and shall offer trauma support directly to all
20 child welfare caseworkers to help deal with the effects of
21 secondary trauma.

22 Sec. 546. (1) From the funds appropriated in part 1 for foster
23 care payments and from child care fund, the department shall pay
24 providers of general foster care, independent living, and trial
25 reunification services not less than a \$55.20 administrative rate.

26 (2) From the funds appropriated in part 1, the department
27 shall pay providers of independent living plus services statewide
28 per diem rates for staff-supported housing and host-home housing
29 based on proposals submitted in response to a solicitation for



1 pricing. The independent living plus program provides staff-
2 supported housing and services for foster youth ages 16 through 19
3 who, because of their individual needs and assessments, are not
4 initially appropriate for general independent living foster care.

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

9 (4) From the funds appropriated in part 1, the department
10 shall maintain rates that are no less than the rates in place on
11 March 20, 2020 provided to each private provider of residential
12 services.

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

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

23 Sec. 550. (1) The department shall not offset against
24 reimbursement payments to counties or seek reimbursement from
25 counties for charges that were received by the department more than
26 12 months before the department seeks to offset against
27 reimbursement. A county shall not request reimbursement for and
28 reimbursement payments shall not be paid for a charge that is more
29 than 12 months after the date of service or original status



1 determination when initially submitted by the county.

2 (2) All service providers shall submit a request for payment
3 within 12 months after the date of service. Any request for payment
4 submitted 12 months or more after the date of service requires the
5 provider to submit an exception request to the county or the
6 department for approval or denial.

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

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

13 Sec. 552. Sixty days after a county's child care fund on-site
14 review is completed, including the receipt of all requested
15 documentation from the county, the department shall provide the
16 results of the review to the county. The department shall not
17 evaluate the relevancy, quality, effectiveness, efficiency, or
18 impact of the services provided to youth of the county's child care
19 fund programs in the review. Pursuant to state law, the department
20 shall not release the results of the review to a third-party
21 without the permission of the county being reviewed.

22 Sec. 553. It is the intent of the legislature that a child
23 protective services caseworker shall not be allowed to place an
24 individual on the child abuse and neglect central registry without
25 prior court approval.

26 Sec. 554. From the funds appropriated in part 1 for foster
27 care payments, the department shall allocate \$50,000.00 to a
28 nonprofit organization organized under the laws of this state that
29 is exempt from federal income tax under section 501(c)(3) of the



1 internal revenue code of 1986, 26 USC 501, that currently has
2 locations in 3 cities and operates on a 100% volunteer basis with a
3 board of directors consisting of up to 15 members, and are a
4 dedicated community of individuals that give their time, talent,
5 and resources to provide the best quality shopping environment they
6 can to local children in need and provide clothing, shoes, toys,
7 linens, nursery furniture, strollers, car seats, school supplies,
8 hygiene products, and safety equipment to local foster children and
9 their families free of charge.

10 Sec. 555. The department shall explore the requirement that
11 foster care parents caring for a foster child for whom a petition
12 of adoption has been filed with the court shall continue to receive
13 the regularly scheduled maintenance payments until the child is no
14 longer in their care. By June 1 of the current fiscal year, the
15 department shall report quarterly to the state budget office, the
16 senate and house appropriations subcommittees on the department
17 budget, the senate and house fiscal agencies, and the senate and
18 house policy offices on the continuation of maintenance payments.
19 If, at the time a report is due, there are no reportable items,
20 then no report is required to be provided.

21 Sec. 556. From the funds appropriated in part 1 for child
22 welfare licensing, the department shall work to develop and
23 implement a simpler and more streamlined process for the annual
24 renewal of the license for family foster care homes, and shall
25 explore the development of a simpler and more efficient version of
26 the application form for renewal of the license for family foster
27 care homes.

28 Sec. 557. If a vehicle that is owned by the state is available
29 and not scheduled for use by other state workers, the department



1 may consider it an allowable use of the vehicle for a child
2 protective services caseworker or a foster care caseworker to drive
3 it to foster home visits or to drive it to their own home if it
4 would be helpful to the worker in conducting their work.

5 Sec. 558. From the funds appropriated in part 1 for child
6 welfare institute, the department shall train private child placing
7 agency staff in the pre-service training requirements for child
8 welfare caseworkers and supervisors. All private child placing
9 agency staff will be provided an opportunity to complete training
10 at their private child placing agency facilities in a virtual
11 format. A hybrid format that includes virtual and in-person
12 instruction will also be available to all private child placing
13 agency staff according to the preference of a given private child
14 placing agency.

15 Sec. 559. (1) From the funds appropriated in part 1 for
16 adoption support services, the department shall allocate
17 \$250,000.00 to the Adoptive Family Support Network by December 1 of
18 the current fiscal year to operate and expand its adoptive parent
19 mentor program to provide a listening ear, knowledgeable guidance,
20 and community connections to adoptive parents and children who were
21 adopted in this state or another state.

22 (2) The Adoptive Family Support Network shall submit to the
23 senate and house appropriations subcommittees on the department
24 budget, the senate and house fiscal agencies, the senate and house
25 policy offices, and the state budget office by March 1 of the
26 current fiscal year a report on the program described in subsection
27 (1), including, but not limited to, the number of cases served and
28 the number of cases in which the program prevented an out-of-home
29 placement.



1 Sec. 560. From funds appropriated in part 1 for foster care
2 payments, the department shall allocate \$100,000.00 to reimburse
3 children in foster care for the costs of extracurricular activities
4 including, but not limited to, athletics, music, band, drama, and
5 other enrichment activities.

6 Sec. 562. The department shall provide time and travel
7 reimbursements for foster parents who transport a foster child to
8 parent-child visitations. As part of the foster care parent
9 contract, the department shall provide written confirmation to
10 foster parents that states that the foster parents have the right
11 to request these reimbursements for all parent-child visitations.
12 The department shall provide these reimbursements within 60 days
13 after receiving a request for eligible reimbursements from a foster
14 parent.

15 Sec. 564. (1) The department shall maintain a clear policy for
16 parent-child visitations. The local county offices, caseworkers,
17 and supervisors shall meet an 85% success rate, after accounting
18 for factors outside of the caseworkers' control.

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

23 (3) By March 1 of the current fiscal year, the department
24 shall provide to the senate and house appropriations subcommittees
25 on the department budget, the senate and house fiscal agencies, the
26 senate and house policy offices, and the state budget office a
27 report on the following:

28 (a) The percentage of success rate for parent-child
29 visitations and court-ordered required meetings between caseworkers



1 referenced in subsections (1) and (2) for the previous year.

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

4 Sec. 567. The department shall submit to the senate and house
5 appropriations subcommittees on the department budget, the senate
6 and house fiscal agencies, the senate and house policy offices, and
7 the state budget office by March 1 of the current fiscal year a
8 report on transfer of medical passports for children in foster
9 care, including the following:

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

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

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

18 Sec. 569. The department shall reimburse private child placing
19 agencies that complete adoptions at the rate according to the date
20 on which the petition for adoption and required support
21 documentation was accepted by the court and not according to the
22 date the court's order placing for adoption was entered.

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

29 (2) The department shall complete an actuarial study to review



1 case rates paid to private child placing agencies every even-
2 numbered year.

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

8 Sec. 574. (1) From the funds appropriated for foster care
9 payments, \$1,375,000.00 is allocated to support family incentive
10 grants to private and community-based foster care service providers
11 to assist with home improvements or payment for physical exams for
12 applicants needed by foster families and unlicensed relatives
13 caring for a family member through the child welfare system to
14 accommodate children in foster care.

15 (2) By March 1 of the current fiscal year, the department
16 shall submit to the house and senate appropriations subcommittees
17 on the department budget, the house and senate fiscal agencies, the
18 house and senate policy offices, and the state budget office a
19 report on the total amount expended in the previous year for grants
20 to private and community-based foster care service providers for
21 home improvements or physical exams as referenced in subsection (1)
22 and the number of grants issued.

23 Sec. 575. From the funds appropriated in part 1 for children's
24 services administration, the department shall allocate \$200,000.00
25 to provide support and coordinated services to the kinship
26 caregiver advisory council. The responsibilities of the council may
27 include all of the following:

28 (a) Establish a public awareness campaign to educate the
29 public about kinship caregivers and the state's efforts to better



1 serve kinship caregivers.

2 (b) Consult and coordinate with the kinship caregiver
3 navigator program to collect aggregate data on individuals being
4 served by the kinship caregiver navigator program, including
5 information on what services these individuals need.

6 (c) Consult and collaborate with the provider of the kinship
7 caregiver navigator program on the design and administration of
8 that program.

9 (d) Establish, maintain, and update a list of local support
10 groups and programs that provide services to kinship families.
11 Devise a plan of action for engaging with the groups and programs
12 on the list in order to obtain a better understanding of the issues
13 facing kinship families.

14 (e) Develop methods to promote and improve collaboration
15 between state, county, and local governments and agencies, and
16 private stakeholders to obtain a broad understanding of the
17 characteristics and prevalence of kinship caregiving, to improve
18 service delivery, and to include these in the council's
19 recommendations.

20 Sec. 578. The department shall explore the development and
21 implementation of a foster care worker apprenticeship program for
22 college students majoring in social work or other human services
23 field who are interested in working in child welfare. The goals of
24 the program would be to expose students directly to foster care
25 work and provide work experience to aid in the recruitment of
26 future child welfare caseworkers, and to provide current
27 caseworkers with apprentice support staff. By August 1 of the
28 current fiscal year, 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 department's recommendation for an
3 apprenticeship program. It is the intent of the legislature that
4 the department develop the program so that it can be implemented in
5 the following year and that students in the apprenticeship program
6 would receive payment for their services, if funding is made
7 available.

8 Sec. 579. The department shall require caseworkers ensure a
9 motion is filed with the court to request that children who are
10 victims of child abuse or child neglect have court redetermination
11 hearings more frequently than every 90 days when in the best
12 interest of the child. The intent of this language is to decrease
13 the time it will take for permanency to be finalized for the child.

14 Sec. 580. (1) From the funds appropriated in part 1 for child
15 legal representation, the department shall allocate \$500,000.00 to
16 implement 2 pilot projects to improve the quality of legal
17 representation for children and parents in child protective
18 hearings. The pilot projects must emphasize the reduction of
19 caseloads for lawyer-guardians ad litem, more frequent engagement
20 between the child and the families and the lawyer-guardians ad
21 litem, timely permanency and the expedition of legal milestones in
22 cases, and elevated training requirements and increased
23 compensation for lawyer-guardians ad litem.

24 (2) From the funding allocated in subsection (1), the
25 department shall allocate \$350,000.00 for a child legal
26 representation pilot project in the circuit court of a county with
27 a population between 600,000 and 700,000 according to the most
28 recent federal decennial census and allocate \$150,000.00 for a
29 child legal representation pilot project in the circuit court of a



1 county with a population between 100,000 and 105,000 according to
2 the most recent federal decennial census.

3 Sec. 581. From the funds appropriated in part 1 for foster
4 care payments, the department shall allocate \$50,000.00 for
5 caseworkers to provide immediate assistance with urgent needs such
6 as food, clothing, etc., for children upon removal from their home
7 or other dangerous environment, including children who are victims
8 of human trafficking. The department shall develop policies for the
9 use and access to these funds. The department shall track the
10 distribution of the funds and by June 1 of the current fiscal year
11 shall submit to the house and senate appropriations subcommittees
12 on the department budget, the house and senate fiscal agencies, and
13 the house and senate policy offices a report on the number of funds
14 distributed and the number of children impacted.

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

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

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

28 Sec. 585. The department shall make available at least 1 pre-
29 service training class each month in which new caseworkers for



1 private foster care and adoption agencies can enroll.

2 Sec. 588. (1) Concurrently with public release, the department
3 shall transmit all reports from the court-appointed settlement
4 monitor, including, but not limited to, the needs assessment and
5 period outcome reporting, to the state budget office, the senate
6 and house appropriations subcommittees on the department budget,
7 and the senate and house fiscal agencies and policy offices,
8 without revision.

9 (2) By October 1 of the current fiscal year, the department
10 shall submit to the senate and house appropriations subcommittees
11 on the department budget, the senate and house fiscal agencies, and
12 the policy offices a detailed plan that will terminate and dismiss
13 with prejudice the settlement by September 30 of the current fiscal
14 year.

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

18 (2) On a quarterly basis, the department shall report on the
19 monthly number of all foster care cases administered by the
20 department and all foster care cases administered by private
21 providers.

22 Sec. 592. The department shall submit quarterly reports to the
23 chairs of the house and senate standing oversight committees, the
24 house and senate appropriations subcommittees on the department
25 budget, the house and senate fiscal agencies, the house and senate
26 policy offices, and the state budget office that include data from
27 children's protective services staff for each of the following for
28 the most recent 30-day period before the report is submitted:

29 (a) The percent of investigations commenced within 24 hours



1 after receiving a report.

2 (b) The percent of central registry reviews performed for
3 required individuals.

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

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

9 (e) The percent of supervisory reviews performed in a timely
10 manner.

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

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

16 Sec. 593. (1) The department shall conduct an annual review in
17 each county to determine if the county has adopted and implemented
18 standard child abuse and child neglect investigation and interview
19 protocols as required in section 8(6) of the child protection law,
20 1975 PA 238, MCL 722.628.

21 (2) By March 1 of the current fiscal year, the department
22 shall submit an annual report to the chairs of the house and senate
23 standing oversight committees, the governor's task force on child
24 abuse and neglect, the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, the house and senate policy offices, and the state budget
27 office on the findings of each county's review described in
28 subsection (1).

29 Sec. 594. From the funds appropriated in part 1 for foster



1 care payments, the department shall support regional resource teams
2 to provide for the recruitment, retention, and training of foster
3 and adoptive parents and shall expand the Michigan youth
4 opportunities initiative to all Michigan counties. The purpose of
5 this funding is to increase the number of annual inquiries from
6 prospective foster parents, increase the number of nonrelative
7 foster homes that achieve licensure each year, increase the annual
8 retention rate of nonrelative foster homes, reduce the number of
9 older foster youth placed outside of family settings, and provide
10 older youth with enhanced support in transitioning to adulthood.

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

21 (2) From the funds appropriated in part 1 for foster care
22 services - caseload staff, the department shall not expend any
23 funds on hiring foster care workers or licensing workers and shall
24 not assume any direct supervisory responsibility of foster care
25 cases unless 1 of the following conditions is met:

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

28 (b) The department is already providing direct foster care
29 service to 1 or more siblings of the child ordered into a



1 placement, and a department direct service provision can provide
2 placement to the entire sibling group.

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

6 (3) From the funds appropriated in part 1 for foster care
7 payments, all new foster care cases coming into care shall be
8 placed with a private child placing agency supervision unless any
9 of the conditions in subsection (1) are met or until the statewide
10 ratio of foster care cases is 55% for private child placing agency
11 supervision to 45% department case management supervision
12 respectively.

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

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

17 Sec. 598. Partial child care fund reimbursements to counties
18 for undisputed charges shall be made within 45 business days after
19 the receipt of the required forms and documentation. The department
20 shall notify a county within 15 business days after a disputed
21 reimbursement request. The department shall reimburse for corrected
22 charges within 45 business days after a properly corrected
23 submission by the county.
24

25 **PUBLIC ASSISTANCE**

26 Sec. 601. Whenever a client agrees to the release of his or
27 her name and address to the local housing authority, the department
28 shall request from the local housing authority information
29 regarding whether the housing unit for which vendoring has been



1 requested meets applicable local housing codes. Vending shall be
2 terminated for those units that the local authority indicates in
3 writing do not meet local housing codes until the local authority
4 indicates in writing that local housing codes have been met.

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

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

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

22 (a) Is a recipient of supplemental security income, social
23 security, or medical assistance due to disability or 65 years of
24 age or older.

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



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

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

6 (e) Is an individual diagnosed as having acquired
7 immunodeficiency syndrome.

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

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

12 (2) Applicants for and recipients of the state disability
13 assistance program shall be considered needy if they do both of the
14 following:

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

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

19 (3) Except for an individual described in subsection (1)(c) or
20 (d), an individual is not disabled for purposes of this section if
21 his or her drug addiction or alcoholism is a contributing factor
22 material to the determination of disability. "Material to the
23 determination of disability" means that, if the person stopped
24 using drugs or alcohol, his or her remaining physical or mental
25 limitations would not be disabling. If his or her remaining
26 physical or mental limitations would be disabling, then the drug
27 addiction or alcoholism is not material to the determination of
28 disability and the person may receive state disability assistance.
29 Such a person must actively participate in a substance abuse



1 treatment program, and the assistance must be paid to a third party
2 or through vendor payments. For purposes of this section, substance
3 abuse treatment includes receipt of inpatient or outpatient
4 services or participation in alcoholics anonymous or a similar
5 program.

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

10 Sec. 606. County department offices shall require each
11 recipient of family independence program and state disability
12 assistance who has applied with the social security administration
13 for supplemental security income to sign a contract to repay any
14 assistance rendered through the family independence program or
15 state disability assistance program upon receipt of retroactive
16 supplemental security income benefits.

17 Sec. 607. (1) The department's ability to satisfy
18 appropriation deductions in part 1 for state disability
19 assistance/supplemental security income recoveries and public
20 assistance recoupment revenues shall not be limited to recoveries
21 and accruals pertaining to state disability assistance, or family
22 independence assistance grant payments provided only in the current
23 fiscal year, but may include revenues collected during the current
24 year that are prior year related and not a part of the department's
25 accrued entries.

26 (2) The department may use supplemental security income
27 recoveries to satisfy the deduct in any line in which the revenues
28 are appropriated, regardless of the source from which the revenue
29 is recovered.



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

13 Sec. 609. The state supplementation level under the
14 supplemental security income program for the personal care/adult
15 foster care and home for the aged categories shall not be reduced
16 during the current fiscal year. The legislature shall be notified
17 not less than 30 days before any proposed reduction in the state
18 supplementation level.

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

23 (2) For purposes of determining housing affordability
24 eligibility for state emergency relief, a group is considered to
25 have sufficient income to meet ongoing housing expenses if their
26 total housing obligation does not exceed 75% of their total net
27 income.

28 (3) State emergency relief payments shall not be made to
29 individuals who have been found guilty of fraud in regard to



1 obtaining public assistance.

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

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

8 Sec. 611. The state supplementation level under the
9 supplemental security income program for the living independently
10 or living in the household of another categories shall not exceed
11 the minimum state supplementation level as required under federal
12 law or regulations.

13 Sec. 613. (1) The department shall provide reimbursements for
14 the final disposition of indigent persons. The reimbursements shall
15 include all of the following:

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

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

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

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

21 (2) Reimbursement for a cremation permit fee of up to \$75.00
22 and for mileage at the standard rate will be made available for an
23 eligible cremation. The reimbursements under this section shall
24 take into consideration religious preferences that prohibit
25 cremation.

26 (3) The department shall report to the senate and house of
27 representatives 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 by January 31 of the



1 current fiscal year on burial services payments issued from the
2 state emergency relief program during the previous fiscal year. The
3 report shall include the number of payments by burial services
4 category for the following:

- 5 (a) Fetus or infant under age 1 month.
- 6 (b) Burial with memorial service.
- 7 (c) Burial without memorial service.
- 8 (d) Cremation with memorial service.
- 9 (e) Cremation without memorial service.
- 10 (f) Transportation of a donated or unclaimed body being
11 cremated.
- 12 (g) Cremation permit fee for an unclaimed body.
- 13 (h) Disposition of an unclaimed body.
- 14 (i) Payment where an irrevocable funeral agreement exists.

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

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



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

5 Sec. 618. By March 1 of the current fiscal year, the
6 department shall report to the senate and house appropriations
7 subcommittees on the department budget, the senate and house fiscal
8 agencies, the senate and house policy offices, and the state budget
9 office the quarterly number of supervised individuals who have
10 absconded from supervision and whom a law enforcement agency, the
11 department of corrections, or the department is actively seeking
12 according to section 84 of the corrections code of 1953, 1953 PA
13 232, MCL 791.284.

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

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

27 (2) The department shall provide an annual report to the
28 senate and house appropriations subcommittees on the department
29 budget, the senate and house standing committees on families and



1 human services, the senate and house fiscal agencies, the senate
2 and house policy offices, and the state budget office on the
3 average Medicaid eligibility standard of promptness for each of the
4 required standards of promptness under subsection (1) and for
5 medical review team reviews achieved statewide and at each local
6 office by each of the 4 preceding quarters.

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

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

20 Sec. 654. The department shall notify recipients of food
21 assistance program benefits that their benefits can be spent with
22 their bridge cards at many farmers' markets in the state. The
23 department shall also notify recipients about the Double Up Food
24 Bucks program that is administered by the Fair Food Network.
25 Recipients shall receive information about the Double Up Food Bucks
26 program, including information that when the recipient spends
27 \$20.00 at participating farmers' markets through the program, the
28 recipient can receive an additional \$20.00 to buy Michigan produce.

