

# SENATE BILL No. 1231

November 28, 2018, Introduced by Senator MACGREGOR and referred to the Committee on Appropriations.

A bill to amend 1974 PA 150, entitled  
"Youth rehabilitation services act,"  
by amending section 5 (MCL 803.305), as amended by 2014 PA 521.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 5. (1) Except as provided in subsections (3) ~~to (5)~~, **AND**  
2       **(4)**, the county from which the public ward is committed is liable  
3       to the state for 50% of the cost of his or her care, but this  
4       amount may be reduced by the use of funds from the annual original  
5       foster care grant of the state to the county, or otherwise, for any  
6       period in respect to which the department has made a finding that  
7       the county is unable to bear 50% of the cost of care. If the  
8       department reduces a county's liability under this section, the  
9       director shall inform the respective chairpersons of the  
10      appropriations committees of the senate and house of

1 representatives at least 14 days before granting the reduction. The  
2 county of residence of the public ward is liable to the state,  
3 rather than the county from which the youth was committed, if the  
4 juvenile division of the probate court or the family division of  
5 circuit court of the county of residence withheld consent to a  
6 transfer of proceedings under section 2 of chapter XIIIA of the  
7 probate code of 1939, 1939 PA 288, MCL 712A.2, as determined by the  
8 department. The finding that the county is unable to bear 50% of  
9 the expense shall be based on a study of the financial resources  
10 and necessary expenditures of the county made by the department.

11 (2) Except as provided in subsection ~~(5)~~, **(4)**, the department  
12 shall determine the cost of care on a per diem basis using the  
13 initial annual allotment of appropriations for the current fiscal  
14 year exclusive of capital outlay and the projected occupancy  
15 figures upon which that allotment was based. That cost of care  
16 applies in determining required reimbursement to the state for care  
17 provided during the calendar year immediately following the  
18 beginning of the current fiscal year for which the state  
19 expenditures were allotted.

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

24 ~~—— (4) Notwithstanding the provisions in subsection (1) and~~  
25 ~~subject to appropriations, in a county with a population of not~~  
26 ~~less than 575,000 or more than 650,000, for the purpose of this~~  
27 ~~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.~~

**(4)** ~~(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, 750,000~~, 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 XIIIA 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.~~

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

Enacting section 1. This amendatory act takes effect 90 days

1 after the date it is enacted into law.