

# HUMAN SERVICES

## Summary of FY 2010-11 Enacted Appropriations

### 2010 Public Act 190 (House Bill 5882)

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| IDG/IDT           | FY 2009-10<br>Year-to-Date | FY 2010-11<br>Executive | FY 2010-11<br>House    | FY 2010-11<br>Senate   | FY 2010-11<br>Enacted  | Difference: Enacted<br>from FY 2009-10 YTD |             |
|-------------------|----------------------------|-------------------------|------------------------|------------------------|------------------------|--|-------------|
|                   |                            |                         |                        |                        |                        | Amount                                     | %           |
| <b>Federal</b>    |                            |                         |                        |                        |                        |  |             |
| ARRA              | 406,411,700                | 811,419,100             | 817,002,900            | 819,002,900            | 774,767,800            | 368,356,100                                | 90.6        |
| Non-ARRA          | 4,551,061,200              | 5,127,936,600           | 5,151,279,200          | 5,114,685,600          | 5,140,056,800          | 588,995,600                                | 12.9        |
| <b>Local</b>      | 37,498,800                 | 35,204,800              | 40,864,200             | 35,164,600             | 33,925,700             | (3,573,100)                                | (9.5)       |
| <b>Private</b>    | 10,209,700                 | 14,483,500              | 9,491,500              | 9,491,500              | 14,483,500             | 4,273,800                                  | 41.9        |
| <b>Restricted</b> | 57,015,400                 | 65,762,600              | 58,219,700             | 58,049,600             | 60,433,500             | 3,418,100                                  | 6.0         |
| <b>GF/GP</b>      | 852,297,600                | 994,228,400             | 934,528,200            | 916,456,100            | 924,018,100            | 71,720,500                                 | 8.4         |
| <b>Gross</b>      | <b>\$5,916,921,000</b>     | <b>\$7,050,165,300</b>  | <b>\$7,012,516,000</b> | <b>\$6,953,980,600</b> | <b>\$6,948,915,700</b> | <b>\$1,031,994,700</b>                     | <b>17.4</b> |
| <b>FTEs</b>       | 10,911.5                   | 11,959.5                | 11,990.5               | 10,976.5               | 11,869.5               | 958.0                                      | 8.8         |

Notes: (1) FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 11, 2010. (2) "ARRA" represents temporary funds received under the federal American Recovery and Reinvestment Act.

#### Overview

The Department of Human Services (DHS) administers a wide range of programs and services to assist Michigan's most vulnerable families, including public assistance programs that provide direct cash support as well as assistance with food, child care and other emergency needs. The DHS is also charged with protecting children and assisting families by administering foster care, adoption and family preservation programs, and by enforcing child support laws. The DHS is also responsible for delivering juvenile justice services and for licensing day care, adult foster care, and child welfare agencies in the state.

#### Major Budget Changes From FY 2009-10 YTD Appropriations

FY 2009-10 YTD Enacted Change  
(as of 2/11/10) From YTD

##### 1. Child Welfare Improvements: Staffing Increases

Increases child welfare staffing levels to meet more stringent caseload to worker ratios as required in the Children's Rights settlement agreement. By the beginning of FY 2011-12, child welfare cases to direct care staff have to be at a ratio of 15:1. Annualizes cost of staff added during FY 2009-10. Also annualizes the cost of 189 staff proposed for FY 2010 through a supplemental appropriation request. Funding for new staff added to support 160 child welfare staff for whole year and 335 child welfare staff for only last quarter of FY 2010-11. Conference reduces funding for new staff by \$3.7 million under the assumption that the new staff cannot all be hired and on board for whole fiscal year.

|              |            |                     |
|--------------|------------|---------------------|
| FTEs         | N/A        | 684.0               |
| <b>Gross</b> | <b>N/A</b> | <b>\$47,838,600</b> |
| Federal      | N/A        | 10,727,600          |
| GF/GP        | N/A        | \$37,111,000        |

| Positions                         | New FTEs   |
|-----------------------------------|------------|
| Child protective services workers | 417        |
| Foster care workers               | 71         |
| Adoption support workers          | 82         |
| Education planners                | 14         |
| First-line supervisors            | 161        |
| Permanency planning specialists   | (54)       |
| POS contract monitoring unit      | (7)        |
| <b>TOTAL STAFF</b>                | <b>684</b> |

| FY 2009-10 YTD  | Enacted Change<br>From YTD |
|-----------------|----------------------------|
| (as of 2/11/10) |                            |

|              |            |                    |
|--------------|------------|--------------------|
| <b>Gross</b> | <b>N/A</b> | <b>\$7,693,500</b> |
| Federal      | N/A        | 1,812,300          |
| GF/GP        | N/A        | \$5,881,200        |

|         |     |             |
|---------|-----|-------------|
| Federal | N/A | 1,812,300   |
| GF/GP   | N/A | \$5,881,200 |