29 Sec. 655. Within 14 days after the spending plan for low-



1 income home energy assistance program is approved by the state
2 budget office, the department shall provide the spending plan,
3 including itemized projected expenditures, to the chairpersons of
4 the senate and house appropriations subcommittees on the department
5 budget, the senate and house fiscal agencies, the senate and house
6 policy offices, and the state budget office.

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

11 Sec. 672. (1) The department's office of inspector general
12 shall report to the senate and house of representatives
13 appropriations subcommittees on the department budget, the senate
14 and house fiscal agencies, and the senate and house policy offices
15 by February 15 of the current fiscal year on department efforts to
16 reduce inappropriate use of Michigan bridge cards and food
17 assistance program trafficking. The department shall provide
18 information on the number of recipients of services who used their
19 Michigan bridge card inappropriately and the current status of each
20 case, the number of recipients whose benefits were revoked, whether
21 permanently or temporarily, as a result of inappropriate use, and
22 the number of retailers that were fined or removed from the
23 electronic benefit transfer program for permitting inappropriate
24 use of the cards. The report shall also include the number of
25 Michigan bridge card trafficking instances and overall welfare
26 fraud referrals that includes such information as the number of
27 investigations completed, fraud and intentional program violation
28 dollar amounts identified, the number of referrals to prosecutors,
29 the number of administrative hearing referrals and waivers, and the



1 number of program disqualifications imposed. The report shall
2 distinguish between savings and cost avoidance. Savings include
3 receivables established from instances of fraud committed. Cost
4 avoidance includes expenditures avoided due to front-end
5 eligibility investigations and other preemptive actions undertaken
6 in the prevention of fraud.

7 (2) If a fourth Michigan bridge card has been issued in a 12-
8 month period, the department shall notify the household that they
9 have reached the number of issued cards threshold. At their fifth
10 and each subsequent card replacement request, a card will not be
11 issued until the recipient has spoken directly to the local office
12 district manager or county director. The district manager or county
13 director may issue a new Michigan bridge card under their authority
14 based on their assessment of the recipient's situation and
15 explanation.

16 (3) As used in this section:

17 (a) "Food assistance trafficking" means the buying and selling
18 of food assistance benefits for cash or items not authorized under
19 the 2008 food and nutrition act, 7 USC 2036b.

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

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

28 (2) The department shall provide semiannual reports, providing
29 quarterly data, to the senate and house appropriations



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

11 (3) The department shall submit to the senate and house
12 appropriations subcommittees on the department budget, the senate
13 and house fiscal agencies, the senate and house policy offices, and
14 the state budget office semiannual reports, providing quarterly
15 data, that include all of the following:

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

18 (b) The average and range of wages of employed family
19 independence program recipients.

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

22 Sec. 686. (1) The department shall confirm that individuals
23 presenting personal identification issued by another state seeking
24 assistance through the family independence program, food assistance
25 program, state disability assistance program, or medical assistance
26 program are not receiving benefits from any other state.

27 (2) The department shall confirm the address provided by any
28 individual seeking family independence program benefits or state
29 disability assistance benefits.



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

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

8 Sec. 687. (1) The department shall, in quarterly reports,
9 compile and make available on its website all of the following
10 information about the family independence program, state disability
11 assistance, the food assistance program, Medicaid, and state
12 emergency relief:

13 (a) The number of applications received.

14 (b) The number of applications approved.

15 (c) The number of applications denied.

16 (d) The number of applications pending and neither approved
17 nor denied.

18 (e) The number of cases opened.

19 (f) The number of cases closed.

20 (g) The number of cases at the beginning of the quarter and
21 the number of cases at the end of the quarter.

22 (2) The information provided under subsection (1) shall be
23 compiled and made available for the state as a whole and for each
24 county and reported separately for each program listed in
25 subsection (1).

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

29 (a) The number of new applicants who successfully met the



1 requirements of the 10-day assessment period for PATH.

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

4 (c) The number of cases sanctioned because of the school
5 truancy policy.

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

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

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

11 Sec. 688. From the funds appropriated in part 1 for the low-
12 income home energy assistance program, the department shall make an
13 additional \$20.01 payment to each food assistance program case that
14 is not currently eligible for the standard utility allowance to
15 enable each case to receive expanded food assistance benefits
16 through the program commonly known as the heat and eat program.

17
18 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

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

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



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

7 Sec. 708. (1) As a condition of receiving funds appropriated
8 in part 1 for the child care fund line item, by October 15 of the
9 current fiscal year, counties shall have an approved service
10 spending plan for the current fiscal year. Counties must submit the
11 service spending plan for the following fiscal year to the
12 department by August 15 of the current fiscal year for approval.
13 Upon submission of the county service spending plan, the department
14 shall approve within 30 calendar days after receipt of a properly
15 completed service plan that complies with the requirements of the
16 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The
17 department shall notify and submit county service spending plan
18 revisions to any county whose county service spending plan is not
19 accepted upon initial submission. The department shall not request
20 any additional revisions to a county service spending plan outside
21 of the requested revision notification submitted to the county by
22 the department. The department shall notify a county within 30 days
23 after approval that its service plan was approved.

24 (2) Counties must submit amendments to current fiscal year
25 county service plans to the department no later than August 30.
26 Counties must submit current fiscal year payable estimates to the
27 department no later than September 15.

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



1 house and senate fiscal agencies, the house and senate policy
2 offices, and the state budget office by February 15 of the current
3 fiscal year on the number of counties that fail to submit a service
4 spending plan by August 15 of the previous fiscal year and the
5 number of service spending plans not approved by October 15. The
6 report shall include the number of county service spending plans
7 that were not approved as first submitted by the counties, as well
8 as the number of plans that were not approved by the department
9 after being resubmitted by the county with the first revisions that
10 were requested by the department.

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

22 Sec. 715. (1) As a condition of receiving funds appropriated
23 in part 1 for raise the age fund, by deadlines established and
24 advised by the department, counties or tribal entities shall have
25 an approved raise the age fund budget plan for the following fiscal
26 year. Counties must submit the raise the age fund budget plan for
27 the current fiscal year to the department by February 1 of the
28 current fiscal year. The raise the age fund budget plan shall
29 specifically identify the types of costs to be reimbursed,



1 estimated costs for each item, and the total estimated cost to be
2 reimbursed. The types of costs to be reimbursed must comply with
3 the requirements of section 117i of the social welfare act, 1939 PA
4 280, MCL 400.117i. \$500,000.00 of the raise the age fund shall be
5 reserved for tribal entities. If total raise the age fund requests
6 from tribal entities are less than \$500,000.00, the funding may be
7 allocated to meet requests from counties. From the funds
8 appropriated in part 1 for raise the age fund, each county and
9 tribal entity eligible for reimbursement shall receive a minimum
10 \$10,000.00 allocation from the raise the age fund.

11 (2) County and tribal entity reimbursement from the raise the
12 age fund is limited to eligible youth and items specifically
13 identified in approved raise the age fund budget plans and shall
14 not exceed the total estimated cost included in the approved raise
15 the age fund budget plan.

16 (3) Counties and tribal entities must submit amendments to
17 current fiscal year raise the age fund budget plans by deadlines
18 established and advised by the department. Counties must submit
19 current fiscal year payable estimates for raise the age funds to
20 the department by deadlines established and advised by the
21 department.

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

24 (a) Pre-adjudication eligible youth: A youth for whom a
25 petition has been filed alleging commission of a status or criminal
26 offense on or after his or her reaching the age of 17, but before
27 reaching the age of 18.

28 (b) Post-adjudication eligible youth: A youth who has been
29 adjudicated for a status or criminal offense for which a petition



1 was filed alleging commission of a status or criminal offense on or
2 after his or her reaching the age of 17, but before reaching the
3 age of 18.

4
5 **FIELD OPERATIONS AND SUPPORT SERVICES**

6 Sec. 801. (1) The department shall report monthly to the house
7 and senate appropriations subcommittees on the department budget,
8 the house and senate fiscal agencies, the house and senate policy
9 offices, and the state budget office on the most recent food
10 assistance program error rate derived from the active cases,
11 reported to the United States Department of Agriculture - Food and
12 Nutrition Services for the supplemental nutrition assistance
13 program.

14 (2) By March 1 of the current fiscal year, the department
15 shall report on the progress of the corrective action taken
16 utilizing the funds appropriated for food assistance reinvestment
17 in lowering the food assistance program error rate and improving
18 program payment accuracy.

19 Sec. 802. From the funds appropriated in part 1 for field
20 staff travel, the department shall allocate up to \$100,000.00
21 annually toward reimbursing the out-of-pocket costs of county board
22 members and county department directors to attend statewide
23 meetings of the Michigan County Social Services Association.

24 Sec. 807. From the funds appropriated in part 1 for Elder Law
25 of Michigan MiCAFE contract, the department shall allocate not less
26 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
27 state's elderly population in participating in the food assistance
28 program. Of the \$350,000.00 allocated under this section, the
29 department shall use \$175,000.00, which are general fund/general



1 purpose funds, as state matching funds for not less than
2 \$175,000.00 in United States Department of Agriculture funding to
3 provide outreach program activities, such as eligibility screening
4 and information services, as part of a statewide food assistance
5 hotline.

6 Sec. 808. By March 1 of the current fiscal year, the
7 department shall provide a report to the senate and house
8 appropriations subcommittees on the department budget, the senate
9 and house fiscal agencies, the senate and house policy offices, and
10 the state budget office on the nutrition education program. The
11 report shall include requirements made by the agriculture
12 improvement act of 2018, Public Law 115-334, such as how the
13 department shall use an electronic reporting system to evaluate
14 projects and an accounting of allowable state agency administrative
15 costs. The report shall also include documentation of the steps the
16 department shall take to ensure that projects and subgrantee
17 programs are evidence-based, appropriated for, and meet the
18 criteria for an eligible individual as that term is defined in
19 section 2036a(a) of the food and nutrition act, 7 USC 2036a, and
20 quantitative evidence that the programs contribute to a reduction
21 in obesity or an increase in the consumption of healthy foods.
22 Additionally, the report shall include planned allocation and
23 actual expenditures for the supplemental nutrition assistance
24 program education funding, planned and actual grant amounts for the
25 supplemental nutrition assistance program education funding, the
26 total amount of expected carryforward balance at the end of the
27 current fiscal year for the supplemental nutrition assistance
28 program education funding and for each subgrantee program, a list
29 of all supplemental nutrition assistance program education funding



1 programs by implementing agency, and the stated purpose of each of
2 the programs and each of the subgrantee programs.

3 Sec. 809. (1) From the fund appropriated in part 1, the
4 department shall allocate \$20,657,600.00 for the pathways to
5 potential program. The purpose of the pathways to potential program
6 is to reduce chronic absenteeism, increase graduation rate, and
7 decrease the number of students who repeat grades for schools that
8 are current or future participants in the pathways to potential
9 program. Before any deployment of resources into a participant
10 school, the department and the participant school shall establish
11 performance objectives for each participant school based on a 2-
12 year baseline prior to pathways to potential being established in
13 the participant school and shall evaluate the progress made in the
14 above categories from the established baseline. By March 1 of the
15 current fiscal year, the department shall provide to the senate and
16 house appropriations subcommittees on the department budget, the
17 senate and house fiscal agencies, and the senate and house policy
18 offices a report listing all participant schools, the number of
19 staff assigned to each school by participant school, and the
20 percentage of participating schools that achieved improved
21 performance in each of the 3 outcomes listed above compared to the
22 previous year, by each individual outcome. It is the intent of the
23 legislature that after a 2-year period without attaining an
24 increase in success in meeting the 3 listed outcomes from the
25 established baseline, the department shall work with the
26 participant school to examine the cause of the lack of progress and
27 shall seek to implement a plan to increase success in meeting the
28 identified outcomes. It is the intent of the legislature that
29 progress or the lack of progress made in meeting the performance



1 objectives shall be used as a determinant in future pathways to
2 potential resource allocation decisions.

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

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

14 (2) By November 30 of the current fiscal year, the department
15 shall provide to the senate and house appropriations subcommittees
16 on the department budget, the senate and house fiscal agencies, and
17 the senate and house policy offices a report detailing the total
18 number of payments for repairs, the number of payments for repairs
19 that exceeded \$500.00, the number of payments for repairs that cost
20 exactly \$500.00, and the number of payments for repairs that cost
21 exactly \$900.00 in the previous fiscal year.

22 Sec. 826. (1) From the funds appropriated in part 1 for field
23 policy and administration, not less than \$300,000.00 shall be
24 allocated for the department to contract with the Prosecuting
25 Attorneys Association of Michigan to provide the support and
26 services necessary to increase the capability of the state's
27 prosecutors, adult protective service system, and criminal justice
28 system to effectively identify, investigate, and prosecute elder
29 abuse and financial exploitation.



1 (2) By March 1 of the current fiscal year, the Prosecuting
2 Attorneys Association of Michigan shall provide a report to the
3 department on the efficacy of the contract. The department shall
4 submit the report to the state budget office, the house and senate
5 appropriations subcommittees on the department budget, the house
6 and senate fiscal agencies, and the house and senate policy offices
7 within 30 days after receiving the report from the Prosecuting
8 Attorneys Association of Michigan.

9 Sec. 850. (1) The department shall maintain out-stationed
10 eligibility specialists in community-based organizations, community
11 mental health agencies, nursing homes, adult placement and
12 independent living settings, federally qualified health centers,
13 and hospitals unless a community-based organization, community
14 mental health agency, nursing home, adult placement and independent
15 living setting, federally qualified health centers, or hospital
16 requests that the program be discontinued at its facility.

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

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

25 (a) Meeting a standard of promptness for processing
26 applications for Medicaid and other public assistance programs
27 under state law.

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



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

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

8 (6) By March 1 of the current fiscal year, the department
9 shall submit a report to the senate and house appropriations
10 subcommittees on the department budget, the senate and house fiscal
11 agencies and policy offices, and the state budget office detailing
12 information on the donated funds positions, including the total
13 number of occupied positions, the total private contribution of the
14 positions, and the total cost to the state for any nonsalary
15 expenditure for the donated funds position employees.

16 Sec. 851. (1) From the funds appropriated in part 1 for adult
17 services field staff, the department shall seek to reduce the
18 number of older adults who are victims of crime and fraud by
19 increasing the standard of promptness in every county, as measured
20 by commencing an investigation within 24 hours after a report is
21 made to the department, establishing face-to-face contact with the
22 client within 72 hours after a report is made to the department,
23 and completing the investigation within 30 days after a report is
24 made to the department.

25 (2) The department shall report no later than March 1 of the
26 current fiscal year to the house and senate appropriations
27 subcommittees on the department budget, the house and senate fiscal
28 agencies, and the house and senate policy offices on the services
29 provided to older adults who were victims of crime or fraud in the



1 previous fiscal year. The report shall include, but is not limited
2 to, the following by county: the percentage of investigations
3 commenced within 24 hours after a report is made to the department,
4 the number of face-to-face contacts established with the client
5 within 72 hours after a report is made to the department, the
6 number of investigations completed within 30 days after a report is
7 made to the department, and the total number of older adults that
8 were victims of crime or fraud in the previous fiscal year and were
9 provided services by the department as a result of being victims of
10 crime or fraud.

11
12 **DISABILITY DETERMINATION SERVICES**

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

18
19 **BEHAVIORAL HEALTH SERVICES ADMINISTRATION AND SPECIAL PROJECTS**

20 Sec. 901. The funds appropriated in part 1 are intended to
21 support a system of comprehensive community mental health services
22 under the full authority and responsibility of local CMHSPs or
23 PIHPs in accordance with the mental health code, 1974 PA 258, MCL
24 330.1001 to 330.2106, the Medicaid provider manual, federal
25 Medicaid waivers, and all other applicable federal and state laws.

26 Sec. 902. (1) From the funds appropriated in part 1, final
27 authorizations to CMHSPs or PIHPs shall be made upon the execution
28 of contracts between the department and CMHSPs or PIHPs. The
29 contracts shall contain an approved plan and budget as well as



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

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

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

16 (b) The department amends any contracts the department has
17 entered into with CMHSPs or PIHPs that would affect rates or
18 expenditures.

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

22 Sec. 904. (1) By May 31 of the current fiscal year, the
23 department shall provide a report on the CMHSPs, PIHPs, and
24 designated regional entities for substance use disorder prevention
25 and treatment to the members of the house and senate appropriations
26 subcommittees on the department budget, the house and senate fiscal
27 agencies, and the state budget director that includes the
28 information required by this section.

29 (2) The report in subsection (1) shall contain information for



1 each CMHSP, PIHP, and designated regional entity for substance use
2 disorder prevention and treatment, and a statewide summary, each of
3 which shall include at least the following information:

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

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

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

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

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

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

28 (ii) The number of people who requested services but did not
29 receive services.



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

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

7 (h) Performance indicator information required to be submitted
8 to the department in the contracts with CMHSPs, PIHPs, and
9 designated regional entities for substance use disorder prevention
10 and treatment.

11 (i) Administrative expenditures of each CMHSP, PIHP, and
12 designated regional entity for substance use disorder prevention
13 and treatment that include a breakout of the salary, benefits, and
14 pension of each executive-level staff and shall include the
15 director, chief executive, and chief operating officers and other
16 members identified as executive staff.

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

20 (a) The expenditures stratified by department-designated
21 community mental health entity, by fund source, by subcontractor,
22 by population served, and by service type.

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

25 (c) The number of services provided by subcontractor and by
26 service type. Additionally, data on length of stay, referral
27 source, and participation in other state programs.

28 (d) The collections from other first- or third-party payers,
29 private donations, or other state or local programs, by department-



1 designated community mental health entity, by subcontractor, by
2 population served, and by service type.

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

7 (5) The department shall take all reasonable actions to ensure
8 that the data required are complete and consistent among all
9 CMHSPs, PIHPs, and designated regional entities for substance use
10 disorder prevention and treatment.

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

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

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

23 Sec. 909. From the funds appropriated in part 1 for health
24 homes, the department shall use available revenue from the
25 marihuana regulatory fund established in section 604 of the medical
26 marihuana facilities licensing act, 2016 PA 281, MCL 333.27604, to
27 improve physical health, expand access to substance use disorder
28 prevention and treatment services, and strengthen the existing
29 prevention, treatment, and recovery systems.



1 Sec. 910. The department shall ensure that substance use
2 disorder treatment is provided to applicants and recipients of
3 public assistance through the department who are required to obtain
4 substance use disorder treatment as a condition of eligibility for
5 public assistance.

6 Sec. 911. (1) The department shall ensure that each contract
7 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
8 programs to encourage diversion of individuals with serious mental
9 illness, serious emotional disturbance, or developmental disability
10 from possible jail incarceration when appropriate.

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

21 Sec. 912. The department shall contract directly with the
22 Salvation Army Harbor Light program, at an amount not less than the
23 amount provided during the fiscal year ending September 30, 2020,
24 to provide non-Medicaid substance use disorder services if the
25 local coordinating agency or the department confirms the Salvation
26 Army Harbor Light program meets the standard of care. The standard
27 of care shall include, but is not limited to, utilization of the
28 medication assisted treatment option.

29 Sec. 913. (1) From the funds appropriated in part 1 for



1 behavioral health program administration, the department shall
2 allocate \$1,025,000.00 for the autism navigator program. The
3 department shall require any contractor receiving funds under this
4 section to comply with performance-related metrics to maintain
5 eligibility for funding. The performance-related metrics shall
6 include, but not be limited to, all of the following:

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

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

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

12 (d) Each contractor shall provide quarterly reports to the
13 department regarding the number of clients served by PIHP region,
14 units of service provision by PIHP region, and ability to meet
15 their stated goals.

16 (2) The department shall require an annual report from any
17 contractor receiving funding from this section. The annual report,
18 due to the department 60 days following the end of the contract
19 period, shall include specific information on services and programs
20 provided, the client base to which the services and programs were
21 provided, and the expenditures for those services. The department
22 shall provide the annual reports to the senate and house
23 appropriations subcommittees on the department budget, the senate
24 and house fiscal agencies, and the state budget office.

25 Sec. 914. By June 1 of the current fiscal year, the department
26 shall submit a report to the house and senate appropriations
27 subcommittees on the department budget, the house and senate fiscal
28 agencies, the house and senate policy offices, and the state budget
29 office on outcomes of the funds provided in part 1 to the Michigan



1 Child Collaborative Care (MC3). The outcomes reported must include,
2 but is not limited to, the number of same day phone consultations
3 with primary care providers and the number of local resource
4 recommendations made to primary care providers who are providing
5 medical care to patients who need behavioral health services.

6 Sec. 915. From the funds appropriated in part 1 for community
7 substance use disorder prevention, education, and treatment and
8 opioid response activities, the department shall, to the extent
9 possible, provide grants, pursuant to federal laws, rules, and
10 regulations, to local public entities that provide substance use
11 disorder services and to 1 private entity that has a statewide
12 contract to provide community-based substance use disorder
13 services.

