

# HOUSE BILL No. 5448

## EXECUTIVE BUDGET BILL

March 8, 1988, Introduced by Reps. Jacobetti and Hollister and referred to the Committee on Appropriations.

A bill to make appropriations for the department of social services for the fiscal year ending September 30, 1989; and to provide for the expenditure of the appropriations.

### THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. There is appropriated for the department of social services for  
2       the fiscal year ending September 30, 1989, the following amounts:

3       DEPARTMENT OF SOCIAL SERVICES

4       APPROPRIATIONS SUMMARY:

5       Full-time equated classified positions.....12,941.9

6       Full-time equated unclassified positions.....6.0

7       GROSS APPROPRIATION.....\$4,281,752,900

8       Total interdepartmental grants..... 737,700

1	ADJUSTED GROSS APPROPRIATION.....	\$4,281,015,200
2	Total federal revenues.....	\$1,983,543,200
3	Total local revenues.....	45,322,200
4	Total private revenues.....	155,397,600
5	Total other state restricted revenues.....	11,405,400
6	State general fund/general purpose.....	\$2,085,346,800
7	EXECUTIVE OPERATIONS	
8	Full-time equated unclassified positions.....	6.0
9	Full-time equated classified positions.....	1,152.2
10	Director.....	\$ 80,300
11	Unclassified salaries.....	299,200
12	Salaries and wages--1,121.2 FTE positions.....	38,950,700
13	Contractual services, supplies, and materials.....	5,767,600
14	Pilot projects.....	100,000
15	Demonstration projects.....	2,500,000
16	Health and welfare data center equipment.....	9,304,100
17	Office automation expansion--31.0 FTE positions.....	1,250,100
18	Inspector general contracts.....	1,436,800
19	GROSS APPROPRIATION.....	\$ 59,688,800
20	Appropriated from:	
21	IDG-ADP user fees.....	371,900
22	IV-D.....	612,997
23	IV-E administration.....	849,078
24	IV-A.....	6,507,229
25	XIX.....	9,486,497
26	XX.....	8,088,730

1	IV-B.....	\$	191,558
2	Food stamps.....		5,168,906
3	WIN-DEMO.....		38,883
4	LIEAP.....		782,701
5	Refugee.....		95,460
6	Demo projects.....		1,417,761
7	Private funds.....		896,300
8	State general fund/general purpose.....	\$	25,180,800
9	EMPLOYMENT REDUCTION		
10	Full-time equated classified positions.....	(554.0)	
11	Personnel savings.....	\$	(22,815,900)
12	Minimum FTE positions in above line.....	(554.0)	
13	GROSS APPROPRIATION.....	\$	(22,815,900)
14	Appropriated from:		
15	IV-E administration.....		(818,459)
16	IV-A.....		(3,176,914)
17	XIX.....		(5,169,216)
18	Food stamps.....		(1,604,611)
19	State general fund/general purpose.....	\$	(12,046,700)
20	CENTRAL SUPPORT ACCOUNTS		
21	Longevity and insurance.....	\$	45,720,700
22	Retirement.....		52,335,700
23	Rent.....		26,510,700
24	Travel.....		4,627,500
25	Equipment.....		2,316,600
26	Worker's compensation.....		2,085,500

1	Separation cost.....	\$ 2,186,400
2	Advisory commissions.....	19,900
3	GROSS APPROPRIATION.....	\$ 135,803,000
4	Appropriated from:	
5	IV-D.....	2,714,031
6	IV-E administration.....	3,181,282
7	IV-A.....	17,847,489
8	XIX.....	13,995,393
9	XX.....	22,298,470
10	IV-B.....	2,053,442
11	Food stamps.....	9,307,855
12	LIEAP.....	193,452
13	Refugee.....	99,463
14	Demo projects.....	8,423
15	State general fund/general purpose.....	\$ 64,103,700
16	MEDICAL SERVICES ADMINISTRATION	
17	Full-time equated classified positions.....	552.3
18	Salaries and wages--544.3 FTE positions.....	\$ 17,614,600
19	Contractual services, supplies, and materials.....	6,778,300
20	Wayne county PPSP staff--8.0 FTE positions.....	240,700
21	Data processing contractual services.....	4,049,100
22	Health care access project.....	472,600
23	Medical review and nursing evaluations contract-department	
24	of public health.....	240,000
25	Prior authorization and utilization review	
26	contract-department of mental health.....	183,600

1	GROSS APPROPRIATION.....	\$ 29,578,900
2	Appropriated from:	
3	XIX.....	18,719,700
4	Private funds.....	260,800
5	State general fund/general purpose.....	\$ 10,598,400
6	INCOME AND SUPPORTIVE SERVICES ADMINISTRATION	
7	Full-time equated classified positions.....	332.1
8	Salaries and wages--313.1 FTE positions.....	\$ 10,717,700
9	Contractual services, supplies, and materials.....	4,790,700
10	Child support enforcement system--2.0 FTE positions.....	9,540,800
11	Child support incentive payments.....	25,065,600
12	Legal support contracts.....	37,539,500
13	State incentive payments.....	3,043,700
14	Food stamp issuance.....	4,366,000
15	Adult home help.....	84,133,800
16	Social services to the physically disabled.....	648,400
17	Refugee assistance program--17.0 FTE positions.....	6,455,600
18	Immigration legalization assistance program.....	2,000,000
19	Michigan opportunity and skills training.....	18,355,900
20	High school completion project.....	1,900,000
21	GROSS APPROPRIATION.....	\$ 208,557,700
22	Appropriated from:	
23	IV-D.....	49,199,300
24	IV-E administration.....	122,500
25	IV-A.....	39,539,500
26	XIX.....	28,497,300

1	XX.....	\$	14,200,300
2	IV-B.....		67,100
3	Food stamps.....		8,876,000
4	WIN-DEMO.....		235,400
5	LIEAP.....		68,900
6	Refugee.....		6,745,700
7	SLIAG.....		2,000,000
8	State general fund/general purpose.....	\$	59,005,700
9	OFFICE OF CHILDREN AND YOUTH SERVICES		
10	Full-time equated classified positions.....		1,546.7
11	Salaries and wages--61.1 FTE positions.....	\$	2,429,100
12	Family and children's services, salaries and wages--1,431.6		
13	FTE positions.....		45,144,200
14	Contractual services, supplies, and materials.....		1,618,400
15	Community centers--54.0 FTE positions.....		2,793,500
16	Delinquency prevention and treatment projects.....		6,085,800
17	Intercountry adoptions contracts.....		562,000
18	Delinquency project improvement.....		1,538,500
19	County juvenile officers.....		2,830,700
20	Foster care payments.....		134,878,800
21	Adoption subsidies.....		27,074,500
22	Child care fund.....		31,940,700
23	Children's benefit fund donations.....		21,000
24	Domestic violence prevention and treatment.....		3,136,600
25	Day care payments.....		14,812,800
26	Coordinated child care council's purchased day care		

1	services.....	\$ 752,700
2	Teenage parent counseling.....	2,245,400
3	Family preservation services.....	4,605,400
4	Interstate compact.....	132,200
5	Child abuse and neglect programming.....	6,691,300
6	Dependent care grant.....	100,000
7	Privately funded activities.....	500,000
8	Black child and family institute.....	100,000
9	GROSS APPROPRIATION.....	\$ 289,993,600
10	Appropriated from:	
11	IDG-department of education.....	25,000
12	IV-E administration.....	9,957,700
13	IV-E adoption.....	9,197,200
14	IV-E foster care.....	39,297,400
15	IV-A.....	72,700
16	XIX.....	242,400
17	XX.....	38,349,300
18	IV-B.....	5,104,100
19	Food stamps.....	99,800
20	WIN-DEMO.....	236,700
21	LIEAP.....	72,800
22	JJDP.....	1,550,000
23	Dependent care block grant-HHS.....	75,000
24	Private-children's benefit fund donations.....	21,000
25	Private-intercountry adoption agency contribution.....	562,000
26	Private-parent collections.....	2,112,500