|              |            |                     |
|--------------|------------|---------------------|
| <b>Gross</b> | <b>N/A</b> | <b>\$16,242,100</b> |
| Federal      | N/A        | 12,935,200          |
| Local        | N/A        | (142,900)           |
| GF/GP        | N/A        | \$3,449,800         |

|         |     |             |
|---------|-----|-------------|
| Federal | N/A | 12,935,200  |
| Local   | N/A | (142,900)   |
| GF/GP   | N/A | \$3,449,800 |

|              |                     |            |
|--------------|---------------------|------------|
| FTEs         | 7.2                 | 0.0        |
| <b>Gross</b> | <b>\$23,969,700</b> | <b>\$0</b> |
| Federal      | 9,098,900           | 0          |
| GF/GP        | \$14,870,800        | \$0        |

|              |                     |            |
|--------------|---------------------|------------|
| <b>Gross</b> | <b>\$23,969,700</b> | <b>\$0</b> |
| Federal      | 9,098,900           | 0          |
| GF/GP        | \$14,870,800        | \$0        |

|              |            |             |
|--------------|------------|-------------|
| <b>Gross</b> | <b>\$0</b> | <b>\$0</b>  |
| Local        | 0          | (6,112,400) |
| GF/GP        | \$0        | \$6,112,400 |

|       |     |             |
|-------|-----|-------------|
| Local | 0   | (6,112,400) |
| GF/GP | \$0 | \$6,112,400 |

|              |                      |               |
|--------------|----------------------|---------------|
| <b>Gross</b> | <b>\$379,058,900</b> | <b>\$0</b>    |
| TANF         | 328,870,100          | (197,064,900) |
| ETCF         | 0                    | 196,263,800   |
| Restricted   | 34,870,000           | 0             |
| GF/GP        | \$15,318,800         | \$801,100     |

|            |              |               |
|------------|--------------|---------------|
| TANF       | 328,870,100  | (197,064,900) |
| ETCF       | 0            | 196,263,800   |
| Restricted | 34,870,000   | 0             |
| GF/GP      | \$15,318,800 | \$801,100     |

|              |            |                     |
|--------------|------------|---------------------|
| <b>Gross</b> | <b>N/A</b> | <b>\$10,106,800</b> |
| ARRA         | N/A        | 6,047,500           |
| Other Fed    | N/A        | 3,288,400           |
| GF/GP        | N/A        | \$770,900           |

|           |     |           |
|-----------|-----|-----------|
| ARRA      | N/A | 6,047,500 |
| Other Fed | N/A | 3,288,400 |
| GF/GP     | N/A | \$770.900 |