14 Sec. 916. From the funds appropriated in part 1 for opioid
15 response activities, the department shall allocate \$5,000,000.00 to
16 a nonprofit organization organized under the laws of this state
17 that is exempt from federal income tax under section 501(c)(3) of
18 the internal revenue code of 1986, 26 USC 501, and with
19 headquarters in a township with a population between 96,500 and
20 101,000 within a county with a population between 700,000 and
21 1,000,000, according to the most recent federal decennial census.
22 To be eligible to receive funding, the nonprofit organization must
23 have a stated mission to offer community-based, compassionate,
24 best-practice/evidence-based services to those suffering from
25 addiction, as well as their loved ones, and to erase the stigma of
26 addiction and instill compassion and hope.

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



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

3 (a) Create uniformity in the collection of data and consistent
4 measurement of the quality, efficacy, and cost effectiveness of
5 provided services and supports.

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

9 (c) Strive to meet the needs of community mental health
10 service beneficiaries and meet all statewide audit requirements.

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

12 (3) By March 1 of the current fiscal year, the department
13 shall submit a report to the senate and house appropriations
14 subcommittees on the department budget, the senate and house fiscal
15 agencies, and the senate and house policy offices on the
16 implementation status of the uniform auditing process and any
17 barriers to implementation.

18 (4) A state department or agency that provides, either
19 directly or through a contract, community mental health services
20 and supports must comply with the uniform auditing process and
21 utilize the audit tool maintained by the department. All forms,
22 processes, and contracts used by the state that relate to the
23 provision of community mental health services and supports must
24 comply with the uniform auditing process.

25 (5) As used in this section, "national standards" means
26 standards established by a national accrediting entity such as the
27 Joint Commission, Commission on Accreditation of Rehabilitation
28 Facilities, Council on Accreditation, National Committee for
29 Quality Assurance, or other credible body approved by the



1 department.

2 Sec. 928. It is the intent of the legislature that any funds
3 that lapse from the funds appropriated in part 1 for Medicaid
4 mental health services shall be redistributed to individual CMHSPs
5 as a reimbursement of local funds on a proportional basis to those
6 CMHSPs whose local funds were used as state Medicaid match. By
7 April 1 of the current fiscal year, the department shall report to
8 the senate and house appropriations subcommittees on the department
9 budget, the senate and house fiscal agencies, the senate and house
10 policy offices, and the state budget office on the lapse by PIHP
11 from the previous fiscal year and the projected lapse by PIHP in
12 the current fiscal year.

13 Sec. 929. From the funds appropriated in part 1 for Michigan
14 child collaborative care, the department shall allocate at least
15 \$350,000.00 to address needs in a city in which a declaration of
16 emergency was issued because of drinking water contamination.

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

24 Sec. 940. (1) According to section 236 of the mental health
25 code, 1974 PA 258, MCL 330.1236, the department shall review
26 expenditures for each CMHSP to identify CMHSPs with projected
27 allocation surpluses and to identify CMHSPs with projected
28 allocation shortfalls. The department shall encourage the board of
29 a CMHSP with a projected allocation surplus to concur with the



1 department's recommendation to reallocate those funds to CMHSPs
2 with projected allocation shortfalls.

3 (2) A CMHSP that has its funding allocation transferred out
4 during the current fiscal year as described in subsection (1) is
5 not eligible for any additional funding reallocations during the
6 remainder of the current fiscal year, unless that CMHSP is
7 responding to a public health emergency as determined by the
8 department.

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

12 (4) The department shall notify the chairs of the
13 appropriation subcommittees on the department budget when a request
14 is made and when the department grants approval for reallocation as
15 described in subsection (1). By September 30 of the current fiscal
16 year, the department shall provide a report on the amount of
17 funding reallocated to the senate and house appropriations
18 subcommittees on the department budget, the senate and house fiscal
19 agencies, the senate and house policy offices, and the state budget
20 office.

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

26 Sec. 960. (1) From the funds appropriated in part 1 for autism
27 services, the department shall continue to cover all Medicaid
28 autism services to Medicaid enrollees eligible for the services
29 that were covered on January 1, 2019.



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

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

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

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

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

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

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

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



1 health.

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

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

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

10 (d) Require that a client whose initial diagnosis was
11 performed by a diagnostician with master's level credentials have
12 their diagnosis and treatment recommendations reviewed by a
13 physician, psychiatric nurse practitioner, physician's assistant
14 with training, experience, or expertise in autism spectrum
15 disorders or behavioral health, or fully credentialed 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, physician's assistant with training, experience, or
28 expertise in autism spectrum disorders or behavioral health, or
29 fully credentialed psychologists to the extent possible.



1 (h) Maintain regular statewide provider trainings on autism
2 spectrum disorder standard clinical best practice guidelines for
3 treatment and diagnostic services.

4 (3) By March 1 of the current fiscal year, the department
5 shall report to the senate and house appropriations subcommittees
6 on the department budget, the senate and house fiscal agencies, the
7 senate and house policy offices, and the state budget office on
8 total autism services spending broken down by PIHP and CMHSP for
9 the previous fiscal year and current fiscal year and total
10 administrative costs broken down by PIHP, CMHSP, and the type of
11 administrative cost for the previous fiscal year and current fiscal
12 year.

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

17 Sec. 964. By October 1 of the current fiscal year, the
18 department shall provide the house and senate appropriations
19 subcommittees on the department budget, the house and senate fiscal
20 agencies, the house and senate policy offices, and the state budget
21 office with the standardized fee schedule for Medicaid behavioral
22 health services and supports. The report shall also include the
23 adequacy standards to be used in all contracts with PIHPs and
24 CMHSPs. In the development of the standardized fee schedule for
25 Medicaid behavioral health services and supports during the current
26 fiscal year, the department must prioritize and support essential
27 service providers and must develop a standardized fee schedule for
28 revenue code 0204.

29 Sec. 965. The department shall explore requiring that CMHSPs



1 reimburse medication assisted treatment providers no less than
2 \$12.00 per dose, and reimburse drug screen collection at no less
3 than \$12.00 per manual screen.

4 Sec. 970. The department shall maintain the policies in effect
5 on October 1, 2018 for the federal home and community-based
6 services rule as it relates to skill building assistance services.
7 The skill building assistance services shall remain eligible for
8 federal match until March 17, 2023 as stated in the CMS
9 informational bulletin dated May 9, 2017 and extended in the CMS
10 letter to state Medicaid directors on July 14, 2020. From the funds
11 appropriated in part 1, the department shall continue to seek
12 federal matching funds for skill building assistance services. As a
13 condition of their contracts with the department, CMHSPs shall
14 retain any federally approved skill building assistance services
15 available as of October 1, 2018.

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

24 Sec. 977. From the funds appropriated in part 1 for community
25 substance use disorder prevention, education, and treatment,
26 \$600,000.00 is allocated as grants to high schools specifically
27 designated for students recovering from a substance use disorder in
28 accordance with section 273a of the mental health code, 1974 PA
29 258, MCL 330.1273a.



1 Sec. 978. From the funds appropriated in part 1 for community
2 substance use disorder prevention, education, and treatment, the
3 department shall allocate \$1,200,000.00 as grants for recovery
4 community organizations to offer or expand recovery support center
5 services or recovery community center services to individuals
6 seeking long-term recovery from substance use disorders in
7 accordance with section 273b of the mental health code, 1974 PA
8 258, MCL 330.1273b.

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

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

25 (2) By March 1 of the current fiscal year, the department
26 shall report to the senate and house appropriations subcommittees
27 on the department budget, the senate and house fiscal agencies, and
28 the senate and house policy offices on the planned allocation of
29 the funds appropriated for mental health diversion council.



1 Sec. 996. From the funds appropriated in part 1 for family
2 support subsidy, the department shall make monthly payments of
3 \$322.88 to the parents or legal guardians of children approved for
4 the family support subsidy by a CMHSP.

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

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

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

18
19 **BEHAVIORAL HEALTH SERVICES**

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. (1) From the funds appropriated in part 1 for
13 health homes, the department shall maintain the number of
14 behavioral health homes in PIHP regions 1, 2, and 8 and maintain
15 the number of substance use disorder health homes in PIHP regions
16 1, 2, 4, and 9. The department may expand the number of behavioral
17 health homes in regions 6 and 7 and the number of substance use
18 disorder health homes in regions 6, 7, and 10.

19 (2) On a quarterly basis, the department shall provide a
20 report to the house and senate appropriation subcommittees on the
21 department budget, the house and senate fiscal agencies, the house
22 and senate policy offices, and the state budget office on the
23 number of individuals being served and expenditures incurred by
24 each PIHP region by site.

25 Sec. 1007. The department may explore the feasibility of
26 creating a distinct standalone Medicaid delivery system for
27 individuals with an intellectual or developmental disability
28 diagnosis. By March 1 of the current fiscal year, the department
29 may provide a report that provides information on potential



1 delivery system structures, prospective number of eligible
2 individuals, possible federal Medicaid authorities, and the
3 estimated impact on current Medicaid delivery systems that
4 administer benefits for individuals with intellectual or
5 developmental disabilities to the house and senate appropriations
6 subcommittees on the department budget, the house and senate fiscal
7 agencies, the house and senate policy offices, and the state budget
8 office.

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

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

21 (b) Take an active role in managing mental health care by
22 ensuring consistent and high-quality service delivery throughout
23 its network and promote a conflict-free care management
24 environment.

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

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



1 Sec. 1010. The funds appropriated in part 1 for behavioral
2 health community supports and services must be used to reduce
3 waiting lists at state-operated hospitals and centers through cost-
4 effective community-based and residential services, including, but
5 not limited to, assertive community treatment (ACT), forensic
6 assertive community treatment (FACT), crisis stabilization units in
7 accordance with chapter 9A of the mental health code, 1974 PA 258,
8 MCL 330.1971 to 330.1979, and psychiatric residential treatment
9 facilities in accordance with section 137a of the mental health
10 code, 1974 PA 258, MCL 330.1137a.

11 Sec. 1012. It is the intent of the legislature that the
12 department pursue any and all federal Medicaid waivers to maximize
13 the use of federal Medicaid reimbursements for substance use
14 disorder services and treatments for justice-involved individuals.
15 As part of the executive budget presentation for the fiscal year
16 ending September 30, 2023 on behavioral health services to the
17 house and senate appropriations subcommittees on the department
18 budget, the department shall provide an update on the types of
19 substance use disorder waivers submitted by the department, whether
20 those waivers have been approved by the federal Centers for
21 Medicare and Medicaid Services, and the steps the department will
22 take to request any and all federal Medicaid waivers to maximize
23 the use of federal Medicaid reimbursements for substance use
24 disorder services and treatments.

25 Sec. 1014. (1) From the funds appropriated in part 1 to
26 agencies providing physical and behavioral health services to
27 multicultural populations, the department shall award grants in
28 accordance with the requirements of subsection (2). This state is
29 not liable for any spending above the contract amount. The



1 department shall not release funds until reporting requirements
2 under section 1014 of article 6 of 2021 PA 87 are satisfied.

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

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

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

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

16 (d) Each contractor or subcontractor shall demonstrate cost-
17 effectiveness.

18 (e) Each contractor or subcontractor shall ensure their
19 ability to leverage private dollars to strengthen and maximize
20 service provision.

21 (f) Each contractor or subcontractor shall provide timely and
22 accurate reports regarding the number of clients served, units of
23 service provision, and ability to meet their stated goals.

24 (3) The department shall require an annual report from the
25 contractors described in subsection (2). The annual report, due 60
26 days following the end of the contract period, shall include
27 specific information on services and programs provided, the client
28 base to which the services and programs were provided, information
29 on any wraparound services provided, and the expenditures for those



1 services. The department shall provide the annual reports to the
2 senate and house appropriations subcommittees on the department
3 budget, the senate and house fiscal agencies, and the state budget
4 office.

5 Sec. 1015. From the funds appropriated in part 1 for federal
6 mental health block grant, the department shall, to the extent
7 possible, provide grants, pursuant to federal laws, rules, and
8 regulations, to local public entities that provide mental health
9 services and to 1 private entity that has a statewide contract to
10 provide community-based mental health services.

11 Sec. 1016. From the funds appropriated in part 1 for court-
12 appointed guardian and conservator reimbursement, the department
13 shall allocate \$5,000,000.00 to reimburse court-appointed public
14 guardians for recipients who do not receive any other type of
15 reimbursement. The department shall only reimburse the cost for
16 reimbursement up to \$83.00 per month per court-appointed public
17 guardian and conservator.

18
19 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

20 Sec. 1051. The department shall continue a revenue recapture
21 project to generate additional revenues from third parties related
22 to cases that have been closed or are inactive. A portion of
23 revenues collected through project efforts may be used for
24 departmental costs and contractual fees associated with these
25 retroactive collections and to improve ongoing departmental
26 reimbursement management functions.

27 Sec. 1052. The purpose of gifts and bequests for patient
28 living and treatment environments is to use additional private
29 funds to provide specific enhancements for individuals residing at



1 state-operated facilities. Use of the gifts and bequests shall be
2 consistent with the stipulation of the donor. The expected
3 completion date for the use of gifts and bequests donations is
4 within 3 years unless otherwise stipulated by the donor.

5 Sec. 1055. (1) The department shall not implement any closures
6 or consolidations of state hospitals, centers, or agencies until
7 CMHSPs or PIHPs have programs and services in place for those
8 individuals currently in those facilities and a plan for service
9 provision for those individuals who would have been admitted to
10 those facilities.

11 (2) All closures or consolidations are dependent upon adequate
12 department-approved CMHSP and PIHP plans that include a discharge
13 and aftercare plan for each individual currently in the facility. A
14 discharge and aftercare plan shall address the individual's housing
15 needs. A homeless shelter or similar temporary shelter arrangements
16 are inadequate to meet the individual's housing needs.

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

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

27 Sec. 1056. The department may collect revenue for patient
28 reimbursement from first- and third-party payers, including
29 Medicaid and local county CMHSP payers, to cover the cost of



1 placement in state hospitals and centers. The department is
2 authorized to adjust financing sources for patient reimbursement
3 based on actual revenues earned. If the revenue collected exceeds
4 current year expenditures, the revenue may be carried forward with
5 approval of the state budget director. The revenue carried forward
6 shall be used as a first source of funds in the subsequent year.

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

14 Sec. 1059. (1) The department shall identify specific outcomes
15 and performance measures for state-operated hospitals and centers,
16 including, but not limited to, the following:

17 (a) The average wait time for individuals determined
18 incompetent to stand trial before admission to the center for
19 forensic psychiatry.

20 (b) The average wait time for individuals determined
21 incompetent to stand trial before admission to other state-operated
22 psychiatric facilities.

23 (c) The average number of individuals waiting to receive
24 admission into the center for forensic psychiatry.

25 (d) The average number of individuals waiting to receive
26 admission into the other state-operated hospitals and centers.

27 (e) The average wait time for individuals awaiting admission
28 into the other state-operated hospitals and centers through the
29 civil admissions process.



1 (f) The number of individuals determined not guilty by reason
2 of insanity or incompetent to stand trial by an order of a probate
3 court that have been determined to be ready for discharge to the
4 community, and the average wait time between being determined to be
5 ready for discharge to the community and actual community
6 placement.

7 (g) The number of individuals denied admission into the center
8 for forensic psychiatry.

9 (h) The number of individuals denied admission into the other
10 state-operated hospitals and centers.

11 (2) By March 1 of the current fiscal year, the department
12 shall report to the house and senate appropriations subcommittees
13 on the department budget, the house and senate fiscal agencies, the
14 house and senate policy offices, and the state budget office on the
15 outcomes and performance measures in subsection (1).

16 Sec. 1060. By March 1 of the current fiscal year, the
17 department shall provide a report on mandatory overtime, staff
18 turnover, and staff retention at the state psychiatric hospitals
19 and centers to the senate and house appropriations subcommittees on
20 the department budget, the senate and house fiscal agencies, and
21 the state budget office. The report shall include, but is not
22 limited to, the following:

23 (a) The number of direct care and clinical staff positions
24 that are currently vacant by hospital, and how that compares to the
25 number of vacancies during the previous fiscal year.

26 (b) A breakdown of voluntary and mandatory overtime hours
27 worked by position and by hospital, and how that compares to the
28 breakdown of voluntary and mandatory overtime hours during the
29 previous fiscal year.



1 (c) The ranges of wages paid by position and by hospital, and
2 how that compares to wages paid during the previous fiscal year.

3 Sec. 1061. The funds appropriated in part 1 for Caro Regional
4 Mental Health Center shall only be utilized to support a
5 psychiatric hospital located at its current location. It is the
6 intent of the legislature that the Caro Regional Mental Health
7 Center shall remain open and operational at its current location on
8 an ongoing basis. Capital outlay funding shall be utilized for
9 planning and construction of a new or updated facility at the
10 current location instead of at a new location.

11 Sec. 1062. By July 1 of the current fiscal year, the
12 department shall provide a 5-year plan to address the need for
13 adult and children's inpatient psychiatric beds to the house and
14 senate appropriations subcommittees on the department budget, the
15 house and senate fiscal agencies, the house and senate policy
16 offices, and the state budget office. The report shall include
17 recommendations for utilizing both public and public private
18 partnership beds.

19 Sec. 1063. (1) From the funds appropriated in part 1 for
20 Hawthorn Center - psychiatric hospital - children and adolescents,
21 the department shall maintain a psychiatric transitional unit and
22 children's transition support team. These programs shall augment
23 the continuum of behavioral health services for high-need youth and
24 provide additional continuity of care and transition into
25 supportive community-based services.

26 (2) Outcomes and performance measures for these programs
27 include, but are not limited to, the following:

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



1 (b) The measured change in the Child and Adolescent Functional
2 Assessment Scale for children served through these programs.

3
4 **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

5 Sec. 1140. From the funds appropriated in part 1 for primary
6 care services, \$400,000.00 shall be allocated to free health
7 clinics operating in the state. The department shall distribute the
8 funds equally to each free health clinic. For the purpose of this
9 appropriation, "free health clinics" means nonprofit organizations
10 that use volunteer health professionals to provide care to
11 uninsured individuals.

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

18 Sec. 1143. From the funds appropriated in part 1 for primary
19 care services, the department shall allocate no less than
20 \$675,000.00 for island primary health care access and services
21 including island clinics, in the following amounts:

22 (a) Beaver Island, \$250,000.00.

23 (b) Mackinac Island, \$250,000.00.

24 (c) Drummond Island, \$150,000.00.

25 (d) Bois Blanc Island, \$25,000.00.

26 Sec. 1145. The department will take steps necessary to work
27 with Indian Health Service, tribal health program facilities, or
28 Urban Indian Health Program facilities that provide services under
29 a contract with a Medicaid managed care entity to ensure that those



1 facilities receive the maximum amount allowable under federal law
2 for Medicaid services.

3 Sec. 1146. From the funds appropriated in part 1 for bone
4 marrow donor and blood bank programs, \$250,000.00 shall be
5 allocated to Versiti Blood Center, the partner of the match
6 registry of the national marrow donor program. The funds shall be
7 used to offset ongoing tissue typing expenses associated with donor
8 recruitment and collection services and to expand those services to
9 better serve the citizens of this state.

10 Sec. 1147. From the funds appropriated in part 1 for bone
11 marrow donor and blood bank programs, \$500,000.00 shall be
12 allocated to Versiti Blood Center for a cord blood bank. The funds
13 shall be used to enhance the collection of fetal umbilical cord
14 blood and stem cells for transplant, expand cord blood laboratory
15 capabilities, and expand the diversity of collections.

16 Sec. 1148. From the funds appropriated in part 1 for policy
17 and planning administration, \$100,000.00 is allocated for
18 informational materials related to section 27(2) (a) of article I of
19 the state constitution of 1963 regarding human embryo and embryonic
20 stem cell research.

21 Sec. 1151. (1) The department shall coordinate with the
22 department of licensing and regulatory affairs, the department of
23 the attorney general, all appropriate law enforcement agencies, and
24 the Medicaid health plans to work with local substance use disorder
25 agencies and addiction treatment providers to help inform Medicaid
26 beneficiaries of all medically appropriate treatment options for
27 opioid addiction when their treating physician stops prescribing
28 prescription opioid medication for pain, and to address other
29 appropriate recommendations of the prescription drug and opioid



1 abuse task force outlined in its report of October 2015.

2 (2) By October 1 of the current fiscal year, the department
3 shall submit a report to the senate and house appropriations
4 subcommittees on the department budget, the senate and house fiscal
5 agencies, the senate and house policy offices, and the state budget
6 office on how the department is working with local substance use
7 disorder agencies and addiction treatment providers to ensure that
8 Medicaid beneficiaries are informed of all available and medically
9 appropriate treatment options for opioid addiction when their
10 treating physician stops prescribing prescription opioid medication
11 for pain, and to address other appropriate recommendations of the
12 task force. The report shall include any potential barriers to
13 medication-assisted treatment, as recommended by the Michigan
14 medication-assisted treatment guidelines, for Medicaid
15 beneficiaries in both office-based opioid treatment and opioid
16 treatment program facility settings.

