

# FY 2019-20: DEPARTMENT OF HEALTH AND HUMAN SERVICES

## Summary: As Passed by the Senate Senate Bill 139 (S-2)



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	FY 2018-19 YTD as of 3/5/19	FY 2019-20 Executive	FY 2019-20 House	FY 2019-20 Senate	FY 2019-20 Enacted	Difference: Senate From FY 2018-19 YTD	
						Amount	%
IDG/IDT	\$13,813,700	\$13,857,600	\$13,424,900	\$13,857,600		\$43,900	0.3
Federal	18,016,041,200	18,221,270,400	18,029,819,500	18,228,737,500		212,696,300	1.2
Local	121,612,600	155,806,100	155,232,700	132,981,900		11,369,300	9.3
Private	152,409,900	143,535,100	137,071,200	143,535,100		(8,874,800)	(5.8)
Restricted	2,758,754,600	2,864,946,300	2,874,653,000	2,865,883,800		107,129,200	3.9
GF/GP	4,439,614,400	4,779,342,000	4,671,821,100	4,745,812,400		306,198,000	6.9
Gross	<b>\$25,502,246,400</b>	<b>\$26,178,757,500</b>	<b>\$25,882,022,400</b>	<b>\$26,130,808,300</b>		<b>\$628,561,900</b>	<b>2.5</b>
FTEs	15,942.7	16,007.0	15,973.0	15,978.0		35.3	0.2

Notes: (1) FY 2018-19 year-to-date figures include mid-year budget adjustments through March 5, 2019. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time." (3) Information on House budget action in this document is based on House Bill 4235 as passed by the House Appropriations Committee.

### Overview

The Department of Health and Human Services (DHHS) includes programs and services to assist Michigan's most vulnerable families, including public assistance programs, protecting children and assisting families by administering foster care, adoption, and family preservation programs, and by enforcing child support laws, funding for behavioral health (mental health and substance use disorder), population health, aging, crime victim, and medical services programs, including Medicaid and the Healthy Michigan Plan.

	FY 2018-19 Year-to-Date (as of 3/5/19)	FY 2019-20 Senate Change
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### Major Budget Changes From FY 2018-19 YTD Appropriations

#### MEDICAID AND BEHAVIORAL HEALTH – GENERAL

##### 1. Traditional Medicaid Cost Adjustment

Executive increases \$224.4 million Gross (\$150.6 million GF/GP) for traditional Medicaid program caseload, utilization, inflation, and financing adjustments. Amount includes \$70.5 million GF/GP to offset the decline in federal FMAP and SCHIP match rates from 64.45% to 64.06% and 98.12% to 86.34%, respectively. Compared to FY 2017-18 expenditures, State Budget Office forecasts an average annual increase of 3.8%. House concurs with the Executive. Senate reduces Executive amount by \$49.8 million Gross (\$17.9 million GF/GP).

<b>Gross</b>	<b>\$13,697,562,500</b>	<b>\$174,676,400</b>
Federal	8,782,364,700	35,623,000
Local	47,462,400	1,033,000
Private	2,100,000	0
Restricted	2,304,205,100	5,272,100
GF/GP	\$2,561,430,300	\$132,748,300

##### 2. Healthy Michigan Plan Cost Adjustment

Executive reduces \$75.2 million Gross (increases \$68.1 million GF/GP) for Healthy Michigan Plan caseload, utilization, inflation, and financing adjustments, of which a reduction of \$50 million Gross (\$4.6 million GF/GP) is attributable to work requirement disenrollments. Amount includes \$75.1 million GF/GP to offset the decline in federal match rate from 93.25% to 90.75%. Compared to FY 2017-18 expenditures, State Budget Office forecasts an average annual increase of 3.8%. House concurs with the Executive and revises the savings from work requirement disenrollments to a federal match rate of 90%. Senate increases Executive amount by \$40.0 million Gross (\$3.7 million GF/GP) and revises the savings from work requirement disenrollments to a federal match rate of 90%.