| <b>Major Budget Changes From FY 2009-10 YTD Appropriations</b>  |  | <b>FY 2009-10 YTD<br/>(as of 2/11/10)</b> | <b>Enacted Change<br/>From YTD</b> |
|---|--|---|------------------------------------|
| <b>8. Limited-Term Field Staff</b>  |  | FTEs 200.0                                | 100.0                              |
| Shifts GF/GP savings created through the use of ETCF in the FIP line item (see item 6 above) to support the maintenance of 200 limited-term eligibility specialist positions added in the FY 2009-10 budget and to support an additional 100 limited-term field staff positions. Staff intended to assist with high caseload and application levels. Of the 100 new positions, funding is available to hire 50 positions for the last 3 quarters of the fiscal year, and 50 positions are funded for the last half of the fiscal year. The 200 eligibility specialist positions were funded partially with one-time non-matched federal food assistance revenues from the ARRA stimulus. Thus, additional GF/GP is needed to maintain the positions for FY 2010-11. |  | <b>Gross \$11,516,200</b>                 | <b>\$4,874,100</b>                 |
|   |  | Federal 8,887,800                         | (792,000)                          |
|   |  | GF/GP \$2,628,400                         | \$5,666,100                        |
| <b>9. Emergency TANF Funding: JET-Plus Program</b>  |  | <b>Gross N/A</b>                          | <b>\$8,500,000</b>                 |
| Provides \$8.5 million in additional ETCF for the Jobs, Education, and Training Plus (JET-Plus) Program, which is less than the \$17.0 million requested by the revised Executive proposal. The program would provide support services, basic education, specialized training programs, and subsidized employment opportunities with the goal of moving persons receiving public assistance into self-sufficiency. Initial funding for the program in the Department of Energy, Labor and Economic Growth budget was eliminated through previous Executive Order budget reductions.   |  | ETCF N/A                                  | 8,500,000                          |
|   |  | GF/GP N/A                                 | \$0                                |
| <b>10. Emergency TANF Funding: Redirected Funding from JET-Plus - PARTIAL VETO</b>  |  | <b>Gross N/A</b>                          | <b>(\$2,000,000)</b>               |
| Redirects ETCF proposed in the original Executive Request for JET-Plus program, using \$16.5 million to offset GF/GP, \$5.0 million to fund the vetoed in-home incentive program which is assumed to create \$5.0 million in GF/GP savings in the child care fund line item, \$3.0 million to fund the vetoed Before- and After-School grants, and \$25,000 to fund the vetoed Michigan After School Partnership. Governor vetoed federal funding for the in-home incentive and Michigan After School Partnership.  |  | ETCF N/A                                  | 19,475,000                         |
|   |  | GF/GP N/A                                 | (\$21,475,000)                     |
| <b>11. Emergency TANF Funding: Employment and Training</b>  |  | <b>Gross \$14,735,000</b>                 | <b>\$0</b>                         |
| Rejects Executive proposal to use \$4.8 million in additional ETCF revenue in a FY 2009-10 supplemental (2/11/10 SBO letter) to hire 197 additional field staff positions (This original request by the Executive has since been replaced). Conference does not concur with hiring the field staff during FY 2009-10, and uses that funding to offset GF/GP in the Employment and Training Support Services line item.  |  | ETCF 0                                    | 4,823,000                          |
|   |  | Other Fed 7,635,000                       | 0                                  |
|   |  | GF/GP \$7,100,000                         | (\$4,823,000)                      |
| <b>12. Public Assistance Caseloads</b>  |  | <b>Gross \$3,416,000,000</b>              | <b>\$633,284,100</b>               |
| Increases funding for public assistance programs by \$633.3 million over year-to-date levels. The largest increase (\$630.0 million) is provided for the Food Assistance Program (FAP) to fund an average caseload of 1,029,000. FAP benefits are 100% federally funded so there is no GF/GP impact. The Family Independence Program (FIP) increases by \$46.9 million to fund an average caseload of 82,000. State Disability Assistance (SDA) increases \$813,000 to fund an average caseload of 10,750. SSI supplementation decreases \$1.8 million to fund 245,640 cases. Child Development and Care decreases \$42.7 million to fund 28,710 cases.   |  | Federal 3,230,408,200                     | 600,357,500                        |
|   |  | Restricted 47,298,300                     | 0                                  |
|   |  | GF/GP \$138,293,500                       | \$32,926,600                       |
| <b>13. Food Assistance Program Benefit Increase</b>   |  | <b>Gross \$2,696,807,000</b>              | <b>\$266,331,900</b>               |
| Increases FAP benefits for groups not eligible to claim the standard utility allowance by adding \$1.00 in federal LIHEAP funds to their EBT cards. On average, this group of FAP cases will see a monthly benefit increase of \$88.  |  | Federal 2,694,207,000                     | 266,331,900                        |
|   |  | Restricted 2,600,000                      | 0                                  |
|   |  | GF/GP \$0                                 | \$0                                |
| <b>14. Enrolled Child Development and Care</b>  |  | <b>Gross \$111,570,400</b>                | <b>(\$12,088,300)</b>              |
| Reduces federal funding in the enrolled child development and care line by \$12.1 million. Enrolled providers are required to either complete a one-time basic training requirement or be disenrolled. Reduction assumes not all currently enrolled providers will complete the basic training requirement by the time the requirement takes effect. Federal funding is used to offset GF/GP in the FIP line item.  |  | Federal 95,346,300                        | 0                                  |
|   |  | GF/GP \$16,224,100                        | (\$12,088,300)                     |