1	Private-foundation funds.....	\$ 1,500,000
2	Local funds - county payback.....	11,819,100
3	State general fund/general purpose.....	\$ 169,698,900
4	FAMILY PRESERVATION & DIVERSION SAVINGS	
5	Savings due to diversion.....	\$ (6,000,000)
6	GROSS APPROPRIATION.....	\$ (6,000,000)
7	Appropriated from:	
8	Total local.....	(1,000,000)
9	State general fund/general purpose.....	\$ (5,000,000)
10	RESIDENTIAL CARE DIVISION	
11	Full-time equated classified positions.....	1,044.0
12	Salaries and wages--733.0 FTE positions.....	\$ 24,242,800
13	Longevity and insurance.....	2,955,500
14	Contractual services, supplies, and materials.....	3,941,600
15	Fuel and utilities.....	1,260,800
16	Retirement.....	3,615,800
17	Travel.....	262,500
18	Equipment.....	178,400
19	Maintenance operating projects.....	757,800
20	Genesee county detention facility--145.0 FTE positions.....	7,112,600
21	Community residential care programs--128.0 FTE positions...	5,747,500
22	Federally funded activities--20.0 FTE positions.....	1,011,100
23	W.J. Maxey memorial fund.....	45,000
24	Regional detention services--13.0 FTE positions.....	1,052,300
25	Family involvement project--5.0 FTE positions.....	369,800
26	GROSS APPROPRIATION.....	\$ 52,553,500



1	Appropriated from:	
2	IV-E administration.....	\$ 344,500
3	JJDP.....	121,200
4	ECIA.....	1,011,100
5	School lunch.....	651,100
6	Private funds.....	45,000
7	Local funds - county payback.....	24,556,100
8	State general fund/general purpose.....	\$ 25,824,500
9	ASSISTANCE PAYMENTS, SERVICES, AND CLERICAL FIELD STAFF	
10	Full-time equated classified positions.....	8,868.6
11	Field Services, salaries and wages--184.0 FTE positions....	\$ 9,813,300
12	County clerical support, salaries and wages--2,892.0 FTE	
13	positions.....	69,392,500
14	Assistance payments, salaries and wages--4,087.1 FTE	
15	positions.....	117,376,600
16	Adult services, salaries and wages--1,144.5 FTE positions..	35,984,800
17	Error and fraud reduction project--350.0 FTE positions.....	12,621,400
18	Contractual services, supplies, and materials.....	19,439,800
19	Donated funds projects.....	1,892,000
20	Donated funds staffing--41.0 FTE positions.....	1,167,800
21	Volunteer services--81.0 FTE positions.....	2,683,100
22	Volunteer reimbursement.....	1,874,800
23	SSI advocacy program--39.0 FTE positions.....	1,748,700
24	Training and staff development--50.0 FTE positions.....	2,171,400
25	GROSS APPROPRIATION.....	\$ 276,166,200
26	Appropriated from:	

1	IDG from mental health.....	\$ 365,800
2	IV-D.....	1,628,200
3	IV-E administration.....	3,611,500
4	IV-A.....	47,735,300
5	XIX.....	8,541,100
6	XX.....	29,663,200
7	IV-B.....	1,583,800
8	Food stamps.....	29,477,800
9	WIN-DEMO.....	488,900
10	LIEAP.....	3,282,100
11	Refugee.....	227,600
12	Local funds - donated funds.....	216,700
13	Local funds - county payback.....	34,900
14	State general fund/general purpose.....	\$ 149,309,300
15	AID TO FAMILIES WITH DEPENDENT CHILDREN	
16	Aid to families with dependent children payments.....	\$1,280,125,300
17	GROSS APPROPRIATION.....	\$1,280,125,300
18	Appropriated from:	
19	IV-A.....	592,262,800
20	Refugee.....	250,000
21	Private child support collections.....	149,200,000
22	State general fund/general purpose.....	\$ 538,412,500
23	GENERAL ASSISTANCE	
24	General assistance grants and payments.....	\$ 198,871,600
25	GROSS APPROPRIATION.....	\$ 198,871,600
26	Appropriated from:	

1	Refugee.....	\$	397,000
2	State general fund/general purpose.....	\$	198,474,600
3	SUPPLEMENTAL SECURITY INCOME		
4	State supplementation.....	\$	73,558,500
5	Personal care services.....		18,267,900
6	GROSS APPROPRIATION.....	\$	91,826,400
7	Appropriated from:		
8	XIX.....		9,641,100
9	State general fund/general purpose.....	\$	82,185,300
10	LOW INCOME ENERGY ASSISTANCE PROGRAM		
11	LIEAP/energy assistance program.....	\$	71,700,000
12	Transfer to title XX block grant.....		(8,400,000)
13	Emergency needs program.....		42,842,900
14	GROSS APPROPRIATION.....	\$	106,142,900
15	Appropriated from:		
16	IV-A.....		9,225,400
17	LIEAP.....		63,300,000
18	State general fund/general purpose.....	\$	33,617,500
19	MEDICAL SERVICES		
20	Hospital services and therapy.....	\$	661,216,700
21	Nursing home services.....		279,518,800
22	Physician services.....		181,574,200
23	Home health services.....		8,943,100
24	Pharmaceutical services.....		160,697,200
25	Health maintenance organizations.....		82,898,100
26	Chronic care units and county medical care facilities.....		57,359,800

1	Transportation.....	\$ 4,735,500
2	Auxiliary medical services.....	40,468,500
3	Medicare premium payments.....	22,441,000
4	EPSDT pilot-department of social services.....	564,900
5	EPSDT contract-department of public health.....	5,574,800
6	GROSS APPROPRIATION.....	\$1,505,992,600
7	Appropriated from:	
8	XIX.....	813,123,600
9	Refugee.....	175,000
10	Special purpose-public act 219 of 1987.....	11,380,400
11	State general fund/general purpose.....	\$ 681,313,600
12	GENERAL ASSISTANCE MEDICAL	
13	General assistance medical.....	\$ 23,277,000
14	General assistance medical-hospitalization.....	9,491,300
15	Wayne county patient care management system.....	42,500,000
16	GROSS APPROPRIATION.....	\$ 75,268,300
17	Appropriated from:	
18	Refugee.....	104,200
19	Local funds - county payback.....	9,695,400
20	Private.....	800,000
21	State general fund/general purpose.....	\$ 64,668,700
22	Sec. 2. (1) In accordance with the provisions of section 30 of article IX	
23	of the state constitution of 1963, total state spending in this act is	
24	\$2,097,489,900.00, and state spending to be paid to local units of government	
25	is as follows:	
26	DEPARTMENT OF SOCIAL SERVICES	

1	OFFICE OF CHILDREN AND YOUTH SERVICES	
2	Child care fund.....	\$ 31,940,700
3	County juvenile officers.....	2,830,700
4	Adoption subsidies.....	17,011,000
5	GENERAL ASSISTANCE	
6	General assistance--grants and payments.....	14,868,100
7	SUPPLEMENTAL SECURITY INCOME	
8	Supplemental security income to CMH clients.....	20,406,600
9	MEDICAL SERVICES	
10	Medicaid to CMH clients.....	15,636,600
11	INCOME AND SUPPORTIVE SERVICES ADMINISTRATION	
12	Michigan opportunity skill and training (MOST).....	5,841,100
13	GENERAL ASSISTANCE MEDICAL	
14	County hospitalization.....	20,595,900
15	TOTAL.....	\$ 129,130,700

16       (2) When it appears to the principal executive officer of each department  
 17 that state spending to local units of government will be less than the amount  
 18 that was projected to be expended for any quarter, the principal executive  
 19 officer shall immediately give notice of the approximate shortfall to the  
 20 department of management and budget, the senate and house appropriations  
 21 committees, and the senate and house fiscal agencies.