<b>Gross</b>	<b>\$4,082,666,000</b>	<b>(\$35,222,900)</b>
Federal	3,805,273,200	(122,591,000)
Local	873,700	361,100
Restricted	181,916,500	15,565,900
GF/GP	\$94,602,600	\$71,441,100

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b>3. Actuarial Soundness</b>	<b>Gross</b>	<b>NA</b>	<b>\$204,870,500</b>
<u>Executive</u> includes \$211.5 million Gross (\$61.9 million GF/GP) to support an estimated 2.75% actuarial soundness adjustment for prepaid inpatient health plans (PIHPs), an estimated 5.75% increase for PIHP autism services, and an estimated 2.0% actuarial soundness adjustment for Medicaid health plans and Healthy Kids Dental. <u>House</u> concurs with the Executive. <u>Senate</u> reduces autism actuarial soundness to 3.0%.	Federal	NA	145,349,200
	GF/GP	NA	\$59,521,300
<b>DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>			
<b>4. Property Management – Building Projects</b>	<b>Gross</b>	<b>\$65,966,100</b>	<b>\$2,760,600</b>
<u>Executive</u> includes \$2.8 million Gross (\$1.7 million GF/GP) to fund improvement projects at department priority sites. The department intends to make \$9.0 million in improvements to the following sites: Barry County (\$230,000), Chippewa County (\$250,000), Gogebic County (\$175,000), Kalamazoo County (\$2.2 million), Mackinac County (\$80,000), Macomb County-Warren (\$1.0 million), St. Clair MRS and County Office (\$100,000), Washtenaw County (\$1.0 million), Wayne County-Adult Svcs. (\$1.0 million), Wayne County-Grand River/Warren (\$1.5 million), and Wayne County-Grandmont (\$1.5 million). Total shortfall after fixed costs and projects would be \$2.8 million. <u>House</u> reduces by \$299,900 GF/GP and designates funding as one-time. <u>Senate</u> concurs with the Executive.	IDG/IDT	593,500	0
	TANF	10,620,800	0
	Federal	25,152,800	1,060,600
	Private	36,400	0
	Restricted	168,900	0
	GF/GP	\$29,393,700	\$1,700,000
<b>5. Property Management – Lease Costs</b>	<b>Gross</b>	<b>\$65,966,100</b>	<b>\$1,388,900</b>
<u>Executive</u> includes \$1.4 million Gross (\$855,300 GF/GP) to fund lease increases on non-state owned buildings resulting from mid-term contract increases within a lease, increased rates at renewal, or increased rates from new buildings and current market. <u>House</u> and <u>Senate</u> concur with the Executive.	IDG/IDT	593,500	0
	TANF	10,620,800	0
	Federal	25,152,800	533,600
	Private	36,400	0
	Restricted	168,900	0
	GF/GP	\$29,393,700	\$855,300
<b>6. Departmental Administration GF/GP Lapses</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Administrative Hearing Officers (\$183,000 GF/GP), Worker's Compensation (\$857,400 GF/GP), and Michigan Community Service Commission (\$986,900 GF/GP). <u>Senate</u> retains current year funding.	GF/GP	NA	\$0
<b>7. 3% Administrative Efficiencies</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>House</u> reduces operational funding throughout the budget, reflecting a 3% reduction to be achieved through administrative efficiencies. <u>Senate</u> does not include.	IDG/IDT	NA	0
	TANF	NA	0
	Federal	NA	0
	Local	NA	0
	Private	NA	0
	Restricted	NA	0
	GF/GP	NA	\$0
<b>8. Information Technology Reduction</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>House</u> reduces funding available for information technology services and projects by 25%. <u>Senate</u> does not include.	IDG/IDT	NA	0
	TANF	NA	0
	Federal	NA	0
	Private	NA	0
	Restricted	NA	0
	GF/GP	NA	\$0