| <b>Major Budget Changes From FY 2009-10 YTD Appropriations</b>   | <b>FY 2009-10 YTD<br/>(as of 2/11/10)</b>   | <b>Enacted Change<br/>From YTD</b>  |
|--|---|---|
| <b>15. Inspector General - Front End Eligibility</b><br>Adds 36 additional inspector general staff on January 1, 2011 to expand the Front End Eligibility (FEE) program statewide (\$2.9 million). Expansion of FEE state wide projected to create \$16.4 million in cost avoidance over both the DHS and DCH budgets by not approving applications of persons found to be ineligible through FEE. Program savings in the DHS budget include FIP, Child Development and Care, and Food Assistance Program.   | FTEs 99.0<br><b>Gross \$6,044,000</b><br>Federal 4,633,900<br>GF/GP \$1,410,100   | 36.0<br><b>(\$7,753,400)</b><br>(3,788,600)<br>(\$3,964,800)                    |
| <b>16. Child Welfare Caseloads</b><br>Reduces overall appropriations for child welfare program caseloads by \$23.4 million. Foster care payments decrease by \$21.3 million to fund an average caseload of 7,312. Adoption subsidy payments decrease \$5.7 million to fund and average caseload of 28,105. Child care fund increases by \$3.6 million (or 1.7%) to reflect caseload projection.  | <b>Gross \$649,711,300</b><br>Federal 388,094,300<br>Local 14,684,500<br>Private 2,650,000<br>GF/GP \$244,282,500       | <b>(\$23,435,400)</b><br>(42,575,900)<br>4,705,500<br>(850,000)<br>\$15,285,000 |
| <b>17. CCDF ARRA Funds</b><br>Increases GF/GP by \$16.7 million to offset one-time Child Care and Development (CCDF) ARRA funds. Michigan is allocated \$58.7 million in CCDF ARRA of which \$7.4 million was appropriated in FY 2008-09 and \$51.3 million was appropriated in FY 2009-10 to offset GF/GP in other areas of the budget.   | <b>Gross \$0</b><br>CCDF 21,076,500<br>(ARRA)<br>GF/GP (\$21,076,500)   | <b>\$0</b><br>(16,656,700)<br><br>\$16,656,700                                  |
| <b>18. Electronic Benefit Transfer (EBT)</b><br>Increases contractual payments to administer EBT payments for cash and food assistance. FAP transaction activity has increased, resulting in higher costs related to administering EBT payments. Increase uses food assistance administration ARRA funds to offset GF/GP that would be needed without these one-time federal funds.  | <b>Gross \$6,433,500</b><br>Federal 3,402,200<br>GF/GP \$3,031,300  | <b>\$6,575,500</b><br>6,425,900<br>\$149,600                                    |
| <b>19. Federal Funding Increases</b><br>Increases federal Weatherization funds by \$9.0 million, Community Services Block Grant by \$1.4 million, and adds 2.0 FTEs for administration of those two programs (\$191,300). Also increases refugee services by \$6.5 million, and adds federal funding for 1.0 FTE within the Office of Inspector General (\$95,700).  | FTEs 24.0<br><b>Gross \$62,325,800</b><br>Federal 62,325,800<br>GF/GP \$0   | 3.0<br><b>\$17,182,800</b><br>17,182,800<br>\$0                                 |
| <b>20. Rape Prevention and Services</b><br>Recognizes \$1.0 million in civil infraction fee revenue earmarked by 2008 PA 546 to support victims of sexual assault and provides \$1.0 million in additional GF/GP in order to redirect TANF to support rape prevention services. These revenues offset the elimination of a \$1.3 million grant in the Department of Community Health budget from the Crime Victim's Rights Fund for these services.  | FTEs 0.0<br><b>Gross \$2,600,000</b><br>IDG 1,300,000<br>Federal 1,300,000<br>Restricted 0<br>GF/GP \$0                 | 0.5<br><b>\$700,000</b><br>(1,300,000)<br>0<br>1,000,000<br>\$1,000,000         |
| <b>21. Child Advocacy Centers</b><br>Recognizes civil infraction fee revenue earmarked in 2008 PA 544 to support child advocacy centers throughout the state. The Domestic Violence and Treatment board will administer the funding to support victims of child sexual abuse.  | FTEs 0.0<br><b>Gross \$0</b><br>Restricted 0<br>GF/GP \$0   | 0.5<br><b>\$1,000,000</b><br>1,000,000<br>\$0                                   |
| <b>22. Disability Determination, SSI Advocacy, and SSI Recoveries - PARTIAL VETO</b><br>Increases federal funding by \$21.8 million to hire 175 FTEs for disability determinations to address backlog of individuals waiting for final determination. Reduces private contract for SSI legal advocacy by \$975,000. These new FTEs are projected to generate \$2.0 million in GF/GP savings from SDA caseload reductions, and \$2.5 million in GF/GP savings from additional SSI recoveries in the SDA line item. Governor vetoed remaining \$300,000 in funding for private SSI legal advocacy. | FTEs 556.9<br><b>Gross \$86,039,700</b><br>IDG 291,600<br>Federal 82,755,500<br>Restricted 702,000<br>GF/GP \$2,290,600 | 175.0<br><b>\$18,629,600</b><br>0<br>21,813,300<br>2,450,000<br>(\$5,633,700)   |