22       Sec. 3. The department shall not expend any money appropriated in section  
 23 1 for individual employee memberships in organizations.

24       Sec. 4. Money appropriated in section 1 shall not be expended for per  
 25 diem payments for department of social services boards and commissions.  
 26 Members of those boards and commissions shall be entitled only to

1 reimbursement for expenses.

2       Sec. 5. (1) An individual shall not make an assignment or transfer of  
3 real or personal property for the purpose of qualifying for assistance,  
4 remaining eligible for assistance, or increasing the amount of assistance to  
5 be received under this act. For recipients of medicaid or supplemental  
6 security income only, funeral arrangements in advance of need, not to exceed  
7 \$2,000.00 under Act No. 70 of the Public Acts of 1954, being sections 328.201  
8 to 328.203 of the Michigan Compiled Laws, shall not be considered an  
9 assignment or transfer of property under this section.

10       (2) If an individual assigns, transfers, or sells property or resources  
11 within 1 year before the date of application for a purpose listed in  
12 subsection (1), the individual shall not receive benefits under the medical  
13 assistance program during the time for which the fair market value less  
14 encumbrances of the property or resource would have covered the basic and  
15 medical needs of the individual or family on assistance standards.

16       (3) If an individual receiving medical assistance assigns, transfers, or  
17 sells property or resources for a purpose listed in subsection (1), the  
18 individual shall not receive benefits under the medical assistance program  
19 for the time during which the fair market value less encumbrances of the  
20 property or resources would have covered the basic and medical needs of the  
21 otherwise eligible individual or family members on assistance standards.

22       (4) Notwithstanding any other provisions of this section, an individual  
23 receiving supplemental security under title XVI, or state supplementation  
24 under title XVI, is eligible for medical assistance.

25       Sec. 6. The department may receive and expend advances or reimbursements  
26 from the department of state police for administration of the individual and

1 family grant disaster assistance program. An account shall be established in  
2 the department for this purpose when a disaster is declared. The  
3 authorization and allotment for the account shall be in the amount advanced  
4 or reimbursed from the department of state police.

5 EXECUTIVE OPERATIONS

6 Sec. 7. From the money appropriated for child support incentive payments  
7 \$6,954,900.00 shall be retained by the state and expended in legal support  
8 contracts, state incentive payments, and other costs incurred in the  
9 collection of child support.

10 INCOME AND SUPPORTIVE SERVICES ADMINISTRATION

11 Sec. 8. The amounts for any remaining unencumbered fund balances for the  
12 multidisciplinary pilot project, the MOST program, office automation, the  
13 private sector employment subsidy program, and teenage parent counseling  
14 program, appropriated for the fiscal year ending September 30, 1988, shall be  
15 authorized for expenditure in the fiscal year ending September 30, 1989.

16 Sec. 9. The funds appropriated in section 1 for the MOST program shall be  
17 expended in accordance with sections 10 to 26.

18 Sec. 10. As used in sections 11 to 26:

19 (a) "Community work experience program" means a program of training in  
20 which a participant gains useful experience, work habits, and job skills by  
21 performing a service for a public purpose on behalf of a public agency or  
22 nonprofit private employer. Participation shall be by an agreement between  
23 the department and the public agency or nonprofit employer.

24 (b) "Employment and training worker" means an employee of the department  
25 who assesses the skills, education, and job experience of applicants and  
26 recipients, determines the most appropriate placement of recipients as

1 described in the MOST program, and develops contacts with employers and  
2 providers of services under the MOST program through whom recipients may be  
3 placed.

4 (c) "Good cause" means any of the following:

5 (i) Child care is needed, and adequate child care is not available.  
6 Adequate child care is care which is appropriate to the age, special  
7 handicaps, and other conditions and the individual child, where the provider  
8 meets applicable federal and state standards.

9 (ii) The person suffers from a temporary illness or was involved, or his  
10 or her immediate family was involved, in a recent accident or other  
11 comparable emergency.

12 (iii) The person is not required to participate pursuant to section 11.

13 (iv) Compliance would interfere with the likelihood that the person would  
14 be reemployed at his or her regular, full-time place of employment within 30  
15 days.

16 (v) An approved plan for permanent rehabilitation or self-support is  
17 currently in process, and compliance would interrupt these services or  
18 activities.

19 (vi) Employment, education, or job training is not available within 1-  
20 hour travel time or is inaccessible by available transportation at a  
21 reasonable cost.

22 (vii) Employment involves unreasonable requirements such as excessive  
23 work hours, dangerous or unlawful working conditions, or is not within the  
24 person's physical or mental capabilities.

25 (viii) The person alleges discrimination on the basis of religion, race,  
26 color, national origin, age, sex, height, weight or marital status as



1 prohibited under the Elliott-Larsen civil rights act, Act No. 453 of the  
2 Public Acts of 1976, being sections 37.2101 to 37.2804 of the Michigan  
3 Compiled Laws, and is taking legal action to redress his or her grievance.

4 (d) "Job club" means a formal gathering of recipients for the purpose of  
5 acquiring job search skills and securing employment through direct personal  
6 contact with prospective employers.

7 (e) "Recipient" means a person receiving general assistance, AFDC, or  
8 food stamps.

9 (f) "Recipient who is required to participate" means a person who, under  
10 section 11, is not exempted from participation in the MOST program and may  
11 include, at the option of the county, an applicant for aid to dependent  
12 children for the unemployed for the sole purpose of participating in job  
13 clubs.

14 (g) "Recipient who is not required to participate" means an applicant for  
15 general assistance or AFDC or food stamps or, a recipient who, under section  
16 11, is exempted from participation in programs under the MOST program.

17 Sec. 11. (1) A recipient shall not be required to participate in, but may  
18 volunteer for, the MOST program, if he or she is any of the following:

19 (a) A minor less than 16 years of age.

20 (b) A full-time high school student less than 19 years of age.

21 (c) A care-giver parent of a child less than 6 months of age who  
22 personally provides care for the child.

23 (d) A parent of 3 or more children under 10 years of age during hours in  
24 which the parent is required to be in the home to care for the minors.

25 (e) An adult who is a parent of minor children in a 2-parent household if  
26 the other parent is participating in the MOST program.

1 (f) Required to be in the home due to the disability or illness of a  
2 relative living in the same dwelling unit, if no other care is available.

3 (g) Sixty years of age or older.

4 (h) Participating in a program of job training or education approved by  
5 the department.

6 (i) Employed or self-employed, 30 or more hours per week, and is  
7 receiving income at not less than the current minimum wage for the kind of  
8 work being performed.

9 (j) Has a medically verifiable illness that prevents full or part-time  
10 work. This condition must be verified in writing by a physician and approved  
11 by him or her as a condition that prevents employment.

12 (k) Is currently undergoing treatment for substance abuse. This  
13 condition shall only apply for 1 year in the lifetime of each recipient.

14 (l) Was, within the past 5 years, a resident of a mental institution, or  
15 presently is using prescribed medication to control a condition of mental  
16 illness, as defined in section 1001a of the mental health code, Act No. 258  
17 of the Public Acts of 1974, being section 330.2001a of the Michigan Compiled  
18 Laws. A person described in this subsection may volunteer for the MOST  
19 program if that person has a treatment plan developed by his or her case  
20 manager, therapist, or program director, which provides for employment and  
21 training services.

22 (m) An applicant for general assistance, AFDC, or food stamps who would  
23 not be required to participate if he or she was a recipient in 1 of the  
24 categories in this section.