17
18 **EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY**

19 Sec. 1180. From the funds appropriated in part 1 for
20 epidemiology administration and for childhood lead program, the
21 department shall maintain a public health drinking water unit and
22 maintain enhanced efforts to monitor child blood lead levels. The
23 public health drinking water unit shall ensure that appropriate
24 investigations of potential health hazards occur for all community
25 and noncommunity drinking water supplies where chemical exceedances
26 of action levels, health advisory levels, or maximum contaminant
27 limits are identified. The goals of the childhood lead program
28 shall include improving the identification of affected children,
29 the timeliness of case follow-up, and attainment of nurse care



1 management for children with lead exposure, and to achieve a long-
2 term reduction in the percentage of children in this state with
3 elevated blood lead levels.

4 Sec. 1181. From the funds appropriated in part 1 for
5 epidemiology administration, the department shall maintain a vapor
6 intrusion response unit. The vapor intrusion response unit shall
7 assess risks to public health at vapor intrusion sites and respond
8 to vapor intrusion risks where appropriate. The goals of the vapor
9 intrusion response unit shall include reducing the number of
10 residents of this state exposed to toxic substances through vapor
11 intrusion and improving health outcomes for individuals that are
12 identified as having been exposed to vapor intrusion.

13 Sec. 1182. (1) From the funds appropriated in part 1 for
14 healthy homes program, no less than \$7,291,000.00 of general
15 fund/general purpose funds and \$18,259,000.00 of federal funds
16 shall be allocated for lead abatement of homes.

17 (2) By April 1 of the current fiscal year, the department
18 shall provide a report to the house and senate appropriations
19 subcommittees on the department budget, the house and senate fiscal
20 agencies, and the state budget office on the expenditures and
21 activities undertaken by the lead abatement program in the previous
22 fiscal year from the funds appropriated in part 1 for the healthy
23 homes program. The report shall include, but is not limited to, a
24 funding allocation schedule, the expenditures by category of
25 expenditure and by subcontractor, the revenues received, a
26 description of program elements, the number of housing units abated
27 of lead-based paint hazards, and a description of program
28 accomplishments and progress.

29 Sec. 1183. The department shall not require a medical first



1 response service to submit data for purposes of the Michigan
2 emergency medical services information system if the medical first
3 response service is located in a county with a population of less
4 than 85,000 according to the most recent federal decennial census
5 and is composed of only medical first responders who provide
6 services without expecting or receiving money, goods, or services
7 in return for providing those services. A medical first response
8 service described in this section shall ensure that a medical first
9 responder provides, in writing, at least all of the following
10 information to an emergency medical technician, emergency medical
11 technician specialist, or paramedic, arriving at the scene after
12 the medical first responder:

13 (a) The time of the initial medical first responder's arrival
14 at the scene.

15 (b) The patient's condition at the time of the initial medical
16 first responder's arrival at the scene.

17 (c) Information gathered from a patient assessment, including,
18 but not limited to, the patient's vital signs and level of
19 consciousness.

20 Sec. 1184. (1) From the funds appropriated in part 1 for
21 emergency medical services program, the department shall, in
22 coordination with the state emergency medical services coordination
23 committee established under section 20915 of the public health
24 code, 1978 PA 368, MCL 333.20915, medical control authorities, and
25 other emergency medical services organizations, review, revise, and
26 improve the process for the consideration, discussion,
27 announcement, and implementation of any changes proposed by the
28 department for emergency medical services system guidance,
29 guidelines, or protocols.



1 (2) The goal to improve the current process shall be the
2 effective and safe provision of emergency medical services.

3 (3) The revised and improved process shall include, but not be
4 limited to, the following:

5 (a) Increased communication, transparency, and collaboration,
6 to culminate in clarity of, and real-time access to, current
7 department guidance, guidelines, or protocols, and the status of
8 any changes being considered.

9 (b) Formal notification of proposed changes to guidance,
10 guidelines, or protocols from the department to the state emergency
11 medical services coordination committee no less than 30 days before
12 implementation.

13 (c) Receipt by the department of a recommendation from the
14 state emergency medical services coordination committee regarding
15 the proposed changes to guidance, guidelines, or protocols before
16 implementation by the department of the changes.

17 (4) The department shall provide access and status updates,
18 including any proposed rules being considered through the
19 administrative rules process, to the public on the department's
20 website, which shall be updated by the department on a weekly
21 basis.

22 (5) The department shall report to the house and senate
23 appropriations subcommittees on the department budget, the house
24 and senate fiscal agencies and policy offices, and the state budget
25 director by April 15 of the current fiscal year on the findings of
26 the review and include summaries of actions undertaken to identify,
27 revise, and improve any weaknesses in the current process.

28 Sec. 1186. (1) From the funds appropriated in part 1 for
29 emergency medical services program, the department shall allocate



1 \$3,000,000.00 to establish a statewide stroke and STEMI system of
2 care for time-sensitive emergencies. This system must be integrated
3 into the statewide trauma care system within the emergency medical
4 services system and must include at least all of the following:

5 (a) The designation of facilities as stroke and STEMI
6 facilities based on a verification that national certification or
7 accreditation standards, as approved by the stroke advisory
8 subcommittee and the STEMI advisory subcommittee as established
9 under section 20910(1)(m) of the public health code, 1978 PA 368,
10 MCL 333.20910, have been met.

11 (b) A requirement that a hospital is not required to be
12 designated as providing certain levels of care for stroke or STEMI.

13 (c) The development and utilization of stroke and STEMI
14 registries that utilize nationally recognized data platforms with
15 confidentiality standards, as approved by the stroke advisory
16 subcommittee and the STEMI advisory subcommittee as established
17 under section 20910(1)(m) of the public health code, 1978 PA 368,
18 MCL 333.20910.

19 (2) For the purposes of this section, "STEMI" means an ST-
20 elevation myocardial infarction.

21 22 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

23 Sec. 1220. The amount appropriated in part 1 for
24 implementation of the 1993 additions of or amendments to sections
25 9161, 16221, 16226, 17014, 17015, and 17515 of the public health
26 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
27 333.17015, and 333.17515, shall be used to reimburse local health
28 departments for costs incurred related to the implementation of
29 section 17015(18) of the public health code, 1978 PA 368, MCL



1 333.17015.

2 Sec. 1221. If a county that has participated in a district
3 health department or an associated arrangement with other local
4 health departments takes action to cease to participate in that
5 arrangement after October 1 of the current fiscal year, the
6 department may assess a penalty from the local health department's
7 operational accounts in an amount equal to no more than 6.25% of
8 the local health department's essential local public health
9 services funding. This penalty shall only be assessed to the local
10 county that requests the dissolution of the health department.

11 Sec. 1222. (1) Funds appropriated in part 1 for essential
12 local public health services shall be prospectively allocated to
13 local health departments to support immunizations, infectious
14 disease control, sexually transmitted disease control and
15 prevention, hearing screening, vision services, food protection,
16 public water supply, private groundwater supply, and on-site sewage
17 management. Food protection shall be provided in consultation with
18 the department of agriculture and rural development. Public water
19 supply, private groundwater supply, and on-site sewage management
20 shall be provided in consultation with the department of
21 environment, Great Lakes, and energy.

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

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

28 (4) If a local health officer has an emergency order under
29 section 2453 of the public health code, 1978 PA 368, MCL 333.2453,



1 in effect as of October 1, 2022, the funds appropriated in part 1
2 for essential local public health services may not be spent or
3 otherwise distributed. This subsection does not apply if a county
4 board of commissioners passes a nonbinding resolution by a record
5 roll call vote to support any emergency orders the local health
6 officer has in effect on October 1 of the current fiscal year.

7 (5) By February 1 of the current fiscal year, the department
8 shall provide a report to the house and senate appropriations
9 subcommittees on the department budget, the house and senate fiscal
10 agencies, and the state budget director on the planned allocation
11 of the funds appropriated for essential local public health
12 services.

13 (6) The department shall continue implementation of the
14 distribution formula for the allocation of essential local public
15 health services funding to local health departments as specified by
16 section 1234 of article X of 2018 PA 207.

17 (7) From the funds appropriated in part 1 for essential local
18 public health services, each local public health department is
19 allocated not less than the amount allocated to that local public
20 health department during the previous fiscal year.

21 Sec. 1225. The department shall work with the Michigan health
22 endowment fund corporation established under section 653 of the
23 nonprofit health care corporation reform act, 1980 PA 350, MCL
24 550.1653, to explore ways to fund and evaluate current and future
25 policies and programs.

26 Sec. 1227. The department shall establish criteria for all
27 funds allocated for health and wellness initiatives. The criteria
28 must include a requirement that all programs funded be evidence-
29 based and supported by research, include interventions that have



1 been shown to demonstrate outcomes that lower cost and improve
2 quality, and be designed for statewide impact. Preference must be
3 given to programs that utilize the funding as match for additional
4 resources, including, but not limited to, federal sources.

5 Sec. 1231. (1) From the funds appropriated for local health
6 services, up to \$4,750,000.00 shall be allocated for grants to
7 local public health departments to support PFAS response and
8 emerging public health threat activities. A portion of the funding
9 shall be allocated by the department in a collaborative fashion
10 with local public health departments in jurisdictions experiencing
11 PFAS contamination. The remainder of the funding shall be allocated
12 to address infectious and vector-borne disease threats, and other
13 environmental contamination issues such as vapor intrusion,
14 drinking water contamination, and lead exposure. The funding shall
15 be allocated to address issues including, but not limited to,
16 staffing, planning and response, and creation and dissemination of
17 materials related to PFAS contamination issues and other emerging
18 public health issues and threats.

19 (2) By March 1 of the current fiscal year, the department
20 shall provide a report to the house and senate appropriations
21 subcommittees on the department budget, the house and senate fiscal
22 agencies, and the state budget office on actual expenditures in the
23 previous fiscal year and planned spending in the current fiscal
24 year of the funds described in subsection (1), including recipient
25 entities, amount of allocation, general category of allocation, and
26 detailed uses.

27 Sec. 1232. The department may work to ensure that the United
28 States Department of Defense reimburses the state for costs
29 associated with PFAS and environmental contamination response at



1 military training sites and support facilities.

2 Sec. 1233. General fund and state restricted fund
3 appropriations in part 1 shall not be expended for PFAS and
4 environmental contamination response where federal funding or
5 private grant funding is available for the same expenditures.

6 Sec. 1239. The department shall participate in and give
7 necessary assistance to the Michigan PFAS action response team
8 (MPART) pursuant to Executive Order No. 2019-03. The department
9 shall collaborate with MPART and other departments to carry out
10 appropriate activities, actions, and recommendations as coordinated
11 by MPART. Efforts shall be continuous to ensure that the
12 department's activities are not duplicative with activities of
13 another department or agency.

14 Sec. 1240. From the funds appropriated in part 1 for chronic
15 disease control and health promotion administration, \$70,000.00 is
16 allocated to support a rare disease advisory council and
17 responsibilities of the council, which may include all of the
18 following:

19 (a) Developing a list of rare diseases.

20 (b) Posting the list of rare diseases on the department's
21 website.

22 (c) Updating the list of rare diseases.

23 (d) Annually investigating and reporting to the legislature on
24 1 rare disease on the list, and including legislative
25 recommendations in the report.

26
27 **FAMILY HEALTH SERVICES**

28 Sec. 1301. (1) Before April 1 of the current fiscal year, the
29 department shall submit a report to the house and senate fiscal



1 agencies and the state budget director on planned allocations from
2 the amounts appropriated in part 1 for local MCH services, prenatal
3 care outreach and service delivery support, family planning local
4 agreements, and pregnancy prevention programs. Using applicable
5 federal definitions, the report shall include information on all of
6 the following:

7 (a) Funding allocations.

8 (b) Actual number of women, children, and adolescents served
9 and amounts expended for each group for the previous fiscal year.

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

12 (2) The department shall ensure that the distribution of funds
13 through the programs described in subsection (1) takes into account
14 the needs of rural communities.

15 (3) As used in this section, "rural" means a county, city,
16 village, or township with a population of 30,000 or less, including
17 those entities if located within a metropolitan statistical area.

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

29 Sec. 1304. The department shall not use state restricted funds



1 or state general funds, or allow grantees or subcontractors to use
2 those funds, appropriated in part 1 in the pregnancy prevention
3 program or family planning local agreements appropriation line
4 items for abortion counseling, referrals, or services.

5 Sec. 1305. (1) From the funds appropriated in part 1 for
6 family planning local agreements and the pregnancy prevention
7 program, the department shall not contract with or award grants to
8 an entity that engages in 1 or more of the activities described in
9 section 1(1) of 2002 PA 360, MCL 333.1091, if the entity is located
10 in a county or health district where family planning or pregnancy
11 prevention services are provided by the county, the health
12 district, or a qualified entity that does not engage in any of the
13 activities described in section 1(1) of 2002 PA 360, MCL 333.1091.

14 (2) The department shall give priority to counties or health
15 districts where no contracts or grants currently exist for family
16 planning or pregnancy prevention services before contracting with
17 or awarding grants to an entity that engages in 1 or more of the
18 activities described in section 1(1) of 2002 PA 360, MCL 333.1091,
19 if that entity is located in a county where family planning and
20 pregnancy prevention services are provided by the county, the
21 health district, or another qualified entity that does not engage
22 in the activities described in section 1(1) of 2002 PA 360, MCL
23 333.1091.

24 Sec. 1306. (1) From the funds appropriated in part 1 for the
25 drinking water declaration of emergency, the department shall
26 allocate funds to address needs in a city in which a declaration of
27 emergency was issued because of drinking water contamination. These
28 funds may support, but are not limited to, the following
29 activities:



1 (a) Nutrition assistance, nutritional and community education,
2 food bank resources, and food inspections.

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

5 (c) Support for child and adolescent health centers,
6 children's healthcare access program, and pathways to potential
7 programming.

8 (d) Nursing services, breastfeeding education, evidence-based
9 home visiting programs, intensive services, and outreach for
10 children exposed to lead coordinated through local community mental
11 health organizations.

12 (e) Department field operations costs.

13 (f) Lead poisoning surveillance, investigations, treatment,
14 and abatement.

15 (g) Nutritional incentives provided to local residents through
16 the double up food bucks expansion program.

17 (h) Genesee County health department food inspectors to
18 perform water testing at local food service establishments.

19 (i) Transportation related to health care delivery.

20 (j) Senior initiatives.

21 (k) Lead abatement contractor workforce development.

22 (2) From the funds appropriated in part 1 for the drinking
23 water declaration of emergency, the department shall allocate
24 \$300,000.00 for Revive Community Health Center for health support
25 services as the center pursues certification as a federally
26 qualified health center.

27 (3) From the funds appropriated in part 1 for the drinking
28 water declaration of emergency, the department shall allocate
29 \$500,000.00 for rides to wellness through the Flint mass



1 transportation authority.

2 Sec. 1308. From the funds appropriated in part 1 for prenatal
3 care outreach and service delivery support, not less than
4 \$500,000.00 of funding shall be allocated for evidence-based
5 programs to reduce infant mortality including nurse family
6 partnership programs. The funds shall be used for enhanced support
7 and education to nursing teams or other teams of qualified health
8 professionals, client recruitment in areas designated as
9 underserved for obstetrical and gynecological services and other
10 high-need communities, strategic planning to expand and sustain
11 programs, and marketing and communications of programs to raise
12 awareness, engage stakeholders, and recruit nurses.

13 Sec. 1309. Funds appropriated for educational and other
14 programs and services primarily pertaining to family planning or
15 reproductive health services, or both, in any line item in section
16 116 of part 1 for family health services, shall be allocated by the
17 department according to section 1 of 2002 PA 360, MCL 333.1091.

18 Sec. 1311. From the funds appropriated in part 1 for prenatal
19 care outreach and service delivery support, not less than
20 \$2,750,000.00 state general fund/general purpose funds shall be
21 allocated for a rural home visit program. Equal consideration shall
22 be given to all eligible evidence-based providers in all regions in
23 contracting for rural home visitation services.

24 Sec. 1312. From the funds appropriated in part 1 for prenatal
25 care and premature birth avoidance grant, the department shall
26 allocate \$1,000,000.00 as a grant to help fulfill contract
27 obligations between the department and a federal Healthy Start
28 Program located in a county with a population between 450,000 and
29 850,000 according to the most recent federal decennial census. To



1 be eligible to receive funding, the organization must be a
2 partnership between various health agencies, and utilize a social
3 impact bonding strategy approved by the department to enhance
4 support to underserved populations for prenatal care and premature
5 birth avoidance.

6 Sec. 1313. (1) The department shall continue developing an
7 outreach program on fetal alcohol syndrome services, targeting
8 health promotion, prevention, and intervention.

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

12 (3) By February 1 of the current fiscal year, the department
13 shall provide a report to the house and senate appropriations
14 subcommittees on the department budget, the house and senate fiscal
15 agencies, and the state budget office on planned spending of
16 appropriations within the department budget for fetal alcohol
17 syndrome projects and services, including appropriation line item,
18 agency or recipient entities, amount and purpose of allocation, and
19 detailed uses. The report shall include a summary of outcomes
20 accomplished by the funding investments and metrics used to
21 determine outcomes, if available.

22 Sec. 1314. The department shall seek to enhance education and
23 outreach efforts that encourage women of childbearing age to seek
24 confirmation at the earliest indication of possible pregnancy and
25 initiate continuous and routine prenatal care upon confirmation of
26 pregnancy. The department shall seek to ensure that department
27 programs, policies, and practices promote prenatal and obstetrical
28 care by doing the following:

29 (a) Supporting access to care.



1 (b) Reducing and eliminating barriers to care.

2 (c) Supporting recommendations for best practices.

3 (d) Encouraging optimal prenatal habits such as prenatal
4 medical visits, use of prenatal vitamins, and cessation of use of
5 tobacco, alcohol, or drugs.

6 (e) Tracking of birth outcomes to study improvements in
7 prevalence of neonatal substance exposure, fetal alcohol syndrome,
8 and other preventable neonatal disease.

9 (f) Tracking of maternal increase in healthy behaviors
10 following childbirth.

11 Sec. 1315. (1) From the funds appropriated in part 1 for
12 dental programs, \$150,000.00 shall be allocated to the Michigan
13 Dental Association for the administration of a volunteer dental
14 program that provides dental services to the uninsured.

15 (2) By February 1 of the current fiscal year, the department
16 shall report to the senate and house appropriations subcommittees
17 on the department budget, the senate and house standing committees
18 on health policy, the senate and house fiscal agencies, and the
19 state budget office the number of individual patients treated,
20 number of procedures performed, and approximate total market value
21 of those procedures from the previous fiscal year.

22 Sec. 1316. The department shall use revenue from mobile
23 dentistry facility permit fees received under section 21605 of the
24 public health code, 1978 PA 368, MCL 333.21605, to offset the cost
25 of the permit program.

26 Sec. 1317. (1) From the funds appropriated in part 1 for
27 dental programs, \$6,250,000.00 of general fund/general purpose
28 revenue and any associated federal match shall be distributed to
29 local health departments who partner with a qualified nonprofit



1 provider of dental services for the purpose of providing high-
2 quality dental homes for seniors, children, adults enrolled in
3 Medicaid, and individuals who are low-income and uninsured.

4 (2) In order to be considered a qualified nonprofit provider
5 of dental services, the provider must demonstrate the following:

6 (a) An effective health insurance enrollment process for
7 uninsured patients.

8 (b) An effective process of charging patients on a sliding
9 scale based on the patient's ability to pay.

10 (c) Utilization of additional fund sources including, but not
11 limited to, federal Medicaid matching funds.

12 (3) Providers shall report to the department by September 30
13 of the current fiscal year on outcomes and performance measures for
14 the program under this section including, but not limited to, the
15 following:

16 (a) The number of uninsured patients who visited a
17 participating dentist over the previous year, broken down between
18 adults and children.

19 (b) The number of patients assisted with health insurance
20 enrollment, broken down between adults and children.

21 (c) A 5-year trend of the number of uninsured patients being
22 served, broken down between adults and children.

23 (d) The number of unique patient visits by center.

24 (e) The number of unique Medicaid or Healthy Michigan plan
25 patients served broken down by center.

26 (f) The number of children, seniors, and veterans served
27 broken down by center.

28 (g) The total value of services rendered by the organization
29 broken down by center.



1 (4) Within 15 days after receipt of the report required in
2 subsection (3), the department shall provide a copy of the report
3 to the senate and house appropriations subcommittees on the
4 department budget, the senate and house fiscal agencies, the senate
5 and house policy offices, and the state budget office.