| <b>Major Budget Changes From FY 2009-10 YTD Appropriations</b>   |              | <b>FY 2009-10 YTD<br/>(as of 2/11/10)</b> | <b>Enacted Change<br/>From YTD</b> |
|--|--------------|---|------------------------------------|
| <b>23. Employment and Training Programs</b>  | <b>Gross</b> | <b>N/A</b>                                | <b>(\$3,504,900)</b>               |
| Offsets \$11.4 million in GF/GP with TANF cut from the DELEG Welfare-to-Work line item, and reduces GF/GP \$3.5 million from not funding Michigan Rehabilitation Services programming out of the employment and training support services line item.   | Federal      | N/A                                       | 11,400,000                         |
|  | GF/GP        | NA  | (\$14,904,900)                     |
| <b>24. Food Stamp Reinvestment</b>   | FTEs         | 31.8                                      | (29.0)                             |
| Reduces GF/GP by \$2.5 million and FTEs by 31.8 from food stamp reinvestment line item. Funding is not needed in FY 2010-11 as DHS is in compliance with federal food assistance program error rate thresholds. Transfers \$150,000 in GF/GP and 2.8 FTEs from food stamp reinvestment line item to local office field staff.  | <b>Gross</b> | <b>\$2,500,000</b>                        | <b>(\$2,200,000)</b>               |
|  | Federal      | 0   | 150,000                            |
|  | GF/GP        | \$2,500,000                               | (\$2,350,000)                      |
| <b>25. Child Care Fund</b>   | <b>Gross</b> | <b>\$216,872,000</b>                      | <b>\$1,164,100</b>                 |
| Increases GF/GP \$1.2 million to reflect a policy change allowing Wayne County to retain all, rather than 50%, of federal Title IV-E earnings related to its eligible costs.   | Federal      | 116,569,900                               | 0                                  |
|  | GF/GP        | \$100,302,100                             | \$1,164,100                        |
| <b>26. Juvenile Justice Facility Adjustments</b>   | FTEs         | 204.0                                     | (24.0)                             |
| Annualizes savings from the January 2010 closures of Nokomis Challenge Center (\$1.2 million) and the community juvenile justice centers (\$687,000); reduces funding for Maxey Training School by \$2.0 million and by 24 FTEs; and replaces local school aid funding with GF/GP based on continued declines in the number of youth at the facilities (\$771,900).  | <b>Gross</b> | <b>\$25,764,000</b>                       | <b>(\$3,933,200)</b>               |
|  | Federal      | 1,943,400                                 | (222,000)                          |
|  | Local        | 13,489,200                                | (2,678,100)                        |
|  | GF/GP        | \$10,331,400                              | (\$1,033,100)                      |
| <b>27. Zero to Three and IV-B Carryforward</b>   | <b>Gross</b> | <b>\$3,843,800</b>                        | <b>\$0</b>                         |
| Replaces TANF funding for Zero to Three programs with \$3.8 million in one-time federal Title IV-B carryforward revenue and assumes \$2.0 million in TANF funding for FY 2009-10 Zero to Three programming will not be spent. The TANF lapse and IV-B carryforward will be used to offset GF/GP elsewhere in the budget. Program will be restructured to focus on high need families in urban areas.   | TANF         | 3,843,800                                 | 2,000,000                          |
|  | IV-B         | 0   | 3,843,800                          |
|  | GF/GP        | \$0                                       | (\$5,843,800)                      |
| <b>28. Other Program Increases - PARTIAL VETO</b>  | <b>Gross</b> | <b>N/A</b>                                | <b>\$6,831,900</b>                 |
| Increases funding for Mi Bridges (\$5.0 million), to create a customer service resource center (\$850,000), medical/psychiatric evaluations (\$531,900), Conductive Learning Center (\$300,000), YouthVille Detroit (\$100,000), Kent and Muskegon County crisis prevention (\$50,000) and 2-1-1 (\$50,000). Governor vetoed funding for Kent and Muskegon crisis prevention.  | Federal      | N/A                                       | 56,200                             |
|  | Private      | NA  | 5,000,000                          |
|  | GF/GP        | NA  | \$1,775,700                        |
| <b>29. Other Program Eliminations and Reductions</b>   | <b>Gross</b> | <b>N/A</b>                                | <b>(\$5,503,000)</b>               |
| Reduces State Disbursement Unit contract savings (\$2.9 million), guardianship assistance through reduced caseload projection (\$1.6 million), projected Child care training and oversight lapse (\$500,000), volunteer services (258,800). Eliminates MSU kinship care earmark (\$200,000).   | Federal      | N/A                                       | (2,401,500)                        |
|  | GF/GP        | N/A                                       | (\$3,101,500)                      |
| <b>30. Fee Revenue Reduction</b>   | <b>Gross</b> | <b>N/A</b>                                | <b>(\$657,200)</b>                 |
| Reduces fee revenues related to boilerplate sections 309 and 911 allowing licensing fees for child care organizations and charging an annual \$25 child support fee charged to the custodial parent, respectively. \$2.7 million in GF/GP is used to offset the reduction in fee revenue.  | Restricted   | N/A                                       | (3,382,200)                        |
|  | GF/GP        | N/A                                       | \$2,725,000                        |
| <b>31. Information Technology</b>  | <b>Gross</b> | <b>\$128,164,300</b>                      | <b>\$7,899,400</b>                 |
| Increases information technology funding to extend contracted "Bridges" system support (\$9.0 million) and to integrate the Law Enforcement Information Network system (LEIN) into "Bridges" (\$300,000). Costs are offset from Child Support IT contract savings (\$1.0 million), offsetting GF/GP with child support fee revenue carryforward (\$1.0 million), administrative savings (263,800), and DTMB consolidation savings (136,800). | Federal      | 96,860,200                                | 4,589,800                          |
|  | Restricted   | 0   | 1,000,000                          |
|  | GF/GP        | \$31,304,100                              | \$2,309,600                        |