25 (2) Any recipient may volunteer to participate and shall be given  
26 priority in placement as will recipients who are required to participate.

1       (3) Notwithstanding other requirements to register and participate in the  
2 MOST program, no primary care-giver parent who personally provides care to a  
3 child under 6 years of age shall be required to participate in any program  
4 other than:

5       (a) Education, if the primary care-giver parent does not possess a high  
6 school diploma or its equivalent and quality day care services are available  
7 and provided. However, the primary care-giver parent may choose to  
8 participate in a program other than education.

9       (b) Education, job skills training, or work experience related to job  
10 skills development if the parent possesses a high school diploma or its  
11 equivalent and quality day care services are available and provided.

12       Sec. 12. (1) Upon certification of eligibility for AFDC, general  
13 assistance, or food stamps, the employment and training worker shall assess  
14 the education and job skills for each applicant whose eligibility has been  
15 certified and all recipients who are required to participate and shall  
16 determine a program of available education or job training that most rapidly  
17 will allow a recipient to secure employment. The department shall develop  
18 screening procedures that will assist the worker in referring the client to  
19 the most appropriate educational or employment and training program.

20       (2) The department and the county social services boards shall develop  
21 community work experience program positions for participants under this  
22 program.

23       (3) The county director, upon the recommendation and approval of the  
24 county social services board, shall negotiate contracts with employers in the  
25 public, private, and nonprofit sectors regarding employment, educational, and  
26 job training programs for recipients who are required to participate and for

1 volunteers.

2 (4) The county director, upon the recommendation and approval of the  
3 county social services board, shall negotiate contracts to create job clubs  
4 to assist recipients who are required to participate and to assist volunteers  
5 in acquiring job search skills necessary to secure employment. In geographic  
6 locations where appropriate, counties may join together to establish job  
7 clubs to perform these services if a contract with an outside agency cannot  
8 be made.

9 (5) The county director, with the recommendation and approval of the  
10 county social services board, shall negotiate contracts with public or  
11 private institutions of higher education or vocational education or the  
12 school boards of school districts operating vocational skills centers to  
13 provide education or job training for recipients who are required to  
14 participate and volunteer. If other forms of student financial assistance  
15 are not available, the county director with the recommendation and approval  
16 of the county social services board shall negotiate for reimbursement for the  
17 cost of tuition, books, fees, and other expenditures required by the  
18 institution of recipients placed pursuant to section 15.

19 (6) The department shall coordinate programs of education and job  
20 training to assist recipients in becoming self-supporting.

21 (7) The county director with the recommendation and approval of the  
22 county social services board may coordinate and develop programs which  
23 provide day care to the minor children of participants under this program for  
24 families who require day care. The department shall make every effort to  
25 assign recipients, pursuant to section 15, who shall provide staff service in  
26 day care centers under this section.

1       (8) The director shall grant approval of county plan proposals if all of  
2 the following provisions are complied with:

3       (a) The county office and the county social services board provide an  
4 opportunity for public comment in compliance with the open meetings act, Act  
5 No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the  
6 Michigan Compiled Laws, with notices sent to all interested parties. Any  
7 written comments of members of the public pertaining to the county plan  
8 proposal shall be forwarded to the director along with the plan proposal.

9       (b) The plan is not in violation of applicable federal or state law,  
10 administrative rule, regulation or policy.

11       (c) The plan conforms to, and is consistent with, published objectives of  
12 the department.

13       (d) The plan conforms to planning instructions and manual materials.

14       (e) The plan permits voluntary participation of recipients in the service  
15 components described.

16       (f) The plan does not exclude any public assistance recipient category  
17 from employment-related services. The local office may allocate reasonable  
18 target percentages for each public assistance recipient category and include  
19 these percentages.

20       (g) The plan addresses the manner in which the county office establishes  
21 service components, assigns recipients, and makes services available.

22       (9) The director shall designate a person or persons to review plans to  
23 make recommendations for disposition.

24       (10) Any denial of a county plan by the director shall be submitted to  
25 the joint legislative committee on oversight for a hearing if requested by  
26 the county. In addition, all denials shall be reported to the oversight

1 committee by the director on a quarterly basis.

2 (11) A job club shall report quarterly to the department which shall in  
3 turn report to the house and senate appropriations subcommittees on social  
4 services on the number of unsubsidized placements it has achieved for  
5 participants and on other services and benefits it provides its participants.  
6 A job club contract may be terminated if the job club cannot demonstrate that  
7 it meets cost benefit and performance standards as established by the  
8 department and approved by the house and senate appropriations subcommittees  
9 on social services. In addition, a county plan must include a description of  
10 anticipated service-related outcomes and a description of an evaluation  
11 method for measuring such outcomes. The evaluation method shall include the  
12 number of recipients who entered employment as a direct result of  
13 participation in each of the service components.

14 (12) A county plan shall include a requirement that program participants  
15 be provided written performance standards which do not subject the client to  
16 working conditions, duties, personnel policies, or practices that are more or  
17 less favorable than those applied to other employees engaged in similar  
18 activities.

19 (13) A county plan must include a description of a review process for  
20 participant initiated review of the appropriateness of assignment and  
21 conditions at the worksite.

22 Sec. 13. (1) All recipients who are required to participate shall  
23 participate in the employment, educational, or job training programs  
24 described in the MOST program unless the recipient shows good cause why he or  
25 she should not participate.

26 (2) A recipient who is required to participate but who refuses to

1 participate without good cause shall have his or her needs removed from the  
2 general assistance or AFDC grant for 3 months or for the minimum length of  
3 time established by federal law for the recipients of AFDC.

4 Sec. 14. The department shall cooperate with other state and local  
5 governmental agencies and county social services boards in developing  
6 employment, educational, and job training programs and in placing recipients  
7 who are required to participate and volunteers in these programs. If  
8 possible, these programs shall utilize existing available funds from the  
9 federal government for education and training and shall prioritize assignment  
10 of employable recipients in an order that most effectively reduces the cost  
11 to the state general fund for public assistance programs.

12 Sec. 15. (1) If a recipient who is required to participate has a recent  
13 connection with the work force or has readily marketable job skills, he or  
14 she shall be immediately assigned to a job club as described in section  
15 12 (4).

16 (2) Recipients who are required to participate who lack recent connection  
17 with the work force or readily marketable skills shall, if possible, be  
18 placed in a program of job training. A participant in a program of job  
19 training may also be required to participate in a job club.

20 (3) If a job training program is not appropriate for or available to a  
21 recipient who is required to participate, the employable recipient shall be  
22 required to participate in an educational or rehabilitation program, if  
23 possible, as a condition for continued eligibility for general assistance or  
24 AFDC.

25 (4) If an employable recipient has earned a high school diploma or  
26 completed a GED program, that recipient may be required to participate in a

1 program of vocational training or higher education that potentially will give  
2 the participant qualifications for a specific type of employment.

3 (5) If a recipient who is required to participate has not earned a high  
4 school diploma or GED equivalent, that recipient may be required to  
5 participate in such a program.

6 (6) If a recipient who is required to participate lacks the educational  
7 skills necessary for participation in other educational programs, that  
8 recipient shall be required to participate in courses of remedial education,  
9 if available.

10 (7) A participant in an educational program described in this section  
11 shall not be required to pay his or her own tuition, mass transportation  
12 costs, or other approved expenses directly related to the requirements of  
13 this section.

14 (8) If, for any reason, a recipient cannot be placed in 1 of the above  
15 programs, the recipient shall be required to participate in a community work  
16 experience program. A participant in community work experience may also be  
17 required to participate in a job club or educational activity.

18 (9) This section establishes a continuum of services and the priority of  
19 services under the MOST program. All counties shall follow this continuum of  
20 services in providing programming for participants in the MOST program and  
21 shall make every effort to seek appropriate services under this continuum  
22 before assigning a participant to the next level of services or programming.