6 Sec. 1320. It is the intent of the legislature that funds
7 appropriated in part 1 that may be expended for a public media
8 campaign regarding publicly funded family planning or pregnancy
9 prevention services shall not be used to communicate in that media
10 campaign any message that implies, states, or can be interpreted to
11 mean that abortion is a method of family planning or pregnancy
12 prevention.

13 Sec. 1321. From the funds appropriated in part 1 for the
14 Michigan model for health comprehensive health education curriculum
15 in the family, maternal, and child health administration line item,
16 the department may, in consultation with the department of
17 education, the Michigan domestic and sexual violence prevention and
18 treatment board, and the Michigan Coalition to End Domestic and
19 Sexual Violence, redraft the curriculum for the "Growing Up &
20 Staying Healthy" and "Healthy & Responsible Relationships" modules
21 to include age-appropriate information about the importance of
22 consent, setting and respecting personal boundaries, and the
23 prevention of child sexual abuse as outlined in section 1505 of the
24 revised school code, 1976 PA 451, MCL 380.1505, and consistent with
25 the recommendations and guidelines set by the task force on the
26 prevention of sexual abuse of children created under section 12b of
27 the child protection law, 1975 PA 238, MCL 722.632b, and the
28 prevention of sexual assault and dating violence.

29 Sec. 1322. (1) The department shall provide a report by April



1 15 of the current fiscal year to the house and senate
2 appropriations subcommittees on the department budget, the house
3 and senate fiscal agencies, the house and senate policy offices,
4 and the state budget office on state immunization policy and
5 practices. The report shall include all of the following items:

6 (a) A list of recommended vaccinations.

7 (b) The basis and rationale for inclusion of each listed item.

8 (c) The indicators, measures, and performance outcomes that
9 document improvement in human health for each listed item.

10 (2) From the funds appropriated in part 1 for immunization
11 program, \$50,000.00 shall be allocated for the purpose of
12 publishing and printing the report described in subsection (1) in a
13 summary format to be made available to the public as an
14 informational brochure, provided free of charge through the
15 department's health promotions clearinghouse to providers, groups,
16 or individuals for free distribution.

17 Sec. 1341. The department shall utilize income eligibility and
18 verification guidelines established by the Food and Nutrition
19 Service agency of the United States Department of Agriculture in
20 determining eligibility of individuals for the special supplemental
21 nutrition program for women, infants, and children (WIC) as stated
22 in current WIC policy.

23 Sec. 1342. From the funds appropriated in part 1 for family,
24 maternal, and child health administration, \$500,000.00 shall be
25 allocated for a school children's healthy exercise program to
26 promote and advance physical health for school children in
27 kindergarten through grade 8. The department shall recommend model
28 programs for sites to implement that incorporate evidence-based
29 best practices. The department shall grant the funds appropriated



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

16 Sec. 1343. From the funds appropriated in part 1 for dental
17 programs, the department shall allocate \$1,760,000.00 of state and
18 local funds plus any private contributions received to support the
19 program to establish and maintain a dental oral assessment program
20 to provide assessments to school children as provided in section
21 9316 of the public health code, 1978 PA 368, MCL 333.9316.

22 Sec. 1347. The department shall not use state restricted funds
23 or state general funds appropriated in part 1, or allow grantees or
24 subcontractors to use those funds, for abortion counseling,
25 referrals, or services, or for any activities regarding human
26 cloning or research in which a human embryo or embryos are
27 destroyed or discarded.

28 Sec. 1348. From the funds appropriated in part 1, the
29 department shall submit a report by January 1 of the current fiscal



1 year to the senate and house appropriations committees, the senate
2 and house appropriations subcommittees on the department budget,
3 the senate and house fiscal agencies, and the senate and house
4 policy offices on any request for proposals issued by this state
5 for the healthy moms healthy babies program and on any healthy moms
6 healthy babies programs that are established.

7 Sec. 1349. Subject to federal approval, from the funds
8 appropriated in part 1 for immunization program, the department
9 shall allocate \$740,000.00 of general fund/general purpose plus any
10 available work project funds and federal match through an
11 administered contract with oversight from health and aging services
12 administration and public health administration. The funds shall be
13 used to support a statewide media campaign for improving this
14 state's immunization rates.

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 (f) Provide medical care and treatment to eligible patients



1 with sickle cell disease who are 21 years of age or older.

2 Sec. 1361. From the funds appropriated in part 1 for medical
3 care and treatment, the department may spend those funds for the
4 continued development and expansion of telemedicine capacity to
5 allow families with children in the children's special health care
6 services program to access specialty providers more readily and in
7 a more timely manner. The department may spend funds to support
8 chronic complex care management of children enrolled in the
9 children's special health care services program to minimize
10 hospitalizations and reduce costs to the program while improving
11 outcomes and quality of life.

12
13 **HEALTH AND AGING SERVICES ADMINISTRATION**

14 Sec. 1505. By March 1 of the current fiscal year, the
15 department shall submit a report to the senate and house
16 appropriations subcommittees on the department budget, the senate
17 and house fiscal agencies, and the state budget office on the
18 actual reimbursement savings and cost offsets that have resulted
19 from the funds appropriated in part 1 for the office of inspector
20 general and third party liability efforts in the previous fiscal
21 year.

22 Sec. 1507. From the funds appropriated in part 1 for office of
23 inspector general, the inspector general shall audit and recoup
24 inappropriate or fraudulent payments from Medicaid managed care
25 organizations to health care providers. Unless authorized by
26 federal or state law, the department shall not fine, temporarily
27 halt operations of, disenroll as a Medicaid provider, or terminate
28 a managed care organization or health care provider from providing
29 services due to the discovery of an inappropriate payment found



1 during the course of an audit.

2 Sec. 1508. The department shall not use funds appropriated in
3 part 1 to contract with any private company that has reached a
4 settlement with this state resolving investigations into the
5 company's role providing consulting services to manufacturers of
6 opioids in connection with designing the marketing plans and
7 programs that helped cause and contributed to the opioid crisis in
8 this state.

9 Sec. 1509. Due to the circumstances found in the department's
10 Medicaid non-emergency medical transportation (NEMT) services
11 program by the office of the auditor general (OAG) audit number
12 391-0715-20, the department shall report to the senate and house of
13 representatives appropriations subcommittees on the department
14 budget, the senate and house fiscal agencies, the senate and house
15 policy offices, and the state budget office by March 1 of the
16 current fiscal year on corrective actions taken to correct
17 deficiencies identified in the audit. The report must include, but
18 is not limited to, the following information:

19 (a) The results of periodic random samplings of NEMT broker
20 records to ensure compliance with provider eligibility
21 documentation requirements.

22 (b) Actions taken and improvements made as a result of the
23 formal vendor correction action plan implemented between the
24 department and the department of technology, management, and budget
25 with emphasis on improvements made in on-time performance, medical
26 needs form deficiencies, and efforts made for active and ongoing
27 monitoring.

28 (c) The results of periodic random samplings of NEMT broker
29 records to review documentation requirements with attention paid to



1 trip logs, medical needs forms, and any other information used to
2 support NEMT encounter claims.

3 (d) The results of periodic random samplings of Medicaid
4 health plans to ensure that NEMT encounter data is complete and
5 accurate and encounter claims are valid.

6 (e) The amount, if any, of monetary penalties or liquidated
7 damages assessed due to insufficient NEMT claims monitoring
8 procedures.

9 (f) The rationale and any funding limitations that prevent the
10 department from establishing performance standards and collecting
11 performance data for NEMT services for beneficiaries not covered
12 through a Medicaid health plan contract or an NEMT broker.

13 Sec. 1510. Due to the circumstances found in the department's
14 Medicaid and Children's Health Insurance Program (CHIP) eligibility
15 determinations processes by the office of the auditor general (OAG)
16 audit number 391-0710-19, the department shall report to the senate
17 and house of representatives 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 by March 1 of
20 the current fiscal year on corrective actions taken to reduce
21 improper payments to ineligible beneficiaries, to maintain proper
22 documentation and case files, and improvements made to the
23 department's internal controls. The report must include, but is not
24 limited to, the following information:

25 (a) The number of beneficiaries by type of assistance (TOA)
26 group whose TOA group was subsequently changed after initial
27 determination and the reasons initial classifications were
28 incorrect in the previous fiscal year.

29 (b) The number of beneficiaries and the total amount of



1 payments made that were ineligible for federal reimbursement, not
2 due to a mistaken TOA category in the previous fiscal year.

3 (c) For the previous 3 audit cycles, the total amount and
4 percentage of federal reimbursement identified as improper payments
5 by the Federal Payment Error Rate Measurement audit.

6 (d) For each of the previous 5 fiscal years, the department's
7 estimate of the net amount of federal reimbursement and state
8 spending made in error.

9 (e) A list of all of the sources that the department uses to
10 verify income for Medicaid and CHIP eligibility.

11 (f) A description of the training implemented for caseworkers
12 to improve initial TOA eligibility determinations.

13 (g) The total number of beneficiaries in the previous fiscal
14 year who received full healthcare coverage but did not have a valid
15 Social Security number.

16 (h) A list of all changes made to ensure all Medicaid and CHIP
17 beneficiaries have a valid Social Security number to receive full
18 healthcare coverage.

19 (i) The total number of beneficiaries in the previous fiscal
20 year who received full healthcare coverage but did not have an
21 acceptable alien status.

22 (j) A list of all changes made to ensure all Medicaid and CHIP
23 beneficiaries have an acceptable alien status to receive full
24 healthcare coverage.

25 (k) Status update on the establishment of the Medicaid
26 Eligibility Quality Assurance case review process to provide a
27 timelier monitoring process.

28 Sec. 1511. On a monthly basis, the department shall work with
29 the department of labor and economic opportunity to report to the



1 senate and house appropriations subcommittees on the department
2 budget, the senate and house fiscal agencies, the senate and house
3 policy offices, and the state budget office on the utilization of
4 workforce development programs by Healthy Michigan plan recipients
5 through Michigan Works! The report shall include, but not be
6 limited to, all of the following:

7 (a) The number of recipients currently receiving employment
8 supports and services through workforce development programs.

9 (b) The total year-to-date number of recipients who have
10 received employment supports and services through workforce
11 development programs.

12 (c) The number of recipients who secured employment in this
13 state after receiving employment supports and services through
14 workforce development programs.

15 (d) A summary of employment supports and services provided to
16 recipients through workforce development programs.

17 Sec. 1512. The updated Medicaid utilization and net cost
18 report shall continue to separate nonclinical administrative costs
19 from actual claims and encounter costs.

20 Sec. 1513. By September 30 of the current fiscal year, the
21 department shall report to the senate and house appropriations
22 subcommittees on the department budget, the senate and house fiscal
23 agencies, the senate and house policy offices, and the state budget
24 office on the implementation of recommendations made by the
25 workgroup required by section 1513 of 2019 PA 67. The report shall
26 include, but is not limited to, the following:

27 (a) Updates on the recommendations being implemented.

28 (b) Updates on the recommendations not being implemented and
29 barriers preventing implementation.



1 Sec. 1514. From the funds appropriated in part 1 for health
2 and aging services administration, the department shall allocate
3 \$300,000.00 general fund/general purpose revenue and any associated
4 federal match to support a predictive modeling tool to improve
5 provider billing accuracy and reduce fraud, waste, and abuse in the
6 Medicaid program. The tool must provide a prepayment cost avoidance
7 solution that uses statistical predictive modeling techniques to
8 identify outlier claims.

9 Sec. 1515. A qualified job placement agency may request
10 contact information from the department for Healthy Michigan plan
11 recipients for the geographic region the agency services. This
12 contact information shall not include personal health information
13 or extensive personal identifying information. As used in this
14 section, a "qualified job placement agency" means a regional
15 Michigan Works! agency or another nonprofit, governmental, or
16 quasi-governmental body that provides job placement assistance as
17 designated by the department.

18 Sec. 1517. By July 1 of the current fiscal year, the
19 department shall report to the house and senate appropriations
20 subcommittees on the department budget, the house and senate fiscal
21 agencies, the house and senate policy offices, and the state budget
22 office on the implementation status of a specialty Medicaid managed
23 care health plan for children in foster care.

24 Sec. 1519. (1) By April 1 of the current fiscal year, the
25 department shall require each region to report data to the aging
26 and adult services agency and to the legislature on home-delivered
27 meals waiting lists. The report must include data on all of the
28 following:

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



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

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

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

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

10
11 **HEALTH AND AGING SERVICES**

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

17 Sec. 1602. The department may encourage the Food Bank Council
18 of Michigan to collaborate directly with each area agency on aging
19 and any other organizations that provide senior nutrition services
20 to secure the food access of older adults.

21 Sec. 1604. The department shall provide to the senate and
22 house appropriations subcommittees on the department budget, senate
23 and house fiscal agencies, and state budget director a report by
24 March 30 of the current fiscal year that contains all of the
25 following:

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

28 (b) Detailed expenditures by each area agency on aging by
29 individual program and administration including both state-funded



1 resources and locally funded resources.

2 Sec. 1605. The protected income level for Medicaid coverage
3 determined pursuant to section 106(1)(b) *(iii)* of the social welfare
4 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
5 assistance standard.

6 Sec. 1606. For the purpose of guardian and conservator
7 charges, the department may deduct up to \$83.00 per month as an
8 allowable expense against a recipient's income when determining
9 medical services eligibility and patient pay amounts.

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

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

26 (3) In the event that an applicant, presumed to be eligible
27 under subsection (1), is subsequently found to be ineligible, a
28 Medicaid physician or managed care plan that has been providing
29 pregnancy services to an applicant under this section is entitled



1 to reimbursement for those services until they are notified by the
2 department that the applicant was found to be ineligible for
3 Medicaid.

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

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

12 (6) The department shall mandate enrollment of women, whose
13 qualifying condition for Medicaid is pregnancy, into Medicaid
14 managed care plans.

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

19 Sec. 1608. From the funds appropriated in part 1 for community
20 services, \$1,100,000.00 shall be allocated to area agencies on
21 aging for locally determined needs.

22 Sec. 1610. The department shall coordinate with the department
23 of licensing and regulatory affairs to ensure that, upon receipt of
24 the order of suspension of a licensed adult foster care home, home
25 for the aged, or nursing home, the department of licensing and
26 regulatory affairs shall provide notice to the department, to the
27 house and senate appropriations subcommittees on the department
28 budget, and to the members of the house and senate that represent
29 the legislative districts of the county in which the facility lies.



1 Sec. 1611. (1) For care provided to medical services
2 recipients with other third-party sources of payment, medical
3 services reimbursement shall not exceed, in combination with such
4 other resources, including Medicare, those amounts established for
5 medical services-only patients. The medical services payment rate
6 shall be accepted as payment in full. Other than an approved
7 medical services co-payment, no portion of a provider's charge
8 shall be billed to the recipient or any person acting on behalf of
9 the recipient. This section does not affect the level of payment
10 from a third-party source other than the medical services program.
11 The department shall require a nonenrolled provider to accept
12 medical services payments as payment in full.

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

19 Sec. 1612. From the funds appropriated in part 1 for community
20 services, \$40,000.00 shall be allocated to expand existing friendly
21 reassurance and friendly caller programs through the area agencies
22 on aging. The purpose of these programs is to allow an older
23 individual to voluntarily sign up to receive a daily or weekly call
24 checking on the older individual's well-being and possible
25 conversation with another individual. The program shall be
26 available to all residents of this state age 60 or older and shall
27 target isolated or homebound seniors to provide a check on mental
28 health, physical health and wellness, and to address feelings of
29 loneliness or depression.



1 Sec. 1615. (1) To minimize errors and overpayments, and to
2 ensure the quality of actuarial rate setting of capitated rates,
3 the department shall provide effective oversight and ensure the
4 integrity of encounter claims submitted to the department by
5 Medicaid health plans.

6 (2) The department may require Medicaid health plans to
7 provide medical records to support claims data, upon request by the
8 department. This subsection shall not require the disclosure of
9 personal identifying information or any information that would be
10 in violation of the health insurance portability and accountability
11 act of 1996, Public Law 104-191.

12 (3) It is the intent of the legislature that the department
13 perform annual internal audits of Medicaid claims provided by
14 Medicaid health plans and report the findings to the house and
15 senate appropriations subcommittees on the department budget, the
16 house and senate fiscal agencies, the house and senate policy
17 offices, and the state budget office. Internal audits performed
18 under this subsection shall be conducted utilizing quantitative
19 methodologies that provide for valid statistical results to
20 include, but not be limited to, minimizing the impact of selection
21 bias and insufficient sample sizes.

22 (4) If an internal audit performed in accordance with this
23 section identifies discrepancies in the quality of actuarial rates,
24 the department shall develop and implement actuarial procedures to
25 reconcile encounter claims data and shall provide for a publicly
26 available explanation of these procedures on the department's
27 website.

28 Sec. 1616. (1) By March 1 of the current fiscal year, the
29 department shall do all of the following:



1 (a) Seek any appropriate federal approvals to enroll and
2 recognize community health workers as Medicaid providers and to
3 authorize Medicaid reimbursement for community health worker
4 services. The appropriate federal approval must allow for community
5 health worker services on a statewide basis and must not be a
6 limited geography waiver. The Medicaid reimbursement must cover all
7 services commensurate to community health workers' scope of
8 training and abilities as provided by evidence-based research and
9 programs. The Medicaid reimbursement methodology may include fee-
10 for-service reimbursement, value-based payment, or a combination of
11 both fee-for-service reimbursement and value-based payment.

12 (b) Develop and test a value-based payment approach for
13 community health workers, based on shared-risk, that provides
14 incentives to Medicaid health plans and other health plans to use
15 community health workers to improve the quality and cost of care
16 and patient satisfaction.

17 (c) Work to pool Medicaid health plan and other department
18 funding for community health workers to expand the number of
19 community health workers who provide preventive services education
20 and care coordination within community-based human services
21 organizations, public health agencies, primary care providers,
22 hospitals, health care systems, and any other appropriate setting.

23 (d) Identify the ratio of community health workers to Medicaid
24 health plan recipients that is optimal to meet the needs of
25 Medicaid health plan recipients in each county or region in the
26 state.

27 (e) Identify the ratio of community health workers to
28 individuals that is optimal to meet the needs of high-risk
29 individuals in each county or region in the state.



1 (2) By March 1 of the current fiscal year, the department
2 shall report to the senate and house appropriations subcommittees
3 on the department budget, the senate and house fiscal agencies, the
4 senate and house policy offices, and the state budget office on the
5 progress of meeting the requirements in subsection (1).

6 Sec. 1620. (1) For fee-for-service Medicaid claims, the
7 professional dispensing fee for drugs indicated as specialty
8 medications on the Michigan pharmaceutical products list is \$20.02
9 or the pharmacy's submitted dispensing fee, whichever is less.

10 (2) For fee-for-service Medicaid claims, for drugs not
11 indicated as specialty drugs on the Michigan pharmaceutical
12 products list, the professional dispensing fee for medications is
13 as follows:

14 (a) For medications indicated as preferred on the department's
15 preferred drug list, \$10.80 or the pharmacy's submitted dispensing
16 fee, whichever is less.

17 (b) For medications not on the department's preferred drug
18 list, \$10.64 or the pharmacy's submitted dispensing fee, whichever
19 is less.

20 (c) For medications indicated as nonpreferred on the
21 department's preferred drug list, \$9.00 or the pharmacy's submitted
22 dispensing fee, whichever is less.

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



1 (4) The department shall require a prescription co-payment for
2 Medicaid recipients enrolled in the Healthy Michigan plan with an
3 income of at least 100% of the federal poverty level of \$4.00 for a
4 generic drug or any drug indicated as preferred on the department's
5 preferred drug list and \$8.00 for a brand-name drug not indicated
6 as preferred on the department's preferred drug list, except as
7 prohibited by federal or state law or regulation.

8 Sec. 1625. The department shall not enter into any contract
9 with a Medicaid managed care organization that relies on a pharmacy
10 benefit manager that does not do all of the following:

11 (a) For pharmacies with not more than 7 retail outlets,
12 utilizes a pharmacy reimbursement methodology of the national
13 average drug acquisition cost plus a professional dispensing fee
14 comparable to the applicable professional dispensing fee provided
15 through section 1620. The pharmacy benefit manager or the involved
16 pharmacy services administrative organization shall not receive any
17 portion of the additional professional dispensing fee. The
18 department shall identify the pharmacies this subdivision applies
19 to and provide the list of applicable pharmacies to the Medicaid
20 managed care organizations.

21 (b) For pharmacies with not more than 7 retail outlets,
22 utilizes a pharmacy reimbursement methodology, when a national
23 average drug acquisition cost price is not available, for brand
24 drugs of the lesser of the wholesale acquisition cost, the average
25 wholesale price less 16.7% plus a professional dispensing fee
26 comparable to the applicable professional dispensing fee provided
27 through section 1620, or the usual and customary charge by the
28 pharmacy. The department shall identify the pharmacies this
29 subdivision applies to and provide the list of applicable



1 pharmacies to the Medicaid managed care organizations.