| <b>Major Budget Changes From FY 2009-10 YTD Appropriations</b>  |              | <b>FY 2009-10 YTD<br/>(as of 2/11/10)</b> | <b>Enacted Change<br/>From YTD</b> |
|---|--------------|---|------------------------------------|
| <b>32. Medicaid Match Rate Adjustments</b>  | <b>Gross</b> | <b>N/A</b>                                | <b>\$0</b>                         |
| Increases \$1.2 million in GF/GP appropriations as a result of projected adjustments to the Federal Medical Assistance Percentage (FMAP) rate. This rate is used to determine federal cost sharing within several DHS programs, including foster care, adoption subsidies, and day care. Around \$7.3 million in GF/GP savings is attributable to the increase in the base FY 2009-10 FMAP rate from 63.19% to 65.79%. These savings are offset by \$8.5 million in new GF/GP costs that result from the ARRA-related FMAP rate increase of 6.2 percentage points being available for only the first quarter rather than for the full fiscal year. The ARRA FMAP increase is phased down to 3.2 percentage points in the second quarter and 1.2 percentage points in the third quarter and then phased out in the last quarter. | Federal      | N/A                                       | 881,800                            |
|   | Restricted   | N/A                                       | (2,085,900)                        |
|   | GF/GP        | N/A                                       | \$1,204,100                        |

|  |              |            |                     |
|--|--------------|------------|---------------------|
| <b>33. Economic Adjustments</b>  | <b>Gross</b> | <b>N/A</b> | <b>\$38,874,800</b> |
| Increases funding by \$38.9 million to cover the cost of a 3% salary and wage increase for state employees, as well as adjustments for insurance, retirement, and worker's compensation costs. Increase includes economic adjustments for staff within DTMB for IT support and within DELEG for State Office of Administrative Hearings and Rules. The adjustments do not include funding to cover a 3% salary and wage increase for not exclusively represented employees (NEREs) which was rejected by the State Civil Service Commission. | IDG          | N/A        | 3,700               |
|  | Federal      | N/A        | 25,266,600          |
|  | Local        | N/A        | 754,800             |
|  | Private      | N/A        | 150,000             |
|  | Restricted   | N/A        | 10,000              |
|  | GF/GP        | N/A        | \$12,689,700        |

#### **Major Boilerplate Changes From FY 2009-10**

##### **GENERAL SECTIONS**

###### ***Sec. 205. Hiring Freeze – DELETED***

Specifies details of a hiring freeze on state classified civil service employees, provides exceptions to the hiring freeze only with State Budget Director's approval, and requires a quarterly report on the number of exceptions.

###### ***Sec. 225. Lease Cancellation – NEW***

Requires the department to cancel the lease at 14000 Schoolcraft Ave. Detroit, MI effective November 30, 2010.

###### ***Sec. 287. Death Notification to Children's Ombudsman – REVISED***

New language requires DHS to notify Children's Ombudsman in certain instances when the child was under court jurisdiction, had involvement with Child Protective Services, or when death may have resulted from abuse or neglect.

###### ***Sec. 288. Time Limits on Provider Payments – VETOED***

Prohibits DHS from establishing time limits on payments to providers for purchased services that have been properly documented by the provider; requires DHS to use GF/GP if federal claims cannot be made.

###### ***Sec. 289. Overdue Foster Care Payments – NEW***

Requires DHS to pay private child placing agencies and child caring institutions all verified overdue payments for foster care services provided to youth under contract.

###### ***Sec. 291. Michigan Home Based Child Care Council Report – NEW***

Requires DHS to report on the money DHS provides to the MHBCCC related to administrative costs as well as money transferred to the MHBCCC related to union dues.

###### ***Sec. 292. Child Development and Care Report – NEW***

Requires DHS to report the number of child care providers eligible for CDC subsidies on October 1, 2008 and on October 1, 2010.

##### **EXECUTIVE OPERATIONS**

###### ***Sec. 309. Licensing Fees for Child Care and Adult Foster Care Organizations – DELETED***

Provides that DHS shall assess fees on child care organizations and adult foster care facilities, with revenue used to finance licensing and regulatory activities.

###### ***Sec. 311. Performance-Based Licensing System – REVISED***

Requires DHS to implement a performance-based licensing model for licensed adult foster care, day care and child welfare facilities; model to prioritize licensing activities based on risks to vulnerable adults and children.

## **Major Boilerplate Changes From FY 2009-10**

### **ADULT AND FAMILY SERVICES**

#### ***Sec. 415. Fatherhood Initiative – NEW***

Provides guidelines to DHS on appropriation for the fatherhood initiative, if money becomes available.

#### ***Sec. 416. Marriage Initiative – NEW***

Provides guidelines to DHS on appropriation for the marriage initiative, if money becomes available.

#### ***Sec. 423. Crisis Prevention and Food Assistance Outreach Programs – PARTIAL VETO***

Requires DHS to allocate \$75,000 to Barry County for domestic violence prevention, \$100,000 to support a food stamp hotline for elderly citizens who may be eligible for food assistance; and \$50,000 for food aid outreach projects in Kent and Muskegon Counties. Earmarks for Barry, Kent, and Muskegon Counties were vetoed.