23 Sec. 16. (1) A recipient who is required to participate shall not be  
24 required under the MOST program to participate in a community work experience  
25 program more hours per month than is derived by dividing his or her total  
26 assistance grant by the current minimum wage. A participant may be required



1 to participate in educational or job club up to 40 hours per week.

2 (2) A recipient shall not be placed at a training site if an employer has  
3 discharged or laid off a regular employee or reduced his or her work force  
4 with the intention of filling the vacancy created by hiring a recipient under  
5 the MOST program.

6 Sec. 17. (1) An employment and training worker shall, on a quarterly  
7 basis, contact educational institutions to determine the level of progress  
8 being made by recipients assigned to educational activities under the MOST  
9 program. Failure to participate without good cause by the recipient shall be  
10 subject to sanction pursuant to section 13.

11 (2) The employment and training worker periodically shall review and  
12 assess the placement of participants under the MOST program.

13 (3) The employment and training worker may develop employer, job training  
14 and community work experience contacts for placement of participants within  
15 the jurisdiction of the office of the department to which the employment and  
16 training worker is assigned.

17 (4) From the funds appropriated in section 1, employment and training  
18 workers may be allowed to purchase, with the approval of the county director,  
19 periodicals, training manuals, and other items which facilitate placement of  
20 participants in employment.

21 Sec. 18. The department shall report to the house and senate  
22 appropriations subcommittees on social services on the employment status of  
23 MOST program participants at 3-month intervals for a full year following  
24 their completion of the program.

25 Sec. 19. Persons assigned to educational programs who are in continuous  
26 program studies shall not be required to participate in job clubs, job

1 search, or job referrals during their school breaks or vacations.

2 Sec. 20. (1) From the funds appropriated in section 1 for county  
3 departments of social services for the fiscal year ending September 30, 1989:

4 (a) Fifty-five percent of the amount and related carryforward funding  
5 shall be allocated to the county departments, with each county receiving that  
6 portion as derived by multiplying 55% by the county's total population in the  
7 1980 federal decennial census divided by the population of the state in the  
8 1980 federal decennial census.

9 (b) Forty-five percent of the amount and related carryforward funding  
10 shall be allocated to the county departments for counties in which the  
11 aggregate AFDC recipient and general assistance recipient population in  
12 calendar year 1985 as a percentage of the population of the county, according  
13 to the 1980 federal decennial census, exceeds the state aggregate of the  
14 general assistance recipient and AFDC recipient population in calendar year  
15 1985, as a percentage of the population of the state according to the 1980  
16 federal decennial census. For each county department that qualifies under  
17 this subdivision, that county department's portion shall be the amount  
18 derived by multiplying 45% by the county's total population according to the  
19 1980 federal decennial census, divided by the total population of all  
20 counties according to the 1980 federal decennial census that qualify under  
21 the subdivision by the amount and related carry forward funding.

22 (2) The funds appropriated under this section may be expended only for  
23 purposes described in this program.

24 (3) For counties with more than 1 department office, the county social  
25 services board may allocate funds appropriated under this section to  
26 department offices.

1       Sec. 21. From funds allocated in section 20, the department shall make  
2       available to recipients funds for transportation. The department may also  
3       make available funds for car repair, tool purchases, clothing, medical and  
4       dental care, child care, and other supportive services if these funds will  
5       assist recipients in obtaining unsubsidized employment.

6       Sec. 22. Notwithstanding section 20, up to 5% of the total of the funds  
7       described in section 20 shall be used by the department to develop statewide  
8       contracts, pilot projects, and demonstration projects, or special contracts  
9       requested by counties. The department shall report on these contracts and  
10      pilots to the house and senate appropriations subcommittees on social  
11      services.

12      Sec. 23. Notwithstanding other provisions of this act, if a person who is  
13      employable provides day care in the home for MOST program participants, then  
14      the provision of those services shall be deemed to meet the MOST program  
15      participation requirements for that provider.

16      Sec 24. Of funds appropriated in section 1, the department, together with  
17      other agencies, may establish special projects to provide employment  
18      training, placement programs, and community service programs for persons  
19      leaving prison and who are on parole.

20      Sec. 25. The department shall, in cooperation with the department of  
21      public health and child advocates, develop a plan for providing classes in  
22      early childhood development to welfare clients. The plan shall explore  
23      positive financial incentives for successful completion of the classes. The  
24      plan should also consider the feasibility of having these classes satisfy  
25      MOST program requirements. The plan shall be presented to the house and  
26      senate appropriations subcommittees on social services by February, 1989.

1       Sec. 26. The department shall offer subsidies from the funds appropriated  
2 in section 1 to nongovernmental employers for the work training programs for  
3 the on-the-job training, hiring, and employment of AFDC recipients and  
4 general assistance recipients. An AFDC recipient or general assistance  
5 recipient employed by a nongovernmental employer receiving a subsidy under  
6 this section shall continue to be eligible for medical assistance or for the  
7 general assistance medical program for the length of that employment subsidy.  
8 A nongovernmental employer shall be eligible to receive a payment under this  
9 section only if all AFDC recipients and general assistance recipients  
10 employed by the employer receive the same salaries and wages as the employer  
11 pays all other employees in the same or equivalent positions. If an AFDC  
12 recipient or general assistance recipient is terminated, without good cause,  
13 from employment described in this subsection, the department shall reinstate  
14 the person's full assistance benefits with a minimum of delay, if the AFDC  
15 recipient or general assistance recipient meets the appropriate eligibility  
16 standards.

17 OFFICE OF CHILDREN AND YOUTH SERVICES

18       Sec. 27. The office of children and youth services shall not be required  
19 to put up for bid contracts with service providers if currently only 1  
20 provider in the service area exists.

21       Sec. 28. A county receiving state funds for in-home or out-of-home care  
22 of children from the appropriations in section 1 shall submit reports to the  
23 department at least quarterly or as otherwise required by the office of  
24 children and youth services. The reports shall be submitted on forms  
25 provided by the director of the office of children and youth services and  
26 shall include the number of children receiving foster care services and the

1 number of days of care that were provided. Each county receiving state  
2 matching funds for in-home or out-of-home care of children shall provide to  
3 the department, at the times and on forms provided by the department, reports  
4 including the status of the plan for the return of each child to his or her  
5 natural parent, the placement of each child for adoption, or other permanent  
6 placement plans for each child.

7 Sec. 29. In accordance with section 471(a)(14) of title IV, 42 U.S.C.  
8 671, the following goal is established by state law. During the fiscal year  
9 ending September 30, 1989, not more than 3,000 children supervised by the  
10 department shall remain in foster care longer than 24 months. The department  
11 shall continue to report to the senate and house appropriations subcommittees  
12 on social services on the number of children supervised by the department who  
13 remain in foster care in excess of 12 months and in excess of 24 months.

14 Sec. 30. (1) The department shall not place children under 10 years of  
15 age in institutions for longer than 30 days. From the funds appropriated in  
16 section 1 for foster care payments and the child care fund, reimbursement  
17 shall not be provided for institutional stays exceeding 30 days for children  
18 under 10 years of age. This limitation may be waived by the director of the  
19 office of children and youth services to a stay beyond 30 days if it is  
20 determined to be in the best interests of the child.

21 (2) From the funds appropriated in section 1 for foster care payments,  
22 the institutional population of children less than 13 years of age shall not  
23 exceed 18% of the total institutional population supported through this  
24 account.

25 Sec. 31. From the funds appropriated in section 1 for foster care  
26 payments, the department shall provide 50% reimbursement to Indian tribal

1 governments for foster care expenditures for children who are under the  
2 jurisdiction of Indian tribal courts and who are not otherwise eligible for  
3 foster care cost sharing.