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b>9. Information Technology – One-Time Funding</b>		<b>Gross</b>	<b>NA</b>
<u>Executive</u> includes a net-zero adjustment, reallocating \$47.0 million Gross (\$11.8 million GF/GP) ongoing appropriations to one-time appropriations. Pursuant to 2018 PA 618 (SB 601), these additional appropriations were included in the FY 2018-19 budget to attenuate the IT funding shortfall. <u>House</u> includes \$35.5 million Gross (\$8.8 million GF/GP), 75% of the funding requested in the Executive budget recommendation that was a net-zero adjustment. <u>Senate</u> concurs with the Executive.		Federal	NA
		GF/GP	NA
			\$0
			0
			\$0
<b>10. TANF Offset</b>		<b>Gross</b>	<b>NA</b>
<u>House</u> replaces \$8.9 million GF/GP with federal TANF block grant funds based on TANF-funded reductions elsewhere. <u>Senate</u> does not include.		TANF	NA
		GF/GP	NA
			\$0
			0
			\$0
<b>11. Economic Adjustments</b>		<b>Gross</b>	<b>NA</b>
<u>Executive</u> reflects increased costs of \$28.8 million Gross (\$19.1 million GF/GP) for negotiated salary and wage increases (2.0% ongoing, 2.0% lump sum), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> and <u>Senate</u> concur with the Executive.		IDG/IDT	NA
		TANF	NA
		Federal	NA
		Local	NA
		Private	NA
		Restricted	NA
		GF/GP	NA
			\$28,809,400
			43,900
			117,200
			8,715,900
			158,600
			125,200
			513,200
			\$19,135,400
<b>CHILD SUPPORT ENFORCEMENT</b>			
<b>12. Federal Child Support Collection Fee Increase</b>		<b>Gross</b>	<b>NA</b>
<u>Executive</u> includes an increase of \$956,300 GF/GP and a federal reduction of a like amount to fund an increase in the annual federal child support collection fee. The fee was raised from \$25 to \$35 per case once \$550 is collected on behalf of the custodial parent. Currently, the state pays this fee instead of assessing it on custodial parents. <u>House</u> and <u>Senate</u> concur with the Executive.		Federal	NA
		GF/GP	NA
			\$0
			(956,300)
			\$956,300
<b>13. Child Support Enforcement GF/GP Lapses</b>		<b>Gross</b>	<b>NA</b>
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Child Support Enforcement Operations (\$562,000 GF/GP) and Legal Support Contracts (\$580,000 GF/GP). <u>Senate</u> retains current year funding.		GF/GP	NA
			\$0
			\$0
<b>COMMUNITY SERVICES AND OUTREACH</b>			
<b>14. Campus Sexual Assault Prevention and Education</b>		<b>Gross</b>	<b>\$1,321,700</b>
<u>House</u> includes a reduction of \$821,700 GF/GP to the Campus Sexual Assault Prevention and Education Program for grants to high schools and institutions of higher education and includes boilerplate section 240 directing DHHS to expend available work project authorization funding. Sec. 451 is related boilerplate. <u>Senate</u> retains current year funding.		GF/GP	\$1,321,700
			\$0
<b>15. Child Advocacy Centers</b>		FTE	0.5
<u>House</u> includes an increase of \$500,000 GF/GP funding on a one-time basis for child advocacy centers. <u>Senate</u> includes an increase of \$1.0 million GF/GP.		<b>Gross</b>	<b>\$1,407,000</b>
		Restricted	1,407,000
		GF/GP	\$0
			\$0
			\$1,000,000
			\$1,000,000
<b>16. Crime Victim Justice Assistance Grant Increase</b>		FTE	0.0
<u>Executive</u> includes an increase of \$40.0 million federal funding and 4.0 FTE positions to recognize additional Victims of Crime Act – Victim Assistance grant funding. <u>House</u> and <u>Senate</u> concur with the Executive.		<b>Gross</b>	<b>\$59,279,300</b>
		Federal	59,279,300
		GF/GP	\$0
			\$0
			\$40,000,000
			40,000,000
			\$0

