

Act No. 521
Public Acts of 2014
Approved by the Governor
January 10, 2015
Filed with the Secretary of State
January 14, 2015
EFFECTIVE DATE: January 14, 2015

**STATE OF MICHIGAN
97TH LEGISLATURE
REGULAR SESSION OF 2014**

Introduced by Senator Caswell

ENROLLED SENATE BILL No. 1086

AN ACT to amend 1974 PA 150, entitled "An act to provide for the acceptance, care, and discharge of youths committed as public wards; to prescribe the liability for the cost of services for public wards; to prescribe procedures for the return of public wards who absent themselves without permission; to provide a penalty for the violation of this act; and to repeal acts and parts of acts," by amending section 5 (MCL 803.305), as amended by 1998 PA 517.

The People of the State of Michigan enact:

Sec. 5. (1) Except as provided in subsections (3) to (5), the county from which the public ward is committed is liable to the state for 50% of the cost of his or her care, but this amount may be reduced by the use of funds from the annual original foster care grant of the state to the county, or otherwise, for any period in respect to which the department has made a finding that the county is unable to bear 50% of the cost of care. If the department reduces a county's liability under this section, the director shall inform the respective chairpersons of the appropriations committees of the senate and house of representatives at least 14 days before granting the reduction. The county of residence of the public ward is liable to the state, rather than the county from which the youth was committed, if the juvenile division of the probate court or the family division of circuit court of the county of residence withheld consent to a transfer of proceedings under section 2 of chapter XIIA of the probate code of 1939, 1939 PA 288, MCL 712A.2, as determined by the department. The finding that the county is unable to bear 50% of the expense shall be based on a study of the financial resources and necessary expenditures of the county made by the department.

(2) Except as provided in subsection (5), the department shall determine the cost of care on a per diem basis using the initial annual allotment of appropriations for the current fiscal year exclusive of capital outlay and the projected occupancy figures upon which that allotment was based. That cost of care applies in determining required reimbursement to the state for care provided during the calendar year immediately following the beginning of the current fiscal year for which the state expenditures were allotted.

(3) Except as provided in subsections (4) and (5), a county that is a county juvenile agency is liable for the entire cost of a public ward's care while he or she is committed to the county juvenile agency.

(4) Notwithstanding the provisions in subsection (1) and subject to appropriations, in a county with a population of not less than 575,000 or more than 650,000, for the purpose of this subsection only for cases transferred by the department to a child placing agency, the department shall pay 100% of the administrative rate to providers responsible for foster care case management services to families of children who are court-ordered into foster care due to abuse or neglect and placed in the care and supervision of the department, regardless of placement setting until the prospective payment system described in subsection (5) is implemented. This subsection does not apply after May 1, 2018.

(5) Notwithstanding the provisions in subsections (1) and (2) and subject to appropriations, the department shall implement a prospective payment system as part of a state-administered performance-based child welfare system in a county with a population of not less than 575,000 or more than 650,000, for foster care case management in accordance with section 503 of article X of 2014 PA 252. The county is only required to contribute to foster care services payments in an amount that does not exceed the average of the annual net contribution made by the county for cases received under section 2(b) of chapter XIIA of the probate code of 1939, 1939 PA 288, MCL 712A.2, in the 5 previous fiscal years before October 1, 2015. The prospective payment system as part of the state-administered performance-based child welfare system shall be implemented as described in this subsection but shall not include in-home care service funding. This subsection does not apply after May 1, 2018.

(6) Subsections (4) and (5) only impact abuse and neglect services and not juvenile justice program funding. This subsection does not apply after May 1, 2018.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Jay E. Randall

Clerk of the House of Representatives

Approved

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Governor