4 Sec. 32. (1) From the funds appropriated in section 1, a limited number  
5 of multidisciplinary teams for the assessment, diagnosis, and treatment of  
6 protective services cases shall be funded. Teams which are funded shall be  
7 defined as stable groups of community professionals who regularly and  
8 frequently meet together to assess, plan, implement, and monitor treatment  
9 for each family accepted for team services. Professional make-up of each  
10 team shall include at a minimum access to legal expertise, and medical,  
11 psychological, and social work expertise properly credentialed as required by  
12 law.

13 (2) The office of children and youth services shall establish an advisory  
14 group consisting of persons knowledgeable in the area of child abuse and  
15 neglect to review multidisciplinary contracts. Approval criteria for team  
16 programs shall include but not be limited to all of the following:

17 (a) An agreement between the team and the local department for department  
18 case referral and case consultation.

19 (b) Provision by the local community of a minimum of 25% of needed in-  
20 cash or in-kind funding.

21 (c) Verification that voluntary efforts currently provided will continue  
22 to be maintained at current levels.

23 (d) An agreement between the team and the local department on procedures  
24 for department case closure which reflect the long-term treatment needs of  
25 high risk cases referred to treatment to the pilot program.

26 (e) An emphasis on the provision of services to high risk and chronic

1 protective services cases.

2 (f) An emphasis on the provision of services to all significant members  
3 of the child's family.

4 Sec. 33. The department shall also provide programs which focus on the  
5 special education, training, employment, and social needs of teen-age parents  
6 and teen-age expectant parents. These programs shall, wherever available, be  
7 coordinated with alternative education programs for school age expectant  
8 parents and school age parents and their children as funded under section 93  
9 of the state school aid act of 1979, Act No. 94 of the Public Acts of 1979,  
10 being section 388.1693 of the Michigan Compiled Laws.

11 Sec. 34. The department shall continue a medical or support subsidy until  
12 an adoptee reaches the age of 19, if the office of children and youth  
13 services determines that the adoptee is a student regularly attending a high  
14 school, college, university, or a course of vocational training in pursuance  
15 of a course of study leading to a high school diploma, college degree, or  
16 gainful employment.

17 Sec. 35. The department shall charge or cause to be charged a fee for  
18 intercountry adoption services. These fees shall be based on the cost of  
19 providing the services, with reduced fees for low-income families. These  
20 fees shall be used to pay for or contract for personnel and related  
21 activities. If it becomes apparent that the fees will not generate  
22 sufficient income to support the program, the director of social services  
23 shall adjust or cause an adjustment of the fees to permit the program to be  
24 self-supporting.

25 Sec. 36. To achieve the reduction of costs in the adoption subsidy  
26 program, the office of children and youth services shall do all of the

1 following:

2 (a) Screen all residential placements which are subsidized by an adoption  
3 medical subsidy to assure the placement and treatment are needed and are in  
4 the best interest of the child.

5 (b) Establish a utilization review procedure for cases in which extensive  
6 outpatient therapy for severe emotional problems is subsidized by an adoption  
7 medical subsidy.

8 (c) In conjunction with professional provider groups, establish fee  
9 schedules for treatment of emotional problems subsidized with an adoption  
10 medical subsidy.

11 Sec. 37. From the funds appropriated in section 1 for foster care  
12 payments, the office of children and youth services may use funds for  
13 programs to serve children in their own homes or in community-based services,  
14 if the service is in lieu of the children being placed in foster care.

15 Sec. 38. After the end of each fiscal year, the department shall report  
16 to the house and senate appropriations subcommittees on social services the  
17 total amount of expenditures for child abuse and neglect programming, which  
18 shall include expenditures from the day care payment line item and other  
19 related appropriations line items to child abuse and neglect.

20 Sec. 39. The department's ability to satisfy appropriation deductions in  
21 section 1 for foster care private collections shall not be limited to  
22 collections and accruals pertaining to services provided in fiscal year 1988-  
23 1989 as specified in section 1 but shall include revenues collected in excess  
24 of the amount specified in section 1.

25 Sec. 40. The office of children and youth services shall compile  
26 information on the status of the implementation of section 18 (2) of Act. No.



1 398 of the Public Acts of 1982 by counties. The information shall include at  
2 a minimum, the amount of money collected from parents by each county for the  
3 care of their children and efforts by the office to encourage full compliance  
4 with the act, including any adjustments made, if any, to a county's child  
5 care fund allocation based on that county's failure to fully implement the  
6 act.

7 RESIDENTIAL CARE DIVISION

8 Sec. 41. Counties shall be subject to 50% chargeback for the use of  
9 alternative regional detention services if they do not fall under the basic  
10 grant provisions of section 117e of the social welfare act, Act No. 280 of  
11 the Public Acts of 1939, being section 400.117e of the Michigan Compiled  
12 Laws; or if a county operated these programs primarily with professional  
13 rather than volunteer staff.

14 Sec. 42. The amounts appropriated for utilities and that portion of  
15 contractual services, supplies, and materials used to pay for utility service  
16 to state facilities in Section 1 may be expended in a manner consistent with  
17 the provisions of Section 253 of Act No. 431 of the Public Acts of 1984, as  
18 amended by Act No. 122 of the Public Acts of 1987.

19 AID TO FAMILIES WITH DEPENDENT CHILDREN

20 Sec. 43. When a recipient of assistance funded under this act is paid  
21 more than the amount to which the recipient is legally entitled, the  
22 department of social services shall institute procedures to recover the  
23 overpayment. The department may reduce subsequent grants in an amount that  
24 will ensure repayment of the overpayment. The director of social services  
25 shall establish reasonable limits on the proportion of the payments that may  
26 be deducted, so as not to cause undue hardship on recipients.

1       Sec. 44. The department shall implement an energy program to be funded  
2 from funds appropriated in section 1 for the purposes of energy cost  
3 assistance. Notwithstanding any other provision of this act, the funds  
4 described in this section shall not be expended in a manner, nor shall  
5 policies be implemented under this act, which increase the standard of need  
6 for aid to families with dependent children recipients or general assistance  
7 recipients or the personal needs allowances.

8       Sec. 45. The department shall expend funds as part of an AFDC recipient  
9 grant or general assistance recipient grant as part of an energy program in  
10 addition to basic heating allowances and appropriate special needs allowances  
11 to prevent loss of heating fuel. The money expended under this section shall  
12 be in place of any emergency needs program payments and shall be subject to a  
13 limit of \$650.00 for natural gas, electrical heat, and wood or \$900.00 for  
14 other types of heating fuel.

15       Sec. 46. The department, as it determines is appropriate, shall enter  
16 into agreements with heating fuel providers by which AFDC recipients or  
17 general assistance recipients and the heating fuel providers agree to permit  
18 the department to make direct payments to the heating fuel providers on  
19 behalf of the recipients up to the limits established in section 45.

20       Sec. 47. As part of the energy program funded under this act, the  
21 department may make payments in excess of the limits established in section  
22 45 to public assistance recipients if all of the following conditions are  
23 satisfied:

24       (a) The public assistance recipient to which the payment is to be made  
25 is, at the time of requesting the additional payment, paying a heating fuel  
26 provider, or permitting the department to directly pay a heating fuel

1 provider under an agreement established under section 49, or has agreed to  
2 permit the department to directly pay a heating fuel provider under an  
3 agreement established under section 46, the monthly basic heating allowance  
4 included in the person's grant and appropriate special needs allowances.

5 (b) The public assistance recipient has agreed to participate in the  
6 weatherization related service offered by the state and to accept  
7 weatherization when designated by the department to receive that service or  
8 recommended conservation measures.

9 (c) If weatherization has been determined to be inappropriate for the  
10 residence of the public assistance recipient, the public assistance recipient  
11 has agreed to relocate to alternative housing, if it is available.