### **CHILDREN'S SERVICES**

#### ***Sec. 503. Adoption Subsidy Payment Continuance – REVISED***

Revises guidelines for the continuance of adoption subsidy payments for families with adopted children who have not earned a high school diploma or GED, but are making progress toward completion. Concurs with new Executive language that allows payments to continue until the child's twentieth birthday if he or she was adopted at age 16 or later.

#### ***Sec. 507. Foster Care Private Collections – NEW***

Allows DHS to satisfy appropriations deductions with private collections for services provided in prior fiscal years.

#### ***Sec. 517. Zero to Three Program – REVISED***

Concurs with Executive in revising program criteria for the Zero to Three Program by language specifying the program is to be administered through the Children's Trust Fund, and eliminating various program guidelines.

#### ***Sec. 523. Child and Family Services Programs Reporting Requirements – REVISED***

Allows DHS to fund teenage parent counseling contracts, if money becomes available.

#### ***Sec. 540. Foster Care Treatment and Group Homes – NEW***

Requires DHS to issue a request for proposals for treatment foster care and group homes no later than January 1, 2011.

#### ***Sec. 546. Foster Care Rates – REVISED***

Maintains language establishing an administrative rate of \$37.00 per day for foster care services and \$28.00 per day for general independent living services for private child placing agencies, and setting rates for specialized independent living to be at least as high as the rates in FY 2008-09. Eliminates language regarding the sharing of per diem costs between the state and counties on a 75/25 basis for children not eligible for Title IV-E funding. Governor's FY 2009-10 signing letter stated the cost sharing mandated by the section was unenforceable to the degree that it conflicts with existing state statute.

#### ***Sec. 547. Foster Care Public Administrative Per-Diem – DELETED***

Establishes a \$40.00 administrative rate per day for publicly supervised foster care cases. Provides that the per diem would be shared between the state and counties at a rate of 75% state and 25% county for children not eligible for Title IV-E funding. Governor's FY 2009-10 signing letter stated the cost sharing mandated by the section was unenforceable to the degree that it conflicts with existing state statute.

#### ***Sec. 565. Family Preservation Funding for Wayne County – REVISED***

Reduces Wayne County allocation of family preservation funding from \$2.0 million to \$1.6 million. Funding supports home-based programs as part of county expansion of community-based services for delinquent and abused/neglected youth.

#### ***Sec. 570. Guardianship Assistance Program – REVISED***

Establishes guidelines for the program, including reporting on the program and recommended modifications. Concurs with Executive in eliminating certain stipulations on the use of funds and makes technical adjustment to program name.

#### ***Sec. 573. Special Adoption Contracts – VETOED***

Restores language vetoed in FY 2009-10 that provides \$1.0 million to support contracts with adoption agencies that place long-term permanent wards who have been wards for over one year after termination of parental rights. Agencies would receive \$16,000 for each finalized placement

#### ***Sec. 581. Adoption Agency Contract Rates – VETOED***

Restores language vetoed in FY 2009-10 that establishes a rate structure for adoption agencies, increasing rate payments by 36% over the existing rate schedule. Language specifies the new funding is intended to assist agencies in order to comply with new Children's Rights settlement caseload requirements of 15 cases per worker.

#### ***Sec. 586. Purchase of Services (POS) Monitors and Caseload Ratios – REVISED***

Requires DHS to request a modification of Children's Rights settlement agreement to permit department to ensure that 95% of purchase of service monitors have caseloads of no more than 90 cases. Also requires new evaluation of the effectiveness of the purchase of service monitoring function.

## **Major Boilerplate Changes From FY 2009-10**

### ***Sec. 587. In-Home Care Incentive Program – VETOED***

Restores language vetoed in FY 2009-10 that establishes a Child Care Fund In-Home Care Incentive Program to encourage counties to utilize in-home care services rather than out-of-home placements. Program would provide 75% state reimbursement for any increased costs in this area.

### ***Sec. 588. Reports from Children's Rights Lawsuit Settlement Monitor – NEW***

Concurs with Executive language which requires DHS to transmit all reports from the court-appointed settlement monitor to the Appropriations Subcommittees and other stakeholders concurrent with their public release. Requires monthly reporting on subsidized guardianship program and foster care waiver program for children with serious emotional disturbances.

### ***Sec. 589. Restrictions on Transfer of Foster Care Cases to Private Supervision – NEW***

Prohibits the Department from transferring foster care cases from DHS supervision to private agency supervision where the case requires a county contribution to the private agency administrative rate.

## **PUBLIC ASSISTANCE**

### ***Sec. 613(2). Indigent Burial Pilot Program – NEW***

Restores language vetoed in FY 2009-10 budget which permits the DHS to establish a regional or statewide indigent burial pilot program that would reimburse funeral directors for the cremation of deceased indigent persons not claimed by a responsible party.