Major Budget Changes From FY 2018-19 YTD Appropriations		FY 2018-19 Year-to-Date (as of 3/5/19)	FY 2019-20 Senate Change	
<b>17. Homeless Programs</b>		<b>Gross</b>	<b>\$21,592,700</b>	<b>\$950,000</b>
<u>Executive</u> includes an increase of \$950,000 GF/GP to fund the \$2.00 per night supplemental increase to shelter providers provided by 2018 PA 618 for an entire year. The \$2.00 increase raised the per diem rate to \$18.00. <u>House</u> and <u>Senate</u> concur with the Executive.		TANF	6,162,600	0
		Federal	3,613,900	0
		GF/GP	\$11,816,200	\$950,000
<b>18. Sexual Assault Comprehensive Services Grant</b>		<b>Gross</b>	<b>\$10,000,000</b>	<b>(\$10,000,000)</b>
<u>Executive</u> eliminates \$10.0 million Gross (\$2.0 million GF/GP) supplemental funding provided by 2018 PA 618 to recognize federal Victims of Crime Act of 1984 (VOCA) funding for a grant to provide sexual assault comprehensive services to victims. <u>House</u> concurs with the Executive except allocates a one-time funding \$100 placeholder. <u>Senate</u> concurs with the Executive.		Federal	8,000,000	(8,000,000)
		GF/GP	\$2,000,000	(\$2,000,000)
<b>19. Unified Clinics Resiliency Center for Families and Children – One-Time Funding</b>		<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
<u>House</u> includes \$3.0 million GF/GP for the development and operation of a Resiliency Center for Families and Children to provide services to families and children experiencing trauma, toxic stress, chronic disability, neurodevelopmental disorders, or addictions. Sec. 1919 is related boilerplate. <u>Senate</u> does not include.		GF/GP	\$0	\$0
<b>20. Human Trafficking Survivors’ Assistance – One-Time Funding</b>		<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
<u>House</u> includes \$700,000 restricted funding for two long-term shelters that offer housing and comprehensive services to address the needs and recovery of survivors of human trafficking. Sec. 1916 is related boilerplate. <u>Senate</u> does not include.		Restricted	0	0
		GF/GP	\$0	\$0
<b>CHILD WELFARE SERVICES</b>				
<b>21. Child Welfare Caseload Adjustments</b>		<b>Gross</b>	<b>\$659,258,800</b>	<b>\$3,702,200</b>
<u>Executive</u> includes an increase for child welfare programs of \$21.0 million Gross (\$13.4 million GF/GP) as follows:		Federal	198,260,300	202,600
• Foster care payments are increased by \$15.6 million Gross (\$5.5 million GF/GP) from 6,400 cases at \$34,100 per year to 6,189 cases at \$37,700 per year.		TANF	94,804,700	22,300
• Adoption subsidies are reduced by \$6.3 million Gross (\$1.8 million GF/GP) from 22,920 cases at \$728.95 per month to 22,132 cases at \$731.29 per month.		Local	17,183,500	919,200
• The Child Care Fund is increased by \$12.3 million GF/GP.		Private	1,770,700	0
• Guardianship assistance payments are decreased by \$583,100 Gross (\$418,600 GF/GP) from 1,271 cases at \$709.26 per month to 1,236 cases at \$690.00 per month.		GF/GP	\$347,239,600	\$2,558,100
<u>House</u> concurs with the Executive. <u>Senate</u> concurs with the Executive on Adoption and Guardianship assistance payments, but adjusts foster care payments and the CCF differently assuming a lower funding need in these programs. Senate includes a total increase for all four programs of \$3.7 million Gross (\$2.6 million GF/GP).				
<b>22. Foster Care Supportive Visitation Program</b>		FTE	13.0	1.0
<u>Executive</u> includes an increase of \$5.9 million GF/GP and authorizes 1.0 FTE position to expand the Foster Care Supportive Visitation program to all 83 counties. Program is designed to help reunify children who are in foster care due to abuse and neglect with their parents. Funding would also support local contracts for the new Parent-Child Visit Assistance program. <u>House</u> concurs with the Executive except funds increase with \$2.4 million TANF and \$3.5 million GF/GP. <u>Senate</u> includes 1.0 additional FTE and provides an increase of \$1.0 million GF/GP for program.		<b>Gross</b>	<b>\$38,900,900</b>	<b>\$1,000,000</b>
		Federal	607,600	0
		TANF	38,043,300	0
		GF/GP	\$250,000	\$1,000,000