12 Sec. 48. (1) As part of the energy program funded under this act, an AFDC  
13 recipient or general assistance recipient who, at the time the person is  
14 requesting to be included under an agreement established under section 46, is  
15 not under such an agreement, who has not paid the monthly basic heating  
16 allowance and appropriate special needs allowances directly to a heating fuel  
17 provider, and who has previously received a heating fuel payment under the  
18 emergency needs program shall be eligible to participate in such an agreement  
19 only if the person agrees to permit up to 5% of the person's monthly grant to  
20 be paid directly to a heating fuel provider for the portion of any  
21 outstanding arrearages resulting from nonpayment of the basic heating  
22 allowance and appropriate special needs allowances.

23 (2) As part of the energy program funded under this act, an AFDC  
24 recipient or general assistance recipient who, at the time the person is  
25 requesting to be included under an agreement established under section 46, is  
26 not included under such an agreement and has paid the monthly basic heating

1 allowance and appropriate special needs allowances directly to a heating fuel  
2 provider shall be eligible to participate in such an agreement without  
3 agreeing to permit up to 5% of the person's monthly grant to be paid directly  
4 to a heating fuel provider for any outstanding arrearages.

5 (3) Notwithstanding any other provision of this act, an AFDC recipient or  
6 general assistance recipient who is not under an agreement of the type  
7 described in section 46 shall be eligible for an emergency needs program  
8 payment, as under current department policy, only if it is a first request  
9 for that assistance.

10 Sec. 49. (1) The department shall continue to implement a program  
11 component providing for agreements of the type described in section 46 for  
12 the payment of electric bills of AFDC recipients and general assistance  
13 recipients for electricity provided for other than heating purposes. The  
14 program, in the same manner as provided for heating fuel payments, shall  
15 provide for cost settlements with electric utility providers to the extent  
16 the actual electric bills exceed the monthly grant allowance.

17 (2) The agreements described in subsection (1) shall provide that the  
18 department pay the electric portion of the AFDC recipient's or general  
19 assistance recipient's utility allowance directly to the electric utility  
20 provider.

21 Sec. 50. When a recipient or landlord requests that the department make a  
22 vendor payment for shelter, that payment shall be withheld from the landlord  
23 and payment continued to the recipient if the rental unit is not in  
24 compliance with applicable local housing codes. Compliance shall be  
25 considered to be met if the department receives from the landlord a signed  
26 statement stating that the rental unit is in compliance with local housing

1 codes, and that statement is not contradicted by the recipient and the local  
2 unit.

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

10 GENERAL ASSISTANCE

11 Sec. 51. General assistance recipients living in the household of another  
12 shall be presumed by the department of social services to have no shelter  
13 costs and shall therefore be eligible for a personal needs allowance only.  
14 Recipients shall be allowed the opportunity to rebut this presumption before  
15 any reduction in benefits takes place. All related persons living in a  
16 common dwelling unit shall be considered a single household for purposes of  
17 eligibility for general assistance.

18 Sec. 52. The department shall implement a shelter exception policy for  
19 homeowners under the general assistance program. To protect equity in a  
20 homestead, general assistance homeowners may receive up to \$100.00 per month  
21 above the regular general assistance shelter maximum, but not to exceed the  
22 AFDC shelter maximum for a family of 6.

23 Sec. 53. Of the funds appropriated in section 1 for general assistance  
24 payments, the maximum rate per day for the room and board of general  
25 assistance recipients in substance abuse treatment centers not accredited by  
26 the joint commission on the accreditation of hospitals (JCAH) shall be \$9.62.

1       Sec. 54. The department shall reimburse all residential substance abuse  
2 programs licensed by the department of public health, office of substance  
3 abuse services and which have obtained accreditation under the standards of  
4 the joint commission on the accreditation of hospitals (JCAH) at the minimum  
5 rate of \$12.00 per day for all general assistance recipients.

6       Sec. 55. The level of reimbursement provided to general assistance  
7 recipients in licensed adult foster care facilities shall be the same as the  
8 prevailing supplemental security income rate under the personal care  
9 category.

10       Sec. 56. County departments of social services shall require each  
11 recipient of general assistance who has applied with the social security  
12 administration for supplemental security income to sign a contract to repay  
13 any assistance rendered through the general assistance program upon receipt  
14 of retroactive supplemental security income benefits.

15       SUPPLEMENTAL SECURITY INCOME

16       Sec. 57. Adult foster care facilities providing domicilliary care or  
17 personal care to residents receiving supplemental security income or homes  
18 for the aged serving residents receiving supplemental security income shall  
19 not require those residents to reimburse the home or facility for care at  
20 rates in excess of those legislatively authorized.

21       Sec. 58. The personal care services payment for eligible SSI recipients  
22 shall be \$104.65 effective January 1, 1988.

23       EMERGENCY NEEDS PROGRAM

24       Sec. 59. From the funds appropriated for the emergency needs program in  
25 section 1, a recipient of emergency needs for home repairs shall be required  
26 to sign a repayment agreement for emergency needs payments exceeding \$500.00

1 for the repair or replacement of a roof, furnace, septic system, water supply  
2 system, electrical system or any other repair or replacement. The repayment  
3 shall be due upon sale of the home. This requirement shall not apply to the  
4 repair or replacement of a furnace, a roof, or other energy-related repairs  
5 or replacements which are paid in whole or in part through low-income energy  
6 assistance block grant funds.

7 LOW INCOME ENERGY ASSISTANCE PROGRAM

8 Sec. 60. At least 40% of low income energy assistance funds appropriated  
9 for weatherization shall be used to weatherize homes of high energy consuming  
10 households of AFDC and general assistance recipients.

11 MEDICAL SERVICES

12 Sec. 61. A provider of medical services who fails to submit a bill for  
13 medical care related to title XIX, or for institutional services and medical  
14 care facilities related to public assistance within 12 months after the date  
15 of the services shall forfeit the provider's right to payment and shall not  
16 seek reimbursement from the recipient of the services. When a bill is  
17 rejected for payment by the department, the provider must resubmit a bill for  
18 these services within 1 year of the date the claim is rejected or forfeit the  
19 provider's right to payment and shall not seek reimbursement from the  
20 recipient of the services.

21 Sec. 62. An institutional provider which is required to submit a cost  
22 report under the medicaid program shall submit cost reports completed in full  
23 within 90 days after the end of its fiscal year.

24 Sec. 63. The department of social services shall provide an  
25 administrative procedure for the review of grievances by medical assistance  
26 providers with regard to reimbursement under the medical assistance program.

1       Sec. 64. The department of social services shall require a nonenrolled  
2 provider to accept medicaid payments as payment in full, when payment is  
3 approved for emergency services.

4       Sec. 65. The maximum limits on payments under the medicaid program,  
5 established in conformance with title XIX shall be disclosed only to persons  
6 directly responsible for the administration of the medicaid program, except  
7 that persons responsible for establishing individual prices on prior  
8 authorized items are allowed to release approved prices to the prospective  
9 providers.

10       Sec. 66. Determined pursuant to Section 400.106 (1)(b)(iii) of the  
11 Michigan Compiled Laws, the protected income level for medicaid coverage  
12 shall be 100% of the related public assistance standard for the fiscal year  
13 ending September 30, 1989.

14       Sec. 67. The cost of remedial services incurred by residents of licensed  
15 adult foster care homes and licensed homes for the aged shall be used in  
16 determining financial eligibility for the medically needy. Remedial services  
17 means those services which produce the maximum reduction of physical and  
18 mental limitations and restoration of an individual to his or her best  
19 possible functional level. At a minimum, remedial services include basic  
20 self-care and rehabilitation training for a resident.