2 (c) For pharmacies with not more than 7 retail outlets,
3 utilizes a pharmacy reimbursement methodology, when a national
4 average drug acquisition cost price is not available, for generic
5 drugs of the lesser of wholesale acquisition cost plus a
6 professional dispensing fee comparable to the applicable
7 professional dispensing fee provided through section 1620, average
8 wholesale price less 30.0% plus a professional dispensing fee
9 comparable to the applicable professional dispensing fee provided
10 through section 1620, or the usual and customary charge by the
11 pharmacy. The department shall identify the pharmacies this
12 subdivision applies to and provide the list of applicable
13 pharmacies to the Medicaid managed care organizations.

14 (d) Reimburses for a legally valid claim at a rate not less
15 than the rate in effect at the time the original claim adjudication
16 as submitted at the point of sale.

17 (e) Agrees to move to a transparent "pass-through" pricing
18 model, in which the pharmacy benefit manager discloses the
19 administrative fee as a percentage of the professional dispensing
20 costs to the department.

21 (f) Agrees to not create new pharmacy administration fees and
22 to not increase current fees more than the rate of inflation. This
23 subdivision does not apply to any federal rule or action that
24 creates a new fee.

25 (g) Agrees to not terminate an existing contract with a
26 pharmacy with not more than 7 retail outlets for the sole reason of
27 the additional professional dispensing fee authorized under this
28 section.

29 Sec. 1626. (1) By January 15 of the current fiscal year, each



1 pharmacy benefit manager that receives reimbursements, either
2 directly or through a Medicaid health plan, from the funds
3 appropriated in part 1 for medical services must submit all of the
4 following information to the department for the previous fiscal
5 year:

6 (a) The total number of prescriptions that were dispensed.

7 (b) The aggregate wholesale acquisition cost for each drug on
8 its formulary.

9 (c) The aggregate amount of rebates, discounts, and price
10 concessions that the pharmacy benefit manager received for each
11 drug on its formulary. The amount of rebates shall include any
12 utilization discounts the pharmacy benefit manager receives from a
13 manufacturer.

14 (d) The aggregate amount of administrative fees that the
15 pharmacy benefit manager received from all pharmaceutical
16 manufacturers.

17 (e) The aggregate amount identified in subdivisions (b) and
18 (c) that were retained by the pharmacy benefit manager and did not
19 pass through to the department or to the Medicaid health plan.

20 (f) The aggregate amount of reimbursements the pharmacy
21 benefit manager pays to contracting pharmacies.

22 (g) Any other information considered necessary by the
23 department.

24 (2) By March 1 of the current fiscal year, the department
25 shall submit the information provided under subsection (1) to the
26 house and senate appropriations subcommittees on the department
27 budget, the house and senate fiscal agencies, the house and senate
28 policy offices, and the state budget office.

29 (3) Any nonaggregated information submitted under this section



1 shall be confidential and shall not be disclosed to any person by
2 the department. Such information is not considered a public record
3 of the department.

4 Sec. 1627. By April 1 of the current fiscal year, the
5 department shall provide a report to the house and senate
6 appropriations subcommittees on the department budget, the house
7 and senate fiscal agencies, and the house and senate policy offices
8 on both of the following:

9 (a) The cost per Medicaid prescription for the fee-for-service
10 population and separately the cost per Medicaid prescription for
11 the managed care population for the fiscal years ending September
12 30, 2017 through September 30, 2022.

13 (b) Projected cost per Medicaid prescription for the fee-for-
14 service population and projected cost per Medicaid prescription for
15 the managed care population for the current fiscal year.

16 Sec. 1628. From the funds appropriated in part 1 for hospital
17 services and therapy, the department shall allocate \$3,000,000.00
18 in general fund/general purpose revenue and any associated federal
19 match to increase the Medicaid reimbursement rate for dental
20 services provided at ambulatory surgical centers and outpatient
21 hospitals. The funding provided in this section must be used to
22 increase the minimum rate for dental services provided in
23 ambulatory surgical centers to \$1,495.00 and increase the minimum
24 rate for dental services provided in outpatient hospitals to
25 \$2,300.00.

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



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

5 (2) Except as otherwise prohibited by federal or state law or
6 regulation, the department shall require Medicaid recipients not
7 enrolled in the Healthy Michigan plan or with an income less than
8 100% of the federal poverty level to pay not less than the
9 following co-payments:

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

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

12 (c) Fifty dollars for the first day of an inpatient hospital
13 stay.

14 (d) Two dollars for an outpatient hospital visit.

15 (3) Except as otherwise prohibited by federal or state law or
16 regulation, the department shall require Medicaid recipients
17 enrolled in the Healthy Michigan plan with an income of at least
18 100% of the federal poverty level to pay the following co-payments:

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

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

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

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

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



1 Sec. 1645. (1) It is the intent of the legislature that the
2 department establish the class I nursing facility current asset
3 value bed limit based on the rolling 15-year history of new
4 construction.

5 (2) It is the intent of the legislature that, for the fiscal
6 year beginning October 1, 2023, the department modify the class I
7 nursing facility current asset value bed limit based on the rolling
8 15-year history of new construction. The increase in the current
9 asset value bed limit shall not exceed 4% of the limit for the
10 fiscal year beginning October 1, 2022.

11 Sec. 1646. (1) From the funds appropriated in part 1 for long-
12 term care services, the department shall continue to administer a
13 nursing facility quality measure initiative program. The initiative
14 shall be financed through the quality assurance assessment for
15 nursing homes and hospital long-term care units, and the funds
16 shall be distributed according to the following criteria:

17 (a) The department shall award more dollars to nursing
18 facilities that have a higher CMS 5-star quality measure domain
19 rating, then adjusted to account for both positive and negative
20 aspects of a patient satisfaction survey.

21 (b) A nursing facility with a CMS 5-star quality measure
22 domain star rating of 1 or 2 must file an action plan with the
23 department describing how it intends to use funds appropriated
24 under this section to increase quality outcomes before funding
25 shall be released.

26 (c) The total incentive dollars must reflect the following
27 Medicaid utilization scale:

28 (i) For nursing facilities with a Medicaid participation rate
29 of above 63%, the facility shall receive 100% of the incentive



1 payment.

2 (ii) For nursing facilities with a Medicaid participation rate
3 between 50% and 63%, the facility shall receive 75% of the
4 incentive payment.

5 (iii) For nursing facilities with a Medicaid participation rate
6 of less than 50%, the facility shall receive a payment
7 proportionate to their Medicaid participation rate.

8 (iv) For nursing facilities not enrolled in Medicaid, the
9 facility shall not receive an incentive payment.

10 (d) Facilities designated as special focus facilities are not
11 eligible for any payment under this section.

12 (e) Number of licensed beds.

13 (2) The department and nursing facility representatives shall
14 evaluate the quality measure incentive program's effectiveness on
15 quality, measured by the change in the CMS 5-star quality measure
16 domain rating since the implementation of quality measure incentive
17 program. By March 1 of the current fiscal year, the department
18 shall report to the senate and house appropriations subcommittees
19 on the department budget, the senate and house fiscal agencies, and
20 the senate and house policy offices on the findings of the
21 evaluation.

22 Sec. 1657. (1) Reimbursement for medical services to screen
23 and stabilize a Medicaid recipient, including stabilization of a
24 psychiatric crisis, in a hospital emergency room shall not be made
25 contingent on obtaining prior authorization from the recipient's
26 HMO. If the recipient is discharged from the emergency room, the
27 hospital shall notify the recipient's HMO within 24 hours of the
28 diagnosis and treatment received.

29 (2) If the treating hospital determines that the recipient



1 will require further medical service or hospitalization beyond the
2 point of stabilization, that hospital shall receive authorization
3 from the recipient's HMO prior to admitting the recipient.

4 (3) Subsections (1) and (2) do not require an alteration to an
5 existing agreement between an HMO and its contracting hospitals and
6 do not require an HMO to reimburse for services that are not
7 considered to be medically necessary.

8 Sec. 1662. (1) The department shall ensure that an external
9 quality review of each contracting HMO is performed that results in
10 an analysis and evaluation of aggregated information on quality,
11 timeliness, and access to health care services that the HMO or its
12 contractors furnish to Medicaid beneficiaries.

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

17 (3) The department shall provide a copy of the analysis of the
18 Medicaid HMO annual audited HEDIS reports and the annual external
19 quality review report to the senate and house appropriations
20 subcommittees on the department budget, the senate and house fiscal
21 agencies, and the state budget director, within 30 days after the
22 department's receipt of the final reports from the contractors.

23 Sec. 1670. (1) The appropriation in part 1 for the MICHild
24 program is to be used to provide comprehensive health care to all
25 children under age 19 who reside in families with income at or
26 below 212% of the federal poverty level, who are uninsured and have
27 not had coverage by other comprehensive health insurance within 6
28 months of making application for MICHild benefits, and who are
29 residents of this state. The department shall develop detailed



1 eligibility criteria through the health and aging services
2 administration public concurrence process, consistent with the
3 provisions of this part and part 1.

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

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

14 Sec. 1673. The department may establish premiums for MIChild
15 eligible individuals in families with income at or below 212% of
16 the federal poverty level. The monthly premiums shall be \$10.00 per
17 month.

18 Sec. 1677. The MIChild program shall provide, at a minimum,
19 all benefits available under the Michigan benchmark plan that are
20 delivered through contracted providers and consistent with federal
21 law, including, but not limited to, the following medically
22 necessary services:

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

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



1 (c) Durable medical equipment and prosthetic and orthotic
2 devices.

3 (d) Dental services as outlined in the approved MICHild state
4 plan.

5 (e) Substance use disorder treatment services that may include
6 inpatient, outpatient, and residential substance use disorder
7 treatment services.

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

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

11 (h) Emergency ambulance services.

12 Sec. 1682. (1) In addition to the appropriations in part 1,
13 the department is authorized to receive and spend penalty money
14 received as the result of noncompliance with medical services
15 certification regulations. Penalty money, characterized as private
16 funds, received by the department shall increase authorizations and
17 allotments in the long-term care accounts.

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

20 (3) By March 1 of the current fiscal year, the department
21 shall report to the senate and house appropriations subcommittees
22 on the department budget, the senate and house fiscal agencies, the
23 senate and house policy offices, and the state budget office on
24 penalty money received by the department as described in subsection
25 (1). The report shall include, but is not limited to, the following
26 information:

27 (a) The amount of penalty monies received by the department
28 received in the previous fiscal year listed by the assessed entity.

29 (b) A list of the entities who were assessed penalties in the



1 previous fiscal year with the rationale for each penalty.

2 Sec. 1692. (1) The department is authorized to pursue
3 reimbursement for eligible services provided in Michigan schools
4 from the federal Medicaid program. The department and the state
5 budget director are authorized to negotiate and enter into
6 agreements, together with the department of education, with local
7 and intermediate school districts regarding the sharing of federal
8 Medicaid services funds received for these services. The department
9 is authorized to receive and disburse funds to participating school
10 districts pursuant to such agreements and state and federal law.

11 (2) From the funds appropriated in part 1 for health and aging
12 services school-based services payments, the department is
13 authorized to do all of the following:

14 (a) Finance activities within the medical services
15 administration related to this project.

16 (b) Reimburse participating school districts pursuant to the
17 fund-sharing ratios negotiated in the state-local agreements
18 authorized in subsection (1).

19 (c) Offset general fund costs associated with the health and
20 aging services program.

21 Sec. 1693. The special Medicaid reimbursement appropriation in
22 part 1 may be increased if the department submits a medical
23 services state plan amendment pertaining to this line item at a
24 level higher than the appropriation. The department is authorized
25 to appropriately adjust financing sources in accordance with the
26 increased appropriation.

27 Sec. 1694. From the funds appropriated in part 1 for special
28 Medicaid reimbursement, \$1,121,400.00 of general fund/general
29 purpose revenue and any associated federal match shall be



1 distributed for poison control services to an academic health care
2 system that has a high indigent care volume.

3 Sec. 1696. It is the intent of the legislature that if an
4 applicant for Medicaid coverage through the Healthy Michigan plan
5 received medical coverage in the previous fiscal year through
6 traditional Medicaid, and is still eligible for coverage through
7 traditional Medicaid, the applicant is not eligible to receive
8 coverage through the Healthy Michigan plan.

9 Sec. 1697. The department shall require that Medicaid health
10 plans administering Healthy Michigan plan benefits maintain a
11 network of dental providers in sufficient numbers, mix, and
12 geographic locations throughout their respective service areas in
13 order to provide adequate dental care for Healthy Michigan plan
14 enrollees.

15 Sec. 1698. From the funds appropriated in part 1 for dental
16 services, the department shall allocate \$41,633,300.00 to increase
17 the rates on the department's dental fee schedule for adult fee-
18 for-service Medicaid claims.

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

26 (2) The department shall allocate \$45,000,000.00 in DSH
27 funding using the distribution methodology used in fiscal year
28 2003-2004.

29 Sec. 1700. By December 1 of the current fiscal year, the



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

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

9 (b) GME.

10 (c) Special rural hospital payments provided under section
11 1802(2) of this part.

12 (d) Lump-sum payments to rural hospitals for obstetrical care
13 provided under section 1802(1) of this part.

14 Sec. 1701. (1) The department shall explore the feasibility of
15 obtaining appropriate federal approvals to allow for the
16 utilization of Medicaid funding for the creation of a Medicaid
17 supportive housing services benefit. By March 1 of the current
18 fiscal year, the department shall report to the senate and house
19 appropriations subcommittees on the department budget, the senate
20 and house fiscal agencies, the senate and house policy offices, and
21 the state budget office on all of the following:

22 (a) The prospective number of eligible individuals.

23 (b) The anticipated enrolled individuals.

24 (c) The estimated cost.

25 (d) The timeline for implementation, if feasible.

26 (e) The proposed housing-based services and supports for
27 Medicaid beneficiaries eligible for the benefit described in this
28 section.

29 (2) It is the intent of the legislature that a Medicaid



1 supportive housing services benefit target those Medicaid
2 beneficiaries that experience chronic homelessness, as well as
3 other high-risk individuals that experience lengthy or frequent
4 institutional or adult residential care stays.

5 Sec. 1702. From the funds appropriated in part 1, the
6 department shall provide a 30% rate increase for private duty
7 nursing services for Medicaid beneficiaries under the age of 21.
8 These additional funds must be used to attract and retain highly
9 qualified registered nurses and licensed practical nurses to
10 provide private duty nursing services so that medically frail
11 children can be cared for in the most homelike setting possible.

12 Sec. 1704. (1) From the funds appropriated in part 1 for
13 health plan services, the department shall maintain the Medicaid
14 adult dental benefit for pregnant women enrolled in a Medicaid
15 program.

16 (2) By April 15 of the current fiscal year, the department
17 shall report to the house and senate appropriations subcommittees
18 on the department budget, the house and senate fiscal agencies, and
19 the state budget office on the following:

20 (a) The number of pregnant women enrolled in Medicaid who
21 visited a dentist over the previous fiscal year.

22 (b) The number of dentists statewide who participate in
23 providing dental services to pregnant women enrolled in Medicaid.

24 Sec. 1757. The department shall obtain proof from all Medicaid
25 recipients that they are United States citizens or otherwise
26 legally residing in this country and that they are residents of
27 this state before approving Medicaid eligibility.

28 Sec. 1763. It is the intent of the legislature that upon
29 expiration of contract no. 071b7700073, the department shall issue



1 an RFP for a 3-year contract for actuarial services, including, but
2 not limited to, capitation rate setting for Medicaid and the
3 Healthy Michigan plan. The department shall notify the senate and
4 house appropriations subcommittees on the department budget, the
5 senate and house fiscal agencies, and the senate and house policy
6 offices on what vendors submitted bids for the contract, which
7 vendor received the contract, the evaluation process, and the
8 criteria used by the department in awarding the contract for
9 actuarial services.

10 Sec. 1764. The department shall annually certify whether rates
11 paid to Medicaid health plans and specialty PIHPs are actuarially
12 sound in accordance with federal requirements and shall provide a
13 copy of the rate certification and approval of rates paid to
14 Medicaid health plans and specialty PIHPs within 5 business days
15 after certification or approval to the senate and house
16 appropriations subcommittees on the department budget, the senate
17 and house fiscal agencies, and the state budget office. Following
18 the rate certification, the department shall ensure that no new or
19 revised state Medicaid policy bulletin that is promulgated
20 materially impacts the capitation rates that have been certified in
21 a negative manner.

22 Sec. 1775. (1) 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, and the state budget office on progress in implementing
26 the waiver to implement managed care for individuals who are
27 eligible for both Medicare and Medicaid, known as MI Health Link,
28 including any problems and potential solutions as identified by the
29 ombudsman described in subsection (2).



1 (2) The department shall ensure the existence of an ombudsman
2 program that is not associated with any project service manager or
3 provider to assist MI Health Link beneficiaries with navigating
4 complaint and dispute resolution mechanisms and to identify
5 problems in the demonstrations and in the complaint and dispute
6 resolution mechanisms.

7 Sec. 1788. From the funds appropriated in part 1, the
8 department shall provide Medicaid reimbursement rates, including
9 Medicaid reimbursements from the ambulance provider quality
10 assurance assessment, for ground ambulance services at not less
11 than 100% of the Medicare rates for Locality 01 for those services
12 in effect on the date the services are provided to eligible
13 Medicaid recipients.

14 Sec. 1790. The department shall maintain the current
15 practitioner rates paid for current procedural terminology (CPT)
16 codes 90791 through 90899 for psychiatric procedures through
17 Medicaid fee-for-service and through the comprehensive Medicaid
18 health plans for psychiatric procedures provided for Medicaid
19 recipients under the age of 21.

20 Sec. 1791. From the funds appropriated in part 1 for health
21 plan services and physician services, the department shall provide
22 Medicaid reimbursement rates for neonatal services at 95% of the
23 Medicare rate received for those services in effect on the date the
24 services are provided to eligible Medicaid recipients. The current
25 procedural terminology (CPT) codes that are eligible for this
26 reimbursement rate increase are 99468, 99469, 99471, 99472, 99475,
27 99476, 99477, 99478, 99479, and 99480.

28 Sec. 1792. By April 30 of the current fiscal year, the
29 department shall evaluate pharmacy encounter data through the first



1 2 quarters of the fiscal year to determine, in consultation with
2 the Medicaid health plans, if rates must be recertified. By May 30
3 of the current fiscal year, the department shall report the
4 evaluation results to the senate and house appropriations
5 subcommittees on the department budget, the senate and house fiscal
6 agencies, the senate and house policy offices, the state budget
7 office, and the Medicaid health plans.

8 Sec. 1801. (1) From the funds appropriated in part 1 for
9 physician services and health plan services, the department shall
10 continue the increase to Medicaid rates for primary care services
11 provided only by primary care providers. Providers performing a
12 service and whose primary practice is as a non-primary-care
13 subspecialty are not eligible for the increase. The department
14 shall establish policies that most effectively limit the increase
15 to primary care providers for primary care services only. As used
16 in this section, "primary care provider" means a physician, or a
17 practitioner working in collaboration with a physician, who is
18 either licensed under part 170 or part 175 of the public health
19 code, 1978 PA 368, MCL 333.17001 to 333.17097 and 333.17501 to
20 333.17556, and working as a primary care provider in general
21 practice or board-eligible or certified with a specialty
22 designation of family medicine, general internal medicine, or
23 pediatric medicine, or a provider who provides the department with
24 documentation of equivalency.

25 (2) From the funds appropriated in part 1 for health plan
26 services and physician services, the department shall allocate
27 \$15,000,000.00 of general fund/general purpose revenue and any
28 associated federal match to provide Medicaid reimbursement rates
29 for primary care services at the greater of either the actual rates



1 paid during the previous fiscal year or at least 95% of the
2 Medicare rate received for those services on the date the service
3 is provided. The current procedural terminology (CPT) codes that
4 are eligible for this reimbursement rate increase are 99202 through
5 99205, 99211 through 99215, 99381 through 99387, 99391 through
6 99397, 99421, 99422, 99423, 99441, 99442, and 99443.

7 Sec. 1802. (1) From the funds appropriated in part 1 for
8 hospital services and therapy, \$7,995,200.00 in general
9 fund/general purpose revenue shall be provided as lump-sum payments
10 to noncritical access hospitals that qualified for rural hospital
11 access payments in fiscal year 2013-2014 and that provide
12 obstetrical care in the current fiscal year. Payment amounts shall
13 be based on the volume of obstetrical care cases and newborn care
14 cases for all such cases billed by each qualified hospital in the
15 most recent year for which data is available. Payments shall be
16 made by January 1 of the current fiscal year.