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b>23. Family Reunification Program</b>	FTE	13.0	1.0
<u>Executive</u> includes an increase of \$2.4 million TANF and authorizes 1.0 FTE position to continue the funding for five family reunification program contracts whose work project funding will end in FY 2018-19. <u>House</u> does not include. <u>Senate</u> concurs with the Executive.	<b>Gross</b>	<b>\$38,900,900</b>	<b>\$2,371,500</b>
	Federal	607,600	0
	TANF	38,043,300	2,371,500
	GF/GP	\$250,000	\$0
<b>24. Parent Partner Family Preservation Program</b>	FTE	13.0	0.0
<u>Executive</u> includes an increase of \$975,000 GF/GP to fund the continuation of the Parent Partner Program which provides in-home mentoring and other support services to help families succeed in reunification with their children who were placed in foster care. <u>House</u> does not include. <u>Senate</u> includes \$100 GF/GP placeholder.	<b>Gross</b>	<b>\$38,900,900</b>	<b>\$100</b>
	Federal	607,600	0
	TANF	38,043,300	0
	GF/GP	\$250,000	\$100
<b>25. Relative Foster Care Provider Licensing Incentive Payments</b>	<b>Gross</b>	<b>\$243,507,000</b>	<b>\$500,000</b>
<u>Executive</u> includes an increase of \$1.8 million GF/GP to support new \$1,000 one-time incentive payments for relative foster care providers who become licensed foster parents within 180 days of the initial placement. <u>House</u> includes an increase of \$1.0 million GF/GP to fund the incentive payments. <u>Senate</u> includes an increase of \$500,000 GF/GP.	Federal	101,625,600	0
	TANF	9,166,600	0
	Local	17,183,500	0
	Private	1,770,700	0
	GF/GP	\$113,760,600	\$500,000
<b>26. Implementation of State Pays First</b>	FTE	NA	0.0
<u>Executive</u> includes 4.0 additional FTE positions and increases funding by \$19.0 million Gross (reduces GF/GP by \$4.1 million) to implement 2018 PA 22, which requires the state be the first payer of costs for children placed in child welfare under DHHS's care and requires counties be the first payer for those that are not. The increased appropriation authorizes DHHS to receive an estimated \$22.8 million in local funding to reimburse the state for services for which the state will now be the first payer. <u>House</u> concurs with the Executive except does not include the 4.0 additional FTE positions and the \$584,500 Gross (\$367,900 GF/GP) funding for the positions. <u>Senate</u> does not include.	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
	Federal	NA	0
	Local	NA	0
	GF/GP	NA	\$0
<b>27. Child Protective Services (CPS) Increase</b>	FTE	175.0	0.0
<u>Executive</u> includes an increase of \$4.9 million GF/GP to fund the supplemental CPS increase provided by 2018 PA 618 for an entire year. <u>House</u> and <u>Senate</u> concur with the Executive.	<b>Gross</b>	<b>\$15,000,000</b>	<b>\$4,868,500</b>
	GF/GP	\$15,000,000	\$4,868,500
<b>28. Attorney General Contract</b>	<b>Gross</b>	<b>\$4,455,800</b>	<b>\$0</b>
<u>Executive</u> includes an increase of \$340,000 Gross (\$247,800 GF/GP) for the contract with the Attorney General to fund increased attorney costs for child abuse and neglect court cases in Wayne County. <u>House</u> and <u>Senate</u> do not include.	Federal	1,295,700	0
	GF/GP	\$3,160,100	\$0
<b>29. Title IV-E Foster Care Reduction</b>	<b>Gross</b>	<b>\$243,507,000</b>	<b>(\$2,169,800)</b>
<u>Executive</u> reduces \$2.2 million Gross (\$1.1 million GF/GP) to recognize the decrease in foster care residential placements based on the requirements of the federal Family First Prevention Services Act (FFPSA) and the increase of in-home foster care. The FFPSA requires that if a foster child is placed in residential care, federal IV-E funding cannot be used after the first two weeks of placement. <u>House</u> and <u>Senate</u> concur with the Executive.	Federal	101,625,600	(1,116,100)
	TANF	9,166,600	0
	Local	17,183,500	0
	Private	1,770,700	0
	GF/GP	\$113,760,600	(\$1,053,700)
<b>30. Executive Child Welfare Program Eliminations</b>	<b>Gross</b>	<b>\$775,000</b>	<b>\$0</b>
<u>Executive</u> eliminates \$525,000 Gross (\$75,000 GF/GP) for state grant to Northeast Michigan Community Service Agency for School Success Partnership Program; eliminates \$250,000 GF/GP funding to Adoptive Family Support Network for the Parent-to-Parent mentoring program. <u>House</u> retains current year funding for the School Success Partnership Program and concurs with Executive to eliminate funding for the Parent-to-Parent program. <u>Senate</u> retains both the School Success Partnership Program and the Parent-to-Parent mentoring program at current-year funding levels, but funds School Success Program entirely with TANF.	TANF	450,000	75,000
	GF/GP	\$325,000	(\$75,000)