21       Sec. 68. The funds appropriated in section 1 shall not be used to  
22 reimburse long-term care facilities for hospital leave days.

23       Sec. 69. The department of social services shall continue to implement  
24 the physician primary sponsor plan and shall require AFDC recipients residing  
25 in counties offering managed care options to choose the particular managed  
26 care plan in which they wish to be enrolled. Persons not expressing a



1 preference shall be randomly assigned to a managed care program.

2 Sec. 70. The department shall expand its recipient monitoring program.

3 Sec. 71. The department of social services shall continue to update and  
4 expand the pharmaceutical maximum allowable cost list.

5 Sec. 72. (1) The pharmaceutical dispensing fee shall be a maximum of  
6 \$3.45. The department of social services shall require a 50 cent per  
7 prescription client copayment, except for products on the maximum allowable  
8 cost limit list or pregnancy-related products.

9 (2) The department of social services shall require copayments on dental,  
10 podiatric, vision, chiropractic, and hearing aid services provided to  
11 recipients of medical assistance except as excluded by law.

12 (3) The copayments in subsections (1) and (2) may be waived for  
13 recipients who participate in a program of medical case management such as  
14 enrollment in health maintenance organizations or the PPSP program.

15 Sec. 73. The department shall contract for the provision of selected  
16 supplies and services for medicaid clients.

17 Sec. 74. The department shall implement a time specific schedule for cost  
18 audits and cost audit review and hearing processes and procedures to ensure  
19 more timely issuance of prospective rates to providers of long-term nursing  
20 care. To this end, the department shall amend the appeals section of the  
21 state plan for reimbursement of long-term care facilities under title XIX,  
22 and for this purpose only, provisions of the amendment shall supersede  
23 provisions for the preliminary conference and the bureau conference contained  
24 in administrative rules of the department at R400.3402 and R400.3403,  
25 respectively.

26 Sec. 75. Medicaid reimbursement for medicaid services shall not exceed,

1 solely or in combination with other resources, including medicare, those  
2 amounts established for medicaid-only patients. The medicaid payment rate  
3 shall be accepted as payment in full. Other than an approved medicaid  
4 copayment, no portion of a provider's charge may be billed to the recipient  
5 or any person acting on behalf of the recipient. Nothing in this section  
6 shall be deemed to affect the level of payment from a third party source  
7 other than medicaid.

8 Sec. 76. From the funds appropriated in section 1 for the medical  
9 services payments, the department of social services shall provide for an  
10 expanded inpatient hospital prior authorization and on-site review system.

11 Sec. 77. The department shall fund a program to appeal medicare denials  
12 of nursing home coverage.

13 Sec. 78. The department shall cover selected cost effective over-the-  
14 counter products at maximum allowable cost limits for ambulatory clients, and  
15 allow selected over-the-counter reimbursement to a pharmacy for over-the-  
16 counter products not designated minimum floor stock for nursing homes.

17 Sec. 79. The department of social services may contract, on a contingency  
18 basis, collection of medicaid funds from health insurance third parties when  
19 the third party has failed to respond to the department's demand for payment  
20 in a timely manner. The contract may allow the contractor to return the  
21 medicaid funds, minus the contingency fee, to the department.

22 Sec. 80. The department shall contract for the mental health field audit,  
23 the nursing home field audit, and inpatient hospital utilization review.

24 Sec. 81. From the funds appropriated in section 1, the department shall  
25 allocate not more than \$300,000.00 to contract with dental schools for the  
26 provision of dental care to uninsured indigent persons.

1       Sec. 82. The department shall ensure that the medicaid payment for the  
2 same procedure performed by a surgeon board certified by the American board  
3 of surgery or a fellow of the American college of surgeons, is at the same  
4 rate regardless of where the enrolled hospital at which the procedure is  
5 performed is located.

6       Sec. 83. The medicaid program shall eliminate from its program coverages  
7 of all services provided by licensed podiatrists and chiropractors, including  
8 elimination of X-ray services provided by a chiropractor.

9       Sec. 84. The medicaid program shall eliminate "Dispense as Written" (DAW)  
10 coverage for all drug products that are identified as a Maximum Allowable  
11 Cost (MAC) drug by the program.

12       Sec. 85. The medicaid program shall contract with pharmacies to provide  
13 pharmaceutical products to the medicaid-eligible populations.

14       Sec. 86. The medicaid program shall eliminate high cost drugs within  
15 selected therapeutic classes.

16       Sec. 87. (1) For hospital fiscal years beginning on or after June 1,  
17 1988, capital expenses shall be reimbursed by medicaid at 97% of cost.

18       (2) Reimbursement to inpatient hospitals for direct medical education  
19 shall be reduced to achieve an aggregate reimbursement reduction of  
20 \$15,000,000.

21       Sec. 88. (1) The operating DRG price for each hospital shall be limited  
22 to the 85th percentile of operating prices for all hospitals in that class of  
23 hospitals. There shall be two classes of hospitals: hospitals with 60 or  
24 more interns and residents, and hospitals with fewer than 60 interns or  
25 residents.

26       (2) Selected routine DRGs other than those related to obstetrical

1 services shall be reimbursed at a standard rate.

2 Sec. 89. (1) The inpatient indigent care volume price adjustor shall be  
3 calculated as 41% of a value which is that hospital's ratio of inpatient  
4 indigent care charges to total inpatient care charges less 10%. For purposes  
5 of this section, indigent care shall include medicaid, resident county  
6 hospitalization, the crippled children's program and uncompensated care.

7 (2) There shall be an additional inpatient indigent volume price adjustor  
8 which is focused on the highest indigent share facilities. This additional  
9 adjustor shall be set to generate an expected reimbursement enhancement of  
10 \$25,150,000 per year.

11 Sec. 90. (1) For long term care provider fiscal years beginning on or  
12 after October 1, 1988, the "grandfather clause" related to capital  
13 reimbursement is eliminated and all providers will be reimbursed under the  
14 new tenure factor methodology.

15 (2) For long term care provider fiscal years beginning on or after  
16 October 1, 1988, the tenure factor shall be reduced by 1%.

17 Sec. 91. Effective October 1, 1988, the nursing home class and the county  
18 medicare care facility/hospital long term care unit class shall be combined.  
19 The percentile reimbursement ceiling for the combined class of facilities  
20 shall be set one dollar above the 80th percentile for the current nursing  
21 home class.

22 GENERAL ASSISTANCE MEDICAL

23 Sec. 92. (1) The department shall determine the amount of county  
24 liability for resident county hospitalization based upon the initial  
25 determination of payment amount for approved services.

26 (2) Subsection (1) shall not apply to payments made to Wayne county

1 patient case management system contracted hospitals.

2 Sec. 93. (1) The payment to each hospital by the state for resident  
3 county hospitalization shall be a hospital specific percent of charge with no  
4 subsequent cost settlement. The percent of charge shall be 95 percent of the  
5 most recent available inpatient cost to charge ratio for that hospital. No  
6 payment to a hospital shall exceed its charge.

7 (2) Subsection (1) shall not apply to payments made for the Wayne county  
8 patient care management system.

9 OTHER

10 Sec. 94. There is hereby created a contingency fund from unexpended  
11 appropriations authorizations for the department of social services for the  
12 fiscal year ending September 30, 1989. The fund shall be available as needed  
13 for the aid to families with dependent children program and the general  
14 assistance program for caseloads or average payments which exceed the levels  
15 used to develop the appropriation for these programs, and for the medical  
16 assistance program for costs which exceed the appropriated levels. The fund  
17 shall be used only after the director of the department of management and  
18 budget projects and reports the projections in writing to the senate and  
19 house appropriations committees that overexpenditures will not result in the  
20 department of social services accounts used for this purpose. The report  
21 shall include the reason for use of the fund, the amount needed, and the  
22 accounts from which the fund will be taken.