17 (2) From the funds appropriated in part 1 for hospital
18 services and therapy and Healthy Michigan plan, \$13,904,800.00 in
19 general fund/general purpose revenue and any associated federal
20 match shall be awarded as rural access payments to noncritical
21 access hospitals that meet criteria established by the department
22 for services to low-income rural residents. One of the
23 reimbursement components of the distribution formula shall be
24 assistance with labor and delivery services. The department shall
25 ensure that the rural access payments described in this subsection
26 are distributed in a manner that ensures that a hospital does not
27 receive more than 10.0% of the total rural access funding
28 referenced in this subsection.

29 (3) The methodology for distribution under subsection (2) and



1 its applicable data that are used to determine the payment amounts
2 must be provided to each hospital by August 1 of the current fiscal
3 year. The department shall publish the distribution of payments for
4 the current fiscal year and the previous fiscal year.

5 Sec. 1803. The department shall maintain rules to allow for
6 billing to and reimbursement by the Medicaid program directly for
7 transportation charges related to portable X-ray services rendered
8 to patients residing in a nursing facility or an assisted living
9 facility, or who are otherwise homebound. By October 1 of the
10 current fiscal year, the department shall set payment rates for
11 Medicaid transportation charges related to portable X-ray services.

12 Sec. 1804. (1) The department shall utilize the federal public
13 assistance reporting information system to identify Medicaid
14 recipients who are veterans and who may be eligible for federal
15 veterans' health care benefits or other benefits. The department
16 shall identify the specific outcomes and performance reporting
17 requirements described in this section. The department shall
18 acquire all of the following information by January 1 of the
19 current fiscal year and report to the senate and house
20 appropriations subcommittees on the department budget, the senate
21 and house fiscal agencies, and the senate and house policy offices
22 on the following:

23 (a) The number of veterans identified by the department
24 through eligibility determinations.

25 (b) The number of veterans referred to the department of
26 military and veterans affairs.

27 (c) The number of referrals made by the department that were
28 contacted by the department of military and veterans affairs.

29 (d) The number of referrals made by the department that were



1 eligible for veterans health care benefits or other benefits.

2 (e) The specific actions and efforts undertaken by the
3 department and the department of military and veterans affairs to
4 identify female veterans who are applying for public assistance
5 benefits, but who are eligible for veterans benefits.

6 (2) By October 1 of the current fiscal year, the department
7 shall change the public assistance application form from asking
8 whether the prospective applicant was a veteran to asking whether
9 the applicant had ever served in the military.

10 (3) This section does not prohibit the department from
11 entering into interagency agreements with any other public
12 department or agency in this state in order to obtain the
13 information detailed in subsection (1).

14 Sec. 1810. In advance of the annual rate setting development,
15 Medicaid health plans shall be given at least 60 days to dispute
16 and correct any discarded encounter data before rates are
17 certified. The department shall notify each contracting Medicaid
18 health plan of any encounter data that have not been accepted for
19 the purposes of rate setting.

20 Sec. 1812. By June 1 of the current fiscal year, and using the
21 most recent available cost reports, the department shall complete a
22 report of all direct and indirect costs associated with residency
23 training programs for each hospital that receives funds
24 appropriated in part 1 for graduate medical education or through
25 the MiDocs consortium. The report shall be submitted to the house
26 and senate appropriations subcommittees on the department budget,
27 the house and senate fiscal agencies, and the state budget office.

28 Sec. 1820. (1) In order to avoid duplication of efforts, the
29 department shall utilize applicable national accreditation review



1 criteria to determine compliance with corresponding state
2 requirements for Medicaid health plans that have been reviewed and
3 accredited by a national accrediting entity for health care
4 services.

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

8 (3) As used in this section, "national accrediting entity"
9 means the National Committee for Quality Assurance, the URAC,
10 formerly known as the Utilization Review Accreditation Commission,
11 or other appropriate entity, as approved by the department.

12 Sec. 1837. The department shall continue, and expand where
13 appropriate, utilization of telemedicine and telepsychiatry as
14 strategies to increase access to services for Medicaid recipients.

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

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

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

23 (c) The training of practitioners providing pediatric
24 psychiatry services.

25 Sec. 1850. The department may allow Medicaid health plans to
26 assist with maintaining eligibility through outreach activities to
27 ensure continuation of Medicaid eligibility and enrollment in
28 managed care. This may include mailings, telephone contact, or
29 face-to-face contact with beneficiaries enrolled in the individual



1 Medicaid health plan. Health plans may offer assistance in
2 completing paperwork for beneficiaries enrolled in their plan.

3 Sec. 1851. From the funds appropriated in part 1 for adult
4 home help services, the department shall allocate \$150,000.00 state
5 general fund/general purpose revenue plus any associated federal
6 match to develop and deploy a mobile electronic visit verification
7 solution to create administrative efficiencies, reduce error, and
8 minimize fraud. The development of the solution shall be predicated
9 on input from the results of the 2017 stakeholder survey.

10 Sec. 1852. (1) The department shall eliminate monthly
11 enrollment caps, remove card cut-off dates, and allow for the
12 program for all-inclusive care for the elderly (PACE) to provide
13 services at the time of signed enrollment agreement.

14 (2) The department shall identify and implement an alternative
15 payment authority that would reimburse PACE organizations for
16 services provided to a participant before the effective date of
17 enrollment on either a fee-for-service or capitated basis.

18 Sec. 1853. From the funds in part 1 for program of all-
19 inclusive care for the elderly (PACE), the department shall provide
20 1-time funding to help offset startup costs for new PACE programs
21 located in rural communities.

22 Sec. 1854. The funds appropriated in part 1 for program of
23 all-inclusive care for the elderly (PACE) must support a current
24 fiscal year enrollment cap that is not less than 7,288.

25 Sec. 1855. From the funds appropriated in part 1 for program
26 of all-inclusive care for the elderly (PACE), to the extent that
27 funding is available in the PACE line item and unused program slots
28 are available, the department may do the following:

29 (a) Increase the number of slots for an already-established



1 local PACE program if the local PACE program has provided
2 appropriate documentation to the department indicating its ability
3 to expand capacity to provide services to additional PACE clients.

4 (b) Suspend the 10 member per month individual PACE program
5 enrollment increase cap in order to allow unused and unobligated
6 slots to be allocated to address unmet demand for PACE services.

7 Sec. 1856. (1) From the funds appropriated in part 1 for
8 hospice services, \$3,318,000.00 shall be expended to provide room
9 and board for Medicaid recipients who meet hospice eligibility
10 requirements and receive services at Medicaid enrolled hospice
11 residences in this state. The department shall distribute funds
12 through grants based on the total beds located in all eligible
13 residences that have been providing these services as of October 1,
14 2017. Any eligible grant applicant may inform the department of
15 their request to reduce the grant amount allocated for their
16 residence and the funds shall be distributed proportionally to
17 increase the total grant amount of the remaining grant-eligible
18 residences. Grant amounts shall be paid out monthly with 1/12 of
19 the total grant amount distributed each month to the grantees.

20 (2) By September 15 of the current fiscal year, each Medicaid-
21 enrolled hospice with a residence that receives funds under this
22 section shall provide a report to the department on the utilization
23 of the grant funding provided in subsection (1). The report shall
24 be provided in a format prescribed by the department and shall
25 include the following:

26 (a) The number of patients served.

27 (b) The number of days served.

28 (c) The daily room and board rates for the patients served.

29 (d) If there is not sufficient funding to cover the total room



1 and board need, the number of patients who did not receive care due
2 to insufficient grant funding.

3 (3) If there is funding remaining at the end of the current
4 fiscal year, the Medicaid-enrolled hospice with a residence shall
5 return funding to the state.

6 Sec. 1857. By July 1 of the current fiscal year, the
7 department shall explore the implementation of a managed care long-
8 term support service.

9 Sec. 1858. By April 1 of the current fiscal year, the
10 department shall report to the senate and house appropriations
11 subcommittees on the department budget and the senate and house
12 fiscal agencies on all of the following elements related to the
13 current Medicaid pharmacy carve-out of pharmaceutical products as
14 provided for in section 109h of the social welfare act, 1939 PA
15 280, MCL 400.109h:

16 (a) The number of prescriptions paid by the department during
17 the previous fiscal year.

18 (b) The total amount of expenditures for prescriptions paid by
19 the department during the previous fiscal year.

20 (c) The number of and total expenditures for prescriptions
21 paid for by the department for generic equivalents during the
22 previous fiscal year.

23 Sec. 1859. The department shall partner with the Michigan
24 Association of Health Plans (MAHP) and Medicaid health plans to
25 develop and implement strategies for the use of information
26 technology services for Medicaid research activities. The
27 department shall make available state medical assistance program
28 data, including Medicaid behavioral data, to MAHP and Medicaid
29 health plans or any vendor considered qualified by the department



1 for the purpose of research activities consistent with this state's
2 goals of improving health; increasing the quality, reliability,
3 availability, and continuity of care; and reducing the cost of care
4 for the eligible population of Medicaid recipients.

5 Sec. 1860. By March 1 of the current fiscal year, the
6 department shall provide a report to the senate and house
7 appropriations subcommittees, the senate and house fiscal agencies,
8 and the state budget office on uncollected co-pays and premiums in
9 the Healthy Michigan plan. The report shall include information on
10 the number of participants who have not paid their co-pays and
11 premiums, the total amount of uncollected co-pays and premiums, and
12 steps taken by the department and health plans to ensure greater
13 collection of co-pays and premiums.

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

17 Sec. 1867. (1) The department shall continue a workgroup that
18 includes psychiatrists, other relevant prescribers, and pharmacists
19 to identify best practices and to develop a protocol for
20 psychotropic medications. Any changes proposed by the workgroup
21 shall protect a Medicaid beneficiary's current psychotropic
22 pharmaceutical treatment regimen by not requiring a physician
23 currently prescribing any treatment to alter or adjust that
24 treatment.

25 (2) By March 1 of the current fiscal year, the department
26 shall provide the workgroup's recommendations to the senate and
27 house appropriations subcommittees on the department budget, the
28 senate and house fiscal agencies, and the state budget office.

29 Sec. 1869. From the funds appropriated in part 1 for hospital



1 services and therapy, the department shall appropriate
2 \$3,000,000.00 in general fund/general purpose revenue and any
3 associated federal match to a community-based residency training
4 program, accredited by the Accreditation Council for Graduate
5 Medical Education (ACGME) and operated by community-based
6 organizations such as FQHCs, which operates from the local funds
7 appropriated in this section, to administer a community-based
8 residency training program. The funds appropriated in this section
9 may be allocated and administered on a local level to communities
10 with high disparities related to COVID-19 and high infant mortality
11 rates for community and public health-based training programs for
12 providers in family medicine. The community-based residency
13 training program shall have a particular emphasis on addressing
14 local psychiatric issues, local health disparities, and local
15 maternal child health issues. The department may secure federal
16 matching funds on local funds allocated in this section to serve
17 Medicaid and uninsured individuals through this community-based
18 residency training program.

19 Sec. 1870. (1) From the funds appropriated in part 1 for
20 hospital services and therapy, the department shall appropriate
21 \$6,400,000.00 in general fund/general purpose revenue plus any
22 contributions from public entities, up to \$5,000,000.00, and any
23 associated federal match to the MiDocs consortium to create new
24 primary care residency slots in underserved communities. The new
25 primary care residency slots must be in 1 of the following
26 specialties: family medicine, general internal medicine, general
27 pediatrics, general OB-GYN, psychiatry, or general surgery.

28 (2) The department shall seek any necessary approvals from CMS
29 to allow the department to implement the program described in this



1 section.

2 (3) Assistance with repayment of medical education loans, loan
3 interest payments, or scholarships provided by MiDocs shall be
4 contingent upon a minimum 2-year commitment to practice in an
5 underserved community in this state post-residency and an agreement
6 to forego any sub-specialty training for at least 2 years post-
7 residency with the exception of a child and adolescent psychiatry
8 fellowship which must be integrated with a psychiatry residency
9 training program in a MiDocs affiliated institution.

10 (4) The MiDocs shall work with the department to integrate the
11 Michigan inpatient psychiatric admissions discussion (MIPAD)
12 recommendations and, when possible, prioritize training
13 opportunities in state psychiatric hospitals and community mental
14 health organizations.

15 (5) The department shall maintain the MiDocs initiative
16 advisory council to help support implementation of the program
17 described in this section, and provide oversight. The advisory
18 council shall be composed of the MiDocs consortium, the Michigan
19 Area Health Education Centers, the Michigan Primary Care
20 Association, the Michigan Center for Rural Health, the Michigan
21 Academy of Family Physicians, and any other appointees designated
22 by the department.

23 (6) By September 1 of the current fiscal year, MiDocs shall
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, on the
27 following:

28 (a) Audited financial statement of per-resident costs.

29 (b) Education and clinical quality data.



1 (c) Roster of trainees, including areas of specialty and
2 locations of training.

3 (d) Medicaid revenue by training site.

4 (7) Outcomes and performance measures for this program
5 include, but are not limited to, the following:

6 (a) Increasing this state's ability to recruit, train, and
7 retain primary care physicians and other select specialty
8 physicians in underserved communities.

9 (b) Maximizing training opportunities with community health
10 centers, rural critical access hospitals, solo or group private
11 practice physician practices, schools, and other community-based
12 clinics, in addition to required rotations at inpatient hospitals.

13 (c) Increasing the number of residency slots for family
14 medicine, general internal medicine, general pediatrics, general
15 OB-GYN, psychiatry, and general surgery.

16 (8) Unexpended and unencumbered funds up to a maximum
17 \$6,400,000.00 in general fund/general purpose revenue plus any
18 contributions from public entities, up to \$5,000,000.00, and any
19 associated federal match remaining in accounts appropriated in part
20 1 for hospital services and therapy are designated as work project
21 appropriations, and any unencumbered or unallotted funds shall not
22 lapse at the end of the fiscal year and shall be available for
23 expenditures for the MiDocs consortium to create new primary care
24 residency slots in underserved communities under this section until
25 the work project has been completed. All of the following are in
26 compliance with section 451a(1) of the management and budget act,
27 1984 PA 431, MCL 18.1451a:

28 (a) The purpose of the work project is to fund the cost of the
29 MiDocs consortium to create new primary care residency slots in



underserved communities.

(b) The work project will be accomplished by contracting with the MiDocs consortium to oversee the creation of new primary care residency slots.

(c) The total estimated completion cost of the work project is \$20,200,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 1871. The funds appropriated in part 1 for the Healthy Michigan plan healthy behaviors incentives program shall only provide reductions in cost-sharing responsibilities and shall not include other financial rewards such as gift cards.

Sec. 1872. From the funds appropriated in part 1 for personal care services, the department shall maintain the monthly Medicaid personal care supplement paid to adult foster care facilities and homes for the aged that provide personal care services to Medicaid recipients in place during the previous fiscal year.

Sec. 1873. From the funds appropriated in part 1 for long-term care services, the department may allocate up to \$3,700,000.00 for the purpose of outreach and education to nursing home residents and the coordination of housing in order to move out of the facility. In addition, any funds appropriated shall be used for other quality improvement activities of the program. The department shall consider working with all relevant stakeholders to develop a plan for the ongoing sustainability of the nursing facility transition initiative.

Sec. 1874. The department shall ensure, in counties where program of all-inclusive care for the elderly or PACE services are available, that the program of all-inclusive care for the elderly (PACE) is included as an option in all options counseling and



1 enrollment brokering for aging services and managed care programs,
2 including, but not limited to, Area Agencies on Aging, centers for
3 independent living, and the MiChoice home and community-based
4 waiver. Such options counseling must include approved marketing and
5 discussion materials.

6 Sec. 1875. (1) The department and its contractual agents may
7 not subject Medicaid prescriptions to prior authorization
8 procedures during the current fiscal year if that drug is carved
9 out and is not subject to prior authorization procedures as of
10 January 22, 2021, and is generally recognized in a standard medical
11 reference or the American Psychiatric Association's Diagnostic and
12 Statistical Manual for the Treatment of a Psychiatric Disorder.

13 (2) The department and its contractual agents may not subject
14 Medicaid prescriptions to prior authorization procedures during the
15 current fiscal year if that drug is carved out or is not subject to
16 prior authorization procedures as of January 22, 2021 and is a
17 prescription drug that is generally recognized in a standard
18 medical reference for the treatment of human immunodeficiency virus
19 or acquired immunodeficiency syndrome, epilepsy or seizure
20 disorder, organ replacement therapy, or is a prescription drug that
21 is orally administered and approved by the United States Food and
22 Drug Administration for the treatment of Duchenne Muscular
23 Dystrophy.

24 (3) As used in this section, "prior authorization" means a
25 process implemented by the department or its contractual agents
26 that conditions, delays, or denies delivery of particular pharmacy
27 services to Medicaid beneficiaries upon application of
28 predetermined criteria by the department or its contractual agents
29 to those pharmacy services. The process of prior authorization



1 often requires that a prescriber do 1 or both of the following:

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

4 (b) Verify to the department or its contractual agents that
5 the use of a drug prescribed for an individual meets predetermined
6 criteria from the department or its contractual agents for a
7 prescription drug that is otherwise available under the Medicaid
8 program in this state.

9 Sec. 1879. (1) The department shall maintain a single,
10 standard preferred drug list to be used by all contracted Medicaid
11 managed health care programs. Changes to the preferred drug list
12 shall be made in consultation with all contracted managed health
13 care programs and the Michigan pharmacy and therapeutics committee
14 to ensure sufficient access to medically necessary drugs for each
15 disease state. The department has final authority over the list and
16 shall design the list to ensure access to clinically effective and
17 appropriate drug therapies and maximize federal rebates and
18 supplemental rebates.

19 (2) By July 15 of the current fiscal year, the department
20 shall submit a report to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies, the senate and house policy offices, and the state budget
23 office that compares the managed care pharmacy expenditures,
24 utilization, and rebates before implementing a single, standard
25 preferred drug list to managed care pharmacy expenditures,
26 utilization, and rebates after implementing a single, standard
27 preferred drug list. The report shall include data on collected
28 rebates, pharmacy utilization, and expenditures by quarter for at
29 least 8 quarters before implementing a single, standard preferred



1 drug list, and the experienced rebates, pharmacy utilization, and
2 expenditures for at least 10 quarters, and the projected rebates,
3 pharmacy utilization, and expenditures for quarters 11 through 16
4 after implementing a single, standard preferred drug list. The data
5 shall be aggregated by the department so as not to disclose the
6 proprietary or confidential drug-specific information, or the
7 proprietary or confidential information that directly or indirectly
8 identifies financial information linked to a single manufacturer.

9 Sec. 1881. The managed care capitation rates for the fiscal
10 year ending September 30, 2023 shall not include a 2-way risk
11 corridor.

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

19 Sec. 1894. By March 1 of the current fiscal year, the
20 department shall report to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies, the senate and house policy offices, and the state budget
23 office on the Healthy Kids Dental program. The report shall
24 include, but is not limited to, the following:

25 (a) The number of children enrolled in the Healthy Kids Dental
26 program who visited the dentist during the previous fiscal year
27 broken down by dental benefit manager.

28 (b) The number of dentists who accept payment from the Healthy
29 Kids Dental program broken down by dental benefit manager.



1 (c) The annual change in dental utilization of children
 2 enrolled in the Healthy Kids Dental program broken down by dental
 3 benefit manager.

4 (d) Service expenditures for the Healthy Kids Dental program
 5 broken down by dental benefit manager.

6 (e) Administrative expenditures for the Healthy Kids Dental
 7 program broken down by dental benefit manager.

8 Sec. 1895. From the funds appropriated in part 1 for long-term
 9 care services, the department shall adjust the variable cost
 10 component (VCC) and plant cost component of Medicaid reimbursement
 11 to class I, class III, and class IV nursing home providers as
 12 follows:

13 (a) An interim VCC rate and plant cost component rate for each
 14 facility must be established at 102.5% of the interim rate provided
 15 on October 1 of the previous fiscal year.

16 (b) The quality assurance supplement (QAS) amount will be
 17 calculated for nursing home providers using the following factors:

18 (i) For class I providers, the QAS must be based on the updated
 19 interim VCC for this fiscal year multiplied by 21.76%.

20 (ii) For governmental class III providers, the QAS must be
 21 subject to the class I updated variable cost limit (VCL).

22 (iii) For nongovernmental class III providers, the QAS must be
 23 based on their VCC or VCL, as applicable, multiplied by 21.76%.

24 (c) The department shall audit the final 2023 VCC and plant
 25 costs to establish the final audited rate provided to facilities
 26 for services provided in the current fiscal year.

27 28 **INFORMATION TECHNOLOGY**

29 Sec. 1901. (1) The department shall provide a report on a



1 quarterly basis to the senate and house appropriations
2 subcommittees on the department budget, the senate and house fiscal
3 agencies, the senate and house policy offices, and the state budget
4 office on all of the following information:

5 (a) The process used to define requests for proposals for each
6 expansion of information technology projects, including timelines,
7 project milestones, and intended outcomes.