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b>31. Child Welfare Services GF/GP Lapses</b>		<b>Gross</b>	<b>NA</b>
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Child Welfare Medical/Psychiatric Evaluations (\$600,000 GF/GP), Children's Services Administration (\$600,000 GF/GP), Foster Care Payments: Incentive (\$300,000 GF/GP), and Juvenile Justice Administration and Maintenance (\$1.0 million GF/GP). <u>Senate</u> retains current year funding.		GF/GP	NA
<b>32. Runaway and Homeless Youth – One-Time Funding</b>		<b>Gross</b>	<b>NA</b>
<u>House</u> includes an increase of \$1.5 million GF/GP for Runaway and Homeless Youth programs. Sec. 596 is related boilerplate. <u>Senate</u> does not include.		GF/GP	NA
<b>33. Bay Pines and Shawano Facility Improvements</b>			
<u>Executive</u> includes a fund source shift of \$489,600 local funding to be replaced by a similar amount of GF/GP to eliminate excess local funding authorization. GF/GP would be used for facility improvements. <u>House</u> concurs with the Executive except provides a one-time increase of \$300,000 GF/GP to fund the improvements. <u>Senate</u> concurs with the Executive.		FTE	94.0
		<b>Gross</b>	<b>\$11,419,300</b>
		Federal	444,300
		Local	6,015,6000
		GF/GP	\$4,959,400
			0.0
			<b>\$0</b>
			0
			(489,600)
			\$489,600
<b>PUBLIC ASSISTANCE</b>			
<b>34. Food Assistance Program Caseload Adjustment</b>		<b>Gross</b>	<b>\$1,931,717,000</b>
<u>Executive</u> recognizes a \$170.9 million reduction in federal Supplemental Nutrition Assistance Program revenues during FY 2018-19 and FY 2019-20 due to declining caseloads. <u>House</u> and <u>Senate</u> concur with the Executive.		Federal	1,927,007,000
		Restricted	4,710,000
		GF/GP	\$0
			(170,911,300)
			0
			\$0
<b>35. Public Assistance Caseload Adjustments</b>		<b>Gross</b>	<b>\$143,367,800</b>
<u>Executive</u> recognizes a \$12.1 million Gross (\$2.8 million GF/GP) reduction in expected public assistance program expenditures (excluding food assistance) during FY 2018-19 and FY 2019-20 due to declining caseloads. Amount includes adjustments reflecting FMAP declining from 64.45% to 64.06%. Reductions include:		TANF	58,840,000
• Family Independence Program: \$9.4 million Gross (\$168,300 GF/GP)		Restricted	15,514,600
• State Disability Assistance: \$1.5 million GF/GP		GF/GP	\$69,013,200
• State Supplementation: \$1.2 million GF/GP			(9,442,000)
<u>House</u> and <u>Senate</u> concur with the Executive.			168,300
			(\$2,848,400)
<b>36. Family Independence Program – Child Support Pass Through</b>		<b>Gross</b>	<b>\$75,216,800</b>
<u>Executive</u> includes a net-zero exchange of \$946,000 restricted and \$946,000 TANF to implement a child support pass through up to \$200 per eligible FIP-recipient family. Child support payments are otherwise split 36/64 with the federal government to support the cost of TANF-funded programs. TANF would be used to offset the revenues the State would not receive by adopting the pass through payments. <u>House</u> and <u>Senate</u> do not include.		TANF	58,840,000
		Restricted	11,361,900
		GF/GP	\$5,014,900
			0
			0
			\$0
<b>37. Indigent Burial GF/GP Lapse Reduction</b>		<b>Gross</b>	<b>\$4,375,000</b>
<u>House</u> reduces the Indigent Burial line item by \$500,000 GF/GP, to account for trends in end of fiscal year GF/GP lapses. <u>Senate</u> does not include.		TANF	300,000
		GF/GP	\$4,075,000
			0
			\$0
<b>38. Food Bank Council of Michigan</b>		<b>Gross</b>	<b>\$2,045,000</b>
<u>Senate</u> includes \$470,000 GF/GP for the Food Bank Council of Michigan to support increased food collection and delivery through a partnership with a local non-profit organization. Sec. 690 is related boilerplate.		TANF	250,000
		GF/GP	\$1,795,000
			0
			\$470,000