### ***Sec. 640. Child Care Infant and Toddler Incentive – DELETED***

Allows DHS to continue to provide infant and toddler incentive payments to child development and care providers serving children two-and-half years old or younger and meeting licensing and training requirements. Rate structure established in section 675 is revised to include the infant and toddler incentive.

### ***Sec. 657. Before- and After-School Program – NEW***

Restores language vetoed in FY 2009-10 budget which allocates \$3.0 million for a Before- and After-School program targeting children from kindergarten to ninth grade. Establishes program guidelines and eligibility criteria. Language requires applicants to demonstrate how program facilitates parental involvement, and requires evaluation of academic accomplishments and attendance records.

### ***Sec. 670. FIP Program Supplement – DELETED***

Allocates an additional \$5.6 million for children's clothing expenses; requires DHS to notify FIP recipients that allowance is to be used for clothing. Concurs with Executive in incorporating the special supplement into the standard clothing allowance in section 669.

### ***Sec. 671. Child Development and Care Sanction Policy – NEW***

Requires DHS to develop and implement a sanctions policy that applies to criminal and fraudulent behavior in the Child Development and Care program.

### ***Sec. 672. Report on Electronic Benefit Transfer Card Abuse – NEW***

Requires DHS to report on efforts to reduce inappropriate utilization of Bridge cards by program recipients.

### ***Sec. 675. Child Development and Care Services Rate Structure – REVISED***

Outlines the rate structure to be used by DHS in reimbursing child development and care providers that provide services to eligible families, including two tiers for enrolled providers with the higher tier being available to the enrolled providers who complete annual training. Language is revised to add infant and toddler incentive bonus for enrolled providers from section 640, which is also tiered to completion of training.

### ***Sec. 679. Boys and Girls Club – NEW***

Allows DHS to allocate \$250,000 to the Boys and Girls Club of Michigan if money becomes available in the child care grants and contracts line item.

### ***Sec. 683. SSI Advocacy Contract with Legal Services Association of Michigan – VETOED***

Allocation for SSI advocacy services provided through the Legal Services Association of Michigan (LSAM) is reduced from \$1,275,000 to \$300,000. New language requires DHS to refer cases to LSAM if DHS cannot provide SSI legal assistance. Referral shall notify clients that LSAM may be eligible to receive a portion of the client's SSI lump-sum payment as authorized by MCL 400.44.

### ***Sec. 696. Chaldean Community Foundation – VETOED***

Allocates \$100 to the Chaldean Community Foundation for translation, health care, tutoring, mentoring, and refugee resettlement services. Section was vetoed, funding for the Chaldean Community Foundation was appropriated in a FY 2009-10 supplemental (2010 PA 193).



## **Major Boilerplate Changes From FY 2009-10**

### **JUVENILE JUSTICE SERVICES**

#### ***Sec. 726(2). Residential Provider Per Diem Rates and Rate Floor – REVISED***

Increases floor funding from \$130 per day to \$137 per day for providers of residential services for both juvenile justice and abuse/neglect youth.

#### ***Sec. 730. Adjustments to Juvenile Justice Per Diem Rate – DELETED***

Provides that DHS shall review and may adjust per diem rates for private providers of juvenile justice services in recognition of added complex services.

### **LOCAL OFFICE SERVICES**

#### ***Sec. 750 Out-Stationed Eligibility Specialists – REVISED***

Revises language to allow community-based organizations, nursing homes, and hospitals to discontinue program at its facility; requires DHS to expand use of the Internet in application process.

#### ***Sec. 756. Limited-Term Eligibility Specialists – NEW***

Provides that funding appropriated for limited-term field staff, salaries and wages be expended to support 100 new limited-term eligibility specialist positions. Authorization is contingent, however, on establishment of customer service resource center as required in section 754.

#### ***Sec. 757. Need for and Allocation of Bilingual Caseworkers – NEW***

Requires DHS to collect county data to evaluate whether interpreter services are provided at a sufficient level and whether the allocation of current interpreters across counties is appropriate.

### **CHILD SUPPORT ENFORCEMENT**

#### ***Sec. 904. Prohibition Against Charge-back to Counties for Services – DELETED***

Prohibits DHS from charging back to counties any fees paid to Internal Revenue Service or Department of Treasury related to tax intercept and offset programs for child support enforcement.

#### ***Sec. 911. Child Support Annual Fee – DELETED***

Requires DHS to implement a \$25 annual fee to be deducted from support collected on behalf of individuals served by the program. Elimination of this authorization to charge the fee would require DHS to pay the federal government its share of the fee revenue from state funding.

### **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

#### ***Sec. 1104. Community Action Agency TANF Allocation – VETOED***

Earmarks \$500,000 for Earned Income Tax Credit (EITC) education and outreach contracts. Establishes preferences for receipt of funds.

#### ***Sec. 1105. Quarterly Report on Weatherization Services – NEW***

Requires quarterly reporting from DHS on the number of homes weatherized through programs administered by the Bureau of Community Action and Economic Opportunity.