



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 124 (as introduced)
 Committee: Appropriations

[Vehicle for Governor's Recommendation line items is Senate Bill 133.](#)

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 GOV.'S REC.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	12,221.5	12,037.9	(183.6)	(1.5)
GROSS	5,755,174,700	5,734,326,500	(20,848,200)	(0.4)
Less:				
Interdepartmental Grants Received	21,545,900	24,260,300	2,714,400	12.6
ADJUSTED GROSS.....	5,733,628,800	5,710,066,200	(23,562,600)	(0.4)
Less:				
Federal Funds.....	4,551,275,200	4,542,043,600	(9,231,600)	(0.2)
Local and Private	60,663,600	71,798,200	11,134,600	18.4
TOTAL STATE SPENDING.....	1,121,690,000	1,096,224,400	(25,465,600)	(2.3)
Less:				
Other State Restricted Funds.....	126,237,400	117,333,400	(8,904,000)	(7.1)
GENERAL FUND/GENERAL PURPOSE.....	995,452,600	978,891,000	(16,561,600)	(1.7)
PAYMENTS TO LOCALS	97,343,300	97,088,300	(255,000)	(0.3)

FY 2014-15 Year-to-Date Gross Appropriation	\$5,755,174,700
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Changes from FY 2014-15 Year-to-Date:

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| 1. Investment: Child Care Licensing Consultants. Governor included Federal funding for an additional 39.0 FTEs to meet Federal program standards. | 5,661,500 |
| 2. Investment: Donated Funds Positions. Governor included Federal, Local, and Private funding for 200.0 FTE eligibility workers for Medicaid and public assistance determination. | 20,551,200 |
| 3. Michigan Rehabilitation Services (MRS). Partially restored a reduction in the FY 2014-15 budget and provided funding for the minimum wage increase. | 1,371,700 |
| 4. Guardian Contract. Recognized increased costs associated with guardianship assistance for adult clients. More counties require attorney rather than caseworker representation. | 50,000 |
| 5. Vital Statistics Expenses. Recognized increased costs to retrieve vital statistics from the Department of Community Health. | 300,000 |
| 6. Administrative Hearing Costs. Recognized indirect costs for administrative hearings. | 851,400 |
| 7. Disability Determination and Fraud Prevention. Recognized GF/GP savings from Cooperative Disability Investigation (CDI) expansion and consolidation of Disability Determination Services, and an increased IDG for Retirement Disability services. | 85,900 |
| 8. Modified Settlement Agreement (MSA). Increased charges from the MSA monitor. | 260,000 |
| 9. Remove \$3 Administrative Rate Increase. Eliminated a temporary rate increase from \$37 to \$40 for private child placing agencies. | (5,142,400) |
| 10. Private Residential Facility Rate Increase. Eliminated a temporary rate increase for private residential facilities. | (3,655,300) |

11. Cost Share for Foster Care Case Assignment. Reinstated the 50-50 cost share between the counties and State for the \$37 administrative rate for private child placing agencies.	(1,650,000)
12. Redetermined Adoption Assistance. Retained \$1.0 million for redetermined subsidies for special needs adopted children.	(6,900,000)
13. Grants for In-Home Juvenile Justice Programs. Retained \$400,000 for grants.	(600,000)
14. Parent-to-Parent Program. Eliminated peer mentoring program for adoptive parents.	(500,000)
15. Swift-and-Sure Program with MRS. Eliminated IDG from the Department of Corrections.	(3,000,000)
16. Centers for Independent Living. Reduced funding for pilot program and expansion.	(1,500,000)
17. School Success Partnership for NEMCSA. Eliminated program.	(300,000)
18. JJ Vision 20/20 Project. Eliminated program.	(1,000,000)
19. Child Support. Required cooperation with child support for public assistance eligibility.	(900,300)
20. Close Local Offices. Recognized savings from Rent and Building Occupancy Charges.	(5,331,000)
21. Automated Asset Test. Eliminated automated asset tests for eligibility determination.	(5,000,000)
22. Electronic Notifications. Reduce paper notifications for MiBridges and MICSES clients.	(2,865,000)
23. Extended Family Independence Program (EFIP). Eliminated \$10 per month program.	(116,400)
24. Short-Term Family Support. Eliminated \$1,513 payment that served 40 cases annually.	(726,200)
25. SSI Advocates. Eliminated 8.0 FTEs due to Disability Determination Services consolidation.	(795,800)
26. PATH Coordinators. Reduced welfare-to-work coordinators by 9.0 FTEs.	(1,002,400)
27. Peer Coaches. Reduced non-MSA child welfare services workers by 10.0 FTEs.	(1,035,700)
28. Recoupment Positions. Reduced positions by 1.0 FTE.	(124,100)
29. Non-Family Independence Specialists (FIS). Reclassified positions at a lower pay rate.	(550,000)
30. Travel Reimbursements. Reduced travel reimbursements for child welfare staff training.	(300,000)
31. Child Welfare Training Institute. Recognized prior year funding lapse.	(100,000)
32. Laptops for Executives. Eliminated 52 laptops for executives who also have a tablet.	(85,900)
33. W.J. Maxey Training School. Recognized prior year funding lapse.	(400,000)
34. Child Welfare Caseload Adjustments. Adjusted baseline projections.	(1,426,400)
35. Public Assistance Caseload Adjustments. Adjusted baseline projections.	8,163,500
36. One-Time Appropriations. Removed FY 2014-15 one-time funding. Included new funding for employment and training services pilot program (\$800,000 Gross and \$400,000 GF/GP).	(4,350,000)
37. Budgetary Savings. Annualized a reduction of 332.0 FTEs in FY 2014-15.	(6,296,800)
38. Economic Adjustments. Includes a negative \$12,598,400 Gross and negative \$4,061,900 GF/GP for OPEB and \$10,119,700 Gross and \$3,321,100 GF/GP for other economic adjustments.	(2,478,700)
39. Other Changes. Restructure of budget bill, FMAP adjustment to 65.60%, program and legislative transfers, align FTE counts with actual appropriations.	(11,000)
Total Changes	(\$20,848,200)
FY 2015-16 Governor's Recommendation	\$5,734,326,500