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b>FIELD OPERATIONS AND SUPPORT SERVICES</b>			
<b>39. Centers for Independent Living</b>	<b>Gross</b>	<b>\$14,031,600</b>	<b>\$100</b>
<u>House</u> increases Centers for Independent Living by \$1.5 million GF/GP.	Federal	8,451,600	0
<u>Senate</u> includes a \$100 placeholder.	Private	10,000	0
	GF/GP	\$5,570,000	\$100
<b>40. SSI Legal Services Grant</b>	<b>Gross</b>	<b>\$250,000</b>	<b>\$0</b>
<u>Executive</u> removes \$250,000 GF/GP allocated for Supplemental Security Income (SSI) legal services with the Legal Services Association of Michigan (LSAM). <u>House</u> concurs with the Executive. <u>Senate</u> retains current year funding.	GF/GP	\$250,000	\$0
<b>41. Volunteer Services and Reimbursement</b>	<b>Gross</b>	<b>\$942,400</b>	<b>\$0</b>
<u>House</u> removes \$942,400 Gross (\$935,400 GF/GP) for Volunteer Services and Reimbursement, which includes transportation reimbursement, customer and clerical assistance, donations processing, and fundraising for locally-customized programs meeting community needs with help from volunteers. <u>Senate</u> does not include.	TANF	3,200	0
	Federal	3,800	0
	GF/GP	\$935,400	\$0
<b>42. Electronic Benefit Transfer (EBT) GF/GP Lapses</b>	<b>Gross</b>	<b>\$8,509,000</b>	<b>\$0</b>
<u>House</u> reduces the Electronic Benefits Transfer (EBT) line item by \$1.7 million GF/GP, to account for trends in end of fiscal year GF/GP lapses. <u>Senate</u> does not include.	TANF	1,016,000	0
	Federal	2,129,100	0
	GF/GP	\$5,363,900	\$0
<b>43. State Supplementation Administration</b>	<b>Gross</b>	<b>\$1,681,100</b>	<b>\$0</b>
<u>Executive</u> includes \$125,000 GF/GP, based on 3-year average spending levels and a 2.8% federal SSI administrative rate increase. <u>House</u> concurs with the Executive. <u>Senate</u> does not include.	GF/GP	\$1,681,100	\$0
<b>44. Public Assistance Field Staff – Fund Source Shift</b>	<b>Gross</b>	<b>\$491,734,700</b>	<b>(\$467,800)</b>
<u>Executive</u> includes \$467,800 GF/GP to replace a federal funding shortfall resulting from decreased Social Services Block Grant revenue. <u>House</u> does not include. <u>Senate</u> does not include, but reduces capped revenue authorization to reflect the shortfall.	IDG/IDT	7,321,800	0
	TANF	56,145,800	0
	Federal	216,351,000	(467,800)
	GF/GP	\$211,916,100	\$0
<b>45. Wrap-Around Services for Out of School Time</b>	<b>Gross</b>	<b>\$491,734,700</b>	<b>\$100</b>
<u>Senate</u> includes a \$100 placeholder in the Public Assistance Field Staff line item for Wrap-Around Services for out of school time. Also includes associated boilerplate section 810.	IDG/IDT	7,321,800	0
	TANF	56,145,800	0
	Federal	216,351,000	0
	GF/GP	\$211,916,100	\$100
<b>BEHAVIORAL HEALTH SERVICES</b>			
<b>46. Direct Care Wage Increase Annualization</b>	<b>Gross</b>	<b>\$16,000,000</b>	<b>\$16,000,000</b>
<u>Executive</u> includes \$16.0 million Gross (\$5.3 million GF/GP) to annualize the \$0.25 direct care behavioral health worker hourly wage increase included in 2018 PA 618. Sec. 1009 is related boilerplate. <u>House</u> and <u>Senate</u> concur with the Executive.	Federal	10,899,500	10,688,700
	GF/GP	\$5,100,500	\$5,311,300
<b>47. Caro Staffing Increase Annualization</b>	FTE	68.0	0.0
<u>Executive</u> includes \$3.0 million GF/GP to annualize the 68.0 FTE position increase at the Caro Regional Mental Health Center added in 2018 PA 618 to address clinical and direct care staff shortages. Staff would come from a combination of direct civil service hires and contractual staff through a Michigan-based behavioral health services provider. <u>House</u> and <u>Senate</u> concur with the Executive.	<b>Gross</b>	<b>\$5,910,000</b>	<b>\$3,023,300</b>
	GF/GP	\$5,910,000	\$3,023,300