8 (b) If the department decides not to contract the services out
9 to design and implement each element of the information technology
10 expansion, the department's own project plan that includes, at a
11 minimum, the requirements in subdivision (a).

12 (c) A recommended project management plan with milestones and
13 time frames.

14 (d) The proposed benefits from implementing the information
15 technology expansion, including customer service improvement, form
16 reductions, potential time savings, caseload reduction, and return
17 on investment.

18 (e) Details on the implementation of the integrated service
19 delivery project, and the progress toward meeting the outcomes and
20 performance measures listed in section 1904(2) of this part.

21 (f) A list of projects approved in the previous quarter and
22 the purpose for approving each project including any federal,
23 state, court, or legislative requirement for each project.

24 (2) Once an award for an expansion of information technology
25 is made, the department shall report to the senate and house
26 appropriations subcommittees on the department budget, the senate
27 and house fiscal agencies, the senate and house policy offices, and
28 the state budget office a projected cost of the expansion broken
29 down by use and type of expense.



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 (3) By July 1 of the current fiscal year, the department shall
21 submit to the house and senate appropriations subcommittees on the
22 department budget, the house and senate fiscal agencies, and the
23 house and senate policy offices a report on the department's
24 efforts and recommendations to develop and implement a simpler and
25 more streamlined process for the annual renewal of the licenses for
26 family foster care homes, and the development of a simpler and more
27 efficient version of the application form for renewal of the
28 licenses for family foster care homes.

29 Sec. 1904. (1) From the funds appropriated in part 1 for the



1 Bridges information system line item, the department shall maintain
2 information technology tools and enhance existing systems to
3 improve the eligibility and enrollment process for citizens
4 accessing department administered programs. This information
5 technology system shall consolidate beneficiary information,
6 support department caseworker efforts in building a success plan
7 for beneficiaries, and better support department staff in
8 supporting enrollees in assistance programs.

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

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

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

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

18 (d) A reduction in department caseworker workload.

19 Sec. 1905. (1) The department shall report on a quarterly
20 basis to the chairs of the senate and house standing committees on
21 appropriations, the senate and house appropriations subcommittees
22 on the department budget, the senate and house appropriations
23 subcommittees on the general government budget, the senate and
24 house fiscal agencies, the senate and house policy offices, and the
25 state budget office on all of the following:

26 (a) Fiscal year-to-date information technology spending for
27 the current fiscal year by service and project and by line-item
28 appropriation.

29 (b) Planned information technology spending for the remainder



1 of the current fiscal year by service and project and by line-item
2 appropriation.

3 (c) Total fiscal year-to-date information technology spending
4 and planned spending for the current fiscal year by service and
5 project and by line-item appropriation.

6 (d) A list of all information technology projects estimated to
7 cost more than \$250,000.00 that exceed their allotted budget as
8 well as all information technology projects that have exceeded
9 their allotted budget by 25% or more.

10 (2) As used in subsection (1), "project" includes, but is not
11 limited to, all of the following major projects:

12 (a) Community health automated Medicaid processing system
13 (CHAMPS).

14 (b) Bridges and MiBridges eligibility determination.

15 (c) MiSACWIS.

16 (d) Integrated service delivery.

17 (3) The department shall develop a strategic plan for
18 information technology services and projects for the department.
19 The strategic plan shall identify any scheduled changes in the
20 federal and state shares of costs related to information technology
21 services and projects over the 5-year period. As part of the
22 strategic plan, the department shall include total information
23 technology expenditures from the previous fiscal year by fund
24 source and total information technology appropriations as a
25 percentage of total department appropriations by fund source, by
26 completed project, for all information technology expenditures in
27 the previous fiscal year. All projects beginning after October 1,
28 2021 will follow department of management and budget benefits
29 realization methodology, for reporting when completed in a future



1 fiscal year's report. The strategic plan shall also develop
2 benchmarks for comparison that include, for the previous 5 fiscal
3 years, the department's information technology spending compared to
4 the spending in the areas of public health, Medicaid, child
5 protective services, child welfare, family and social services,
6 human services, and child support enforcement for similar
7 departments in 3 other states located in the Midwest.

8 Sec. 1907. By October 1 and March 1 of the current fiscal
9 year, the department shall report to the house and senate
10 appropriations subcommittees on the department budget, the house
11 and senate fiscal agencies, the house and senate policy offices,
12 and the state budget office on all current, contracted information
13 technology-related projects, total contractual costs, spending in
14 previous fiscal years, planned spending for the current fiscal
15 year, and fiscal year-to-date spending, by project.

16 Sec. 1909. (1) From the funds appropriated in part 1 for child
17 support automation, the department shall only encumber or expend
18 funds for the operation, maintenance, and improvements of the
19 Michigan child support enforcement system (MiCSES).

20 (2) From the funds appropriated in part 1 for bridges
21 information system, the department shall only encumber or expend
22 funds for the operation, maintenance, and improvements of Bridges
23 and MIBridges.

24 (3) From the funds appropriated in part 1 for Michigan
25 Medicaid information system, the department shall only encumber or
26 expend funds for the operation, maintenance, and improvements of
27 the community health automated Medicaid processing system (CHAMPS).

28 (4) From the funds appropriated in part 1 for Michigan
29 statewide automated child welfare information system, the



1 department shall only encumber or expend funds for the operation,
2 maintenance, and improvements of MiSACWIS.

3 (5) From the funds appropriated in part 1 for comprehensive
4 child welfare information system, the department shall only
5 encumber or expend funds for the operation, maintenance, and
6 improvements to the comprehensive child welfare information system.

7 (6) From the funds appropriated in part 1 for comprehensive
8 child welfare information system, the department shall allocate
9 \$3,762,200.00 to develop a new information system to replace
10 MiSACWIS consistent with the plan provided by the department to the
11 United States District Court for Eastern District of Michigan as a
12 part of the settlement. The development of the comprehensive child
13 welfare information system shall adhere to department of
14 technology, management, and budget and IT Investment Fund (ITIF)
15 policies and practices, including use of the state unified
16 information technology environment methodology and agile
17 development. The project team shall also participate in and comply
18 with the enterprise portfolio management office process and product
19 quality assurance. To ensure full transparency, the project shall
20 be included in the ITIF portfolio for executive, legislative, and
21 external reporting purposes. As a component of the ITIF portfolio,
22 the project is subject to governance and oversight by the IT
23 investment management board.

24 Sec. 1910. (1) From the funds appropriated in part 1,
25 \$286,859,200.00 is appropriated for information technology services
26 and projects including:

27 (a) \$63,867,200.00 for bridges information system.

28 (b) \$21,543,500.00 for Michigan statewide automated child
29 welfare information system.



1 (c) \$137,882,200.00 for Michigan Medicaid information system.

2 (d) \$43,819,500.00 for child support automation.

3 (e) \$15,984,600.00 for technology supporting integrated
4 service delivery.

5 (f) \$3,762,200.00 for comprehensive child welfare information
6 system.

7 (2) For all expenditures of funds appropriated in subsection
8 (1), the department shall report to the senate and house
9 appropriations subcommittees on the department budget, the senate
10 and house fiscal agencies, and the senate and house policy offices
11 by April 1 of the current fiscal year total information technology
12 expenditures from the previous fiscal year and all information
13 technology expenditures made under an agile software development
14 plan from the previous fiscal year with details on the agile
15 software implementation.

16 (3) From the funds appropriated as described in subsection
17 (1)(f) for comprehensive child welfare information system, this
18 state shall be the owner of any software purchased or developed
19 from the expenditures made under this subsection or it shall be
20 committed to the public domain.

21 (4) From the funds appropriated as described in subsection
22 (1)(f) for comprehensive child welfare information system,
23 \$1,000,000.00 of these funds shall be used by the department to
24 choose a product owner that will implement a user-centered design
25 that includes user stories into the development of a comprehensive
26 child welfare information system. The department shall report by
27 March 1 of the current fiscal year to the senate and house
28 appropriations subcommittees on the department budget, the senate
29 and house fiscal agencies, and the senate and house policy offices



1 on the selection of a product owner for the comprehensive child
2 welfare information system.

3 (5) From the funds appropriated as described in subsection
4 (1)(f) for comprehensive child welfare information system,
5 \$1,000,000.00 of these funds shall be used by the department to
6 provide updates as requested by the chairs of the house and senate
7 appropriations committees or the chairs of the house and senate
8 appropriations subcommittees on the department budget. Information
9 updates provided by the department, upon request, shall also be
10 accessible to the house and senate fiscal agencies, the house and
11 senate policy offices, and the state budget office on the status of
12 the work completed to date. The updates shall include
13 demonstrations of the completed work during the sprint period.
14 During these demonstrations, the department shall provide a quality
15 assessment surveillance plan as shown in appendix B of "De-risking
16 custom technology projects" from the United States General Services
17 Administration. At each demonstration, the department shall
18 validate which user stories have been included into the software
19 development and the remaining user stories that will be included
20 into the product.

21 (6) As used in this section:

22 (a) "Agile software development" means the use of development
23 methodologies using iterative development with work completed by
24 cross-functional teams of software development.

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



1 (c) "User-centered design" means software development that
2 places the highest priority on the needs of the specific people who
3 are expected to use the software.

4 (d) "User stories" means a task that the agile software
5 development team will focus on over a given 2-week development
6 period and includes clearly labeled progress toward meeting the
7 needs of the end users.

8
9 **ONE-TIME APPROPRIATIONS**

10 Sec. 1950. From the funds appropriated in part 1 for ride-to-
11 work program, the department shall allocate \$1,000,000.00 to a
12 transportation agency to reduce transportation barriers to
13 employment and expand service area under 49 USC 5310. In order to
14 be eligible for the funding under this section, the entity must be
15 located in a city with a population between 60,000 and 175,000
16 according to the most recent federal decennial census in a county
17 with a population between 450,000 and 850,000 according to the most
18 recent federal decennial census and utilize the dispatching system
19 of a nonprofit, community-based organization organized under the
20 laws of this state that is exempt from federal income tax under
21 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
22 located in the same county.

23 Sec. 1951. From the funds appropriated in part 1 for program
24 of all-inclusive care for the elderly pandemic relief, the
25 department of health and human services shall provide a 1-time rate
26 increase of 15.0% to each PACE program to cover the increase in
27 health care costs related to the COVID pandemic.

28 Sec. 1952. From the funds appropriated in part 1 for former
29 foster youth transition program grant, the department shall



1 allocate \$1,500,000.00 to fund a project with a nonprofit,
2 community-based organization organized under the laws of this state
3 that is exempt from federal income tax under section 501(c)(3) of
4 the internal revenue code of 1986, 26 USC 501, located in a county
5 with a population between 120,000 and 121,000 according to the most
6 recent federal decennial census. The nonprofit organization
7 recipient's purpose must be to find loving, adoptive homes for
8 older foster children before they age out of the child welfare
9 system. The nonprofit organization shall use the funds for
10 necessary capital costs to convert, restore, or otherwise modify an
11 existing structure into a habitable residential space for former or
12 current children in foster care.

13 Sec. 1953. (1) From the funds appropriated in part 1 for
14 hospital improvement grant, the department shall appropriate
15 \$6,600,000.00 to a hospital located in a village with a population
16 between 250 and 1,000 within a county with a population between
17 66,100 and 66,800, according to the most recent federal decennial
18 census, for physical and financial improvements. Funding in this
19 section shall be paid to the qualifying hospital within 30 days of
20 the effective date of this act.

21 (2) From the funds appropriated in subsection (1),
22 \$1,600,000.00 must be utilized to expand diagnostic imaging
23 services, including those aimed at expanding access to women's
24 breast health services, and assistance with costs associated with
25 state regulatory programs intended to ensure only needed services
26 are developed in this state.

27 Sec. 1955. From the funds appropriated in part 1 for
28 alternative payment model pilot program, the department shall
29 allocate \$3,400,000.00 to a clinically integrated network located



1 in a county with a population of between 170,000 and 180,000
2 according to the most recent federal decennial census in order to
3 create a pilot program for an alternative payment model with a
4 clinically integrated network, a health plan, and a FQHC located in
5 a county with a population of between 170,000 and 180,000 according
6 to the most recent federal decennial census. The clinically
7 integrated network and the health plan shall work with the FQHC to
8 operate a primary care health hub to support a Medicaid accountable
9 care organization created by the health plan. The funding provided
10 to the pilot program must be used to provide behavioral health
11 services, operate a mobile health unit, offer access to more
12 nutritious food and health education, provide maternal health and
13 support, purchase equipment or make capital improvements to support
14 enhanced health outcomes, purchase or develop health care related
15 information technology, and offer supplies or programming to assist
16 with addressing the social determinants of health.

17 Sec. 1956. From the funds appropriated in part 1 for healthy
18 communities grant, \$1,000,000.00 shall be allocated for a 1-time
19 grant to Leaders Advancing and Helping Communities to establish a
20 food pantry and kitchen.

21 Sec. 1959. From the funds appropriated in part 1 for substance
22 abuse community and school outreach, the department shall allocate
23 \$500,000.00 to a coalition located in a county with a population of
24 at least 1,500,000 according to the most recent federal decennial
25 census with an aim to lead and support communities to dispel the
26 myths and stigmas about drug addiction through public education,
27 sharing stories of recovery, partnering with local and state
28 leaders, creating positive social changes, and providing recovery
29 support services for those in need.



1 Sec. 1961. (1) From the funds appropriated in part 1 for jail
2 diversion fund, the department shall allocate \$10,000,000.00 to
3 support the jail diversion fund created by section 207c of the
4 mental health code, 1974 PA 258, MCL 330.1207c.

5 (2) The department shall distribute grants from the jail
6 diversion fund in accordance with sections 207d to 207f of the
7 mental health code, 1974 PA 258, MCL 330.1207d to 330.1207f.

8 Sec. 1962. From the funds appropriated in part 1 for rural
9 independent primary care initiative grants, the department shall
10 allocate \$7,624,000.00 to create the financial capital necessary to
11 ensure the sustainable operation of physician practices in
12 medically underserved areas. The funding must only be awarded in
13 counties with a population of fewer than 40,000 according to the
14 most recent federal decennial census. No more than \$500,000.00 must
15 be awarded in a county in which an award is made. The grants shall
16 be used to ensure the sustainable operation of physician practices
17 in medically underserved areas by funding strategic improvements
18 and investing in infrastructure needs necessary to serve
19 communities that are at risk of losing medical care or are
20 designated as health care shortage areas.

21 Sec. 1963. From the funds appropriated in part 1 for Great
22 Lakes Recovery Centers, the department shall allocate a grant of
23 \$250,000.00 to a CARF accredited agency that specializes in
24 substance abuse and mental health treatment through certified
25 counselors and licensed professionals across the Upper Peninsula
26 for costs related to men's residential treatment and transition
27 housing and women's transition housing.

28 Sec. 1964. From the funds appropriated in part 1 for crisis
29 stabilization services and behavioral healthcare, the department



1 shall allocate \$5,000,000.00 to a nonprofit healthcare system to
2 improve access to behavioral healthcare services, including crisis
3 stabilization and treatment capabilities, in the community. The
4 nonprofit healthcare system may partner with community
5 organizations as necessary. In order to be eligible for the funding
6 under this section, the healthcare system must be based in a city
7 with a population between 15,000 and 20,000 according to the most
8 recent federal decennial census and located in a county with a
9 population between 89,000 and 99,000 according to the most recent
10 federal decennial census and have a stated mission of working
11 together to provide superior quality care and promote community
12 health.

13 Sec. 1965. From the funds appropriated in part 1 for
14 supplemental payments to private child caring institutions,
15 \$15,000,000.00 shall be awarded as a supplemental payment
16 adjustment to contracted child caring institutions for abuse,
17 neglect, and juvenile justice services to address the economic
18 impact of the COVID-19 public health emergency.

19 Sec. 1966. From the funds appropriated in part 1 for community
20 house capital grant, the department shall allocate \$5,000,000.00 to
21 renovate an existing site as well as expand affordable senior
22 housing and child care options in a city with a population between
23 80,000 and 200,000 according to the most recent federal decennial
24 census in a county with a population between 450,000 and 850,000
25 according to the most recent federal decennial census. To be
26 eligible for the funding in this section, the entity must be a
27 nonprofit, community-based organization organized under the laws of
28 this state that is exempt from federal income tax under section
29 501(c) (3) of the internal revenue code of 1986, 26 USC 501,



1 established in 1902 with a mission statement of increasing the
2 ability of children, youth, adults, and families to succeed in a
3 diverse community.

4 Sec. 1967. By September 30 of the current fiscal year, the
5 department shall work with FQHCs to develop and seek any
6 appropriate federal approvals to implement an alternative payment
7 methodology (APM) for FQHCs in the medical assistance program and
8 Healthy Michigan plan as authorized in 42 USC 1396a(bb)(6). The
9 statewide APM must utilize a population-based payment model and
10 must not utilize volume-based payments for patient visits with
11 licensed independent practitioners. The population-based payment
12 model must do all of the following:

13 (a) Encourage the use of a multidisciplinary healthcare team,
14 including both licensed and lay members of the healthcare
15 workforce.

16 (b) Provide flexibility to implement innovative healthcare
17 delivery practices and transform services as the evidence base for
18 various services evolves.

19 (c) Support a variety of in-person and virtual connection
20 options between patients and their healthcare team.

21 (d) Assess quality of care and health outcomes using a
22 reasonable set of measures, and reward quality and health outcome
23 improvement.

24 (e) Align with the department's APM goals and strategies for
25 health plans serving in the medical assistance program and Healthy
26 Michigan plan, and promote health plan payment coordination with
27 the FQHC APM.

28 (f) Represent an administratively simpler payment approach.

29 Sec. 1968. From the funds appropriated in part 1 for Upper



1 Peninsula robotic spinal surgery capital cost grant, the department
2 shall allocate \$2,000,000.00 to a health system that operates
3 multiple facilities located in a county with a population between
4 10,500 and 11,000 according to the most recent federal decennial
5 census to acquire spinal surgery robotic equipment and the
6 associated initial calibration, repair, and service costs.

7 Sec. 1969. From the funds appropriated in part 1 emergency
8 homeless shelter repair and services grant, the department shall
9 allocate \$1,000,000.00 to a nonprofit, community-based organization
10 organized under the laws of this state that is exempt from federal
11 income tax under section 501(c)(3) of the internal revenue code of
12 1986, 26 USC 501, located in a city with a population between
13 639,000 and 650,000 according to the most recent federal decennial
14 census. In order to be eligible for the funding under this section,
15 the entity must use the grant to make capital and infrastructure
16 repairs to structures in order to convert the structures into
17 emergency homeless shelters for women and children and shelters for
18 individuals who are parolees from the department of corrections.

19 Sec. 1971. (1) From the funds appropriated in part 1 for
20 injury control intervention - traumatic brain injury, \$5,000,000.00
21 shall be allocated for implementation of evidence-based, real-time,
22 quality assurance decision support software in the treatment of
23 traumatic brain injury and for protocols that are to be available
24 to all hospitals providing those trauma services. The funds shall
25 be used to purchase statewide licenses for traumatic brain injury
26 treatment software and related software services and to offset
27 hospital software integration costs. The statewide licenses for
28 software and related services must be purchased from the same
29 entity from which such statewide licenses and software services



1 were purchased, using funding from the injury control intervention
2 project line item appropriated in section 116 of article X of 2018
3 PA 207 and referenced in section 1228 of article X of 2018 PA 207,
4 in fiscal year 2018-2019. The department shall seek federal
5 matching funds that may be available for implementation of this
6 section.

7 (2) Funds appropriated for injury control intervention -
8 traumatic brain injury shall be considered work project funds and
9 shall not lapse at the close of the fiscal year and shall be
10 available for expenditures for projects under this section until
11 the projects have been completed. The following is in compliance
12 with section 451a(1) of the management and budget act, 1984 PA 431,
13 MCL 18.1451a:

14 (a) The purpose of the work project is to provide funding for
15 purchase of software to support treatment of traumatic brain injury
16 cases.

17 (b) The projects will be accomplished by allocations to
18 support implementation of support software.

19 (c) The total estimated cost of the work project is
20 \$5,000,000.00.

21 (d) The tentative completion date is September 30, 2026.

22 Sec. 1972. From the funds appropriated in part 1 for pediatric
23 hospital support grant, the department shall allocate \$100.00 to a
24 hospital located in a county with a population over 1,500,000
25 according to the most recent federal decennial census, with
26 Medicaid eligible patient volumes that are 50% or higher, and which
27 has a level 1 verified pediatric trauma center and a verified
28 pediatric burn center. These funds shall be used to compensate for
29 operational losses caused by the coronavirus pandemic not yet paid



1 by other forms of support. These funds shall be used to provide
2 trauma services, hire replacement nursing and ancillary staff,
3 place registered nurse graduate hires, provide individuals age 2
4 and younger with early autism access to care, provide behavioral
5 health services for the pediatric population, and to provide
6 community outreach and education for trauma, burn, and injury.