The changes show the differences between the schedule of programs proposed by the Governor and the prior-year line items.

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Internet Reporting.** New language allowed the Department to fulfill the reporting requirement either through email, the internet, or intranet. (Sec. 208)
2. **Terminal Leave Pay Outs.** New language required spending to align with Gross appropriation in the line. (Sec. 316)
3. **Child Care Licensing Consultants.** New language required the Department to pay for additional Child Care Licensing Consultants from an IDG from the Michigan Department of Education. (Sec. 317)
4. **Donated Funds Positions.** New language increased the outstationed eligibility specialists to staff adult placement and independent living settings, health clinics, hospitals with high uncompensated care, and other sites. (Sec. 752)
5. **General Reporting Requirements.** Several sections updated the list of agencies receiving boilerplate reports or a report deadline. (Secs. 215, 274, 279, 505, 523, 583, and 677)
6. **FTE Reporting.** Removed language requiring monthly FTE count, annual supervisor-to-staff ratio, and evaluations. (Secs. 214, 298, and 563)
7. **Notifications.** Removed language requiring notification of contract and policy changes, RFI and RFP processes, e-verify, and penalty clause for late reports. (Secs. 222, 226, 228, 240, 291, and 295)
8. **Workgroups.** Removed workgroups for low-income transportation services, TANF utilization in Michigan Works!, assisted living services, and Medicaid. (Secs. 227, 229, 315, 603)
9. **Disciplinary Action.** Removed language prohibiting disciplinary action against a Department staff member who communicates with the Legislature. (Sec. 264)
10. **Michigan Rehabilitation Services (MRS).** Removed language on MRS audit and reporting, and the order of selection for services. (Secs. 403 and 405)
11. **Foster Care.** Removed language requiring a report on mental health exams for foster children, restrictions on out-of-state placements, treatment foster care, placements, medication, guardianship assistance, court training, parent visitations, and a medical passport. (Secs. 511, 513, 519, 537, 540, 547, 560, 564, 565, 566, and 567)
12. **Private Agency Rates.** Removed increases for administrative rate and residential services. (Sec. 546)
13. **Foster Care Case Assignment.** Removed language requiring the Department to pay 100% of the administrative rate for child placing agencies. (Sec. 589)
14. **Private Child Welfare Agencies.** Removed language on facility and license reviews, payment standards, and training. (Secs. 525, 532, 533, 558, and 585)
15. **Redetermined Adoption Assistance.** Removed language to provide redetermined subsidies for special needs adopted children. (Sec. 556)
16. **Performance Based Contracting.** Removed language describing a prospective payment system for child welfare services. (Sec. 503)
17. **Medicaid.** Removed language requiring a report foster care children who had a break in Medicaid coverage, and changed Medicaid eligibility determination standard of promptness from 60 to 90 days. (Secs. 506 and 620)
18. **Kent County Privatization.** Replaced current language with revised reporting requirements. (Sec. 515)
19. **Adoption.** Removed language requiring a minimum adoption rate for adoptive parents. (Sec. 568)
20. **Swift-and-Sure Program.** Removed language for an interdepartmental grant from the Department of Corrections to carry out the Swift-and-Sure prisoner re-entry program through MRS. (Sec. 407)
21. **Marriage and Family Language.** Removed language on marriage and family initiatives. (Secs. 293, 415, and 416)
22. **Elder Abuse Prosecuting Attorneys.** Removed language defining two elder abuse prosecuting attorneys, and changed the entity responsible for the report to the Department. (Sec. 420)
23. **Juvenile Justice.** Removed language on type I transfer, residential contract terms, Medicaid waiver, JJ Vision 20/20, behavioral study, notification of closure, and occupancy. (Secs. 592, 701, 702, 703, 711, 719, and 721)

- 24. **Public Assistance.** Removed language on refugees, LEIN report, disability redeterminations, SSI, travel, EFIP, Bridge card fraud, statistics, and weatherization. (Secs. 612, 617, 622, 625, 626, 657, 672, 686, 1105, 1106, and 1107)
- 25. **Program Benchmarks.** Removed reporting requirement on new or expanded programs over \$500,000. (Sec. 206)
- 26. **Donated Funds Positions.** Revised current language and added new language on the program. (Secs. 750 and 752)
- 27. **Other Programs.** Removed an appropriation for the CILs, workers on wheels, secondary trauma pilot, parent-to-parent, in-home care, task force, technology, school success partnership, and one-time appropriations. (Secs. 404, 424, 509, 559, 587, 590, 1001, 1108, 1201, 1202, 1203, 1204, and 1205)

Date Completed: 2-18-15

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