

# Legislative Analysis

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## COUNTY FOSTER CARE PAYMENTS

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**Senate Bill 1086 (Substitute S-2)**

**Sponsor: Sen. Bruce Caswell**

**Committee: Appropriations**

**Complete to 12-9-14**

### A SUMMARY OF SENATE BILL 1086 (S-2) AS PASSED BY SENATE

Senate Bill 1086 (S-2) would amend Section 5 of the Youth Rehabilitation Services Act (MCL 803.305) to require that in a county with a population of not less than 575,000 or more than 650,000, the Department of Human Services (DHS) must pay 100% of the administration rate to foster care case management services providers for families of children that were court-ordered into foster care due to abuse or neglect and placed into the care and supervision of the DHS, regardless of placement setting, until a new prospective payment system is implemented.

In addition, the bill would require the DHS, subject to appropriations, to implement a new prospective payment system as part of a state-administered performance-based child welfare system in that county for foster care case management in accordance with Section 503 of the DHS FY 2014-15 appropriation budget (Article X of PA 252 of 2014).

The bill also stipulates that the county would only be required to contribute to foster care services annual payments in an amount not greater than the county's average contribution for cases received under Section 2(b) of the Probate Code of 1939 in the previous 5 fiscal years before October 1, 2015. The prospective payment system shall not include in-home care service funding.

The bill's provisions would not apply after May 1, 2018.

### FISCAL IMPACT:

Senate Bill 1086 (S-2) is a companion bill to Senate Bill 975 (S-4) which has a state fiscal impact of up to \$1.0 million General Fund/General Purpose (GF/GP) revenues. The bill would not increase costs to the defined county.

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