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b>48. Center for Forensic Psychiatry</b>			
<u>Executive</u> includes \$2.2 million GF/GP and authorizes 12.0 FTE positions to increase the number of forensic evaluations performed for persons who may be incompetent to stand trial. From August 2016 to December 2018, the forensic evaluation wait list has grown from 79 to 138. <u>House</u> includes funding for the 7.0 forensic evaluators and not the 5.0 support and administrative staff. <u>Senate</u> concurs with the Executive.			
	FTE	601.1	12.0
	<b>Gross</b>	<b>\$94,729,400</b>	<b>\$2,178,600</b>
	Federal	3,000,000	0
	Local	10,115,800	0
	Restricted	3,002,100	0
	GF/GP	\$78,611,500	\$2,178,600
<b>49. Federal State Response to the Opioid Crisis Grant</b>			
<u>Executive</u> includes \$31.9 million federal from the new state opioid response grant. The federal grant for FY 2018-19 is \$28.2 million and DHHS has indicated it will be requesting those funds through a federal contingency fund transfer. <u>House</u> includes and requires \$450,000 be allocated to a Recovery High School and \$600,000 be allocated to recovery community organizations. <u>Senate</u> concurs with the Executive.			
	<b>Gross</b>	<b>\$0</b>	<b>\$31,914,700</b>
	Federal	0	31,914,700
	GF/GP	\$0	\$0
<b>50. Executive Behavioral Health Program Reductions or Eliminations</b>			
<u>Executive</u> reduces \$6.8 million GF/GP from reducing or eliminating the following behavioral health programs:			
<ul style="list-style-type: none"> <li>• Eliminates Michigan CARES hotline (\$3.0 million GF/GP).</li> <li>• Reduces Mental Health and Wellness Commission (\$1.8 million GF/GP).</li> <li>• Eliminates court-appointed guardian reimbursement (\$1.5 million GF/GP).</li> <li>• Eliminates Conference of Western Wayne opioid pilot (\$500,000 GF/GP).</li> </ul>			
<u>House</u> reduces Michigan CARES hotline (\$1.0 million GF/GP), eliminates Mental Health and Wellness Commission (\$2.8 million GF/GP), increases court-appointed guardians (\$1.2 million GF/GP), and retains Conference of Western Wayne pilot. <u>Senate</u> concurs with the Executive and includes a \$100 placeholder for court-appointed guardians.			
	<b>Gross</b>	<b>NA</b>	<b>(\$6,799,900)</b>
	GF/GP	NA	(\$6,799,900)
<b>51. Autism Cost Containment</b>			
<u>Senate</u> reduces \$7.0 million Gross (\$2.5 million GF/GP) based on Sec. 959 requirements for 6 month consultations, by limiting the types of practitioners who can perform a diagnostic evaluation, and by prohibiting certain providers from providing both diagnosis and treatment services.			
	<b>Gross</b>	<b>\$0</b>	<b>(\$6,956,000)</b>
	Federal	0	(4,456,000)
	GF/GP	\$0	(\$2,500,000)
<b>52. State Disability Assistance Substance Use Disorder Services</b>			
<u>House</u> eliminates \$2.0 million GF/GP allocated to PIHPs for per diem room and board payments for eligible individuals who reside in substance use disorder residential facilities. <u>Senate</u> retains current year funding.			
	<b>Gross</b>	<b>\$2,018,800</b>	<b>\$0</b>
	GF/GP	\$2,018,800	\$0
<b>53. Community Mental Health Non-Medicaid Funding</b>			
<u>Executive</u> does not include the second year hold harmless funding that is a part of the current, FY 2018-19 CMHSP rebasing formula. Six CMHSPS would be reduced by a combined \$5.5 million GF/GP, as the new formula is scheduled to be phased in over a 5-year period. Sec. 925 is related deleted boilerplate. <u>House</u> includes \$100 placeholder and retains Sec. 925. <u>Senate</u> concurs with the Executive.			
	<b>Gross</b>	<b>\$125,578,200</b>	<b>\$0</b>
	GF/GP	\$125,578,200	\$0
<b>54. Behavioral Health GF/GP Lapses</b>			
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Behavioral Health Administration (\$600,000 GF/GP), Office of Recipient Rights (\$200,000 GF/GP), Children with Serious Emotional Disturbance Waiver (\$1.4 million GF/GP), Children's Waiver Home Care Program (\$2.1 million GF/GP), and Civil Service Charges (\$150,000 GF/GP). <u>Senate</u> retains current year funding.			
	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
	GF/GP	NA	\$0



		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b><u>Major Budget Changes From FY 2018-19 YTD Appropriations</u></b>			
<b>55. Behavioral Health – One-Time Funding</b>	<b>Gross</b>	<b>\$0</b>	<b>\$750,000</b>
<u>House</u> includes \$100,000 GF/GP for SAFE Substance Abuse Coalition and \$60,000 GF/GP for Hegira mobile crisis resolution services. <u>Senate</u> includes \$750,000 GF/GP to Andy's Angels.	GF/GP	\$0	\$750,000
<b>56. Behavioral Health Placeholders</b>	<b>Gross</b>	<b>NA</b>	<b>\$300</b>
<u>House</u> includes \$200 placeholder to offset local funding used for Medicaid mental health rates (Sec. 928), \$200 for a staffing increase at Kalamazoo Psychiatric Hospital, and \$100 for McLaren behavioral health pilot project. <u>Senate</u> includes \$100 placeholder for a conductive learning center, \$100 to offset local funding used for Medicaid mental health rates (Sec. 928), \$100 for a staffing increase at Kalamazoo Psychiatric Hospital, and \$100 for a substance use disorder hospital pilot.	Local	NA	(100)
	GF/GP	NA	\$400
<b>POPULATION HEALTH</b>			
<b>57. Free Health Clinics</b>	<b>Gross</b>	<b>\$250,000</b>	<b>\$0</b>
<u>House</u> increases funding for free health clinics by \$150,000 GF/GP, to \$10,000 per clinic grantee. Sec. 1140 is related boilerplate. <u>Senate</u> does not include.	GF/GP	\$250,000	\$0
<b>58. Environmental Contamination Response</b>	FTEs	75.1	0.0
<u>Executive</u> increases funding by \$8.3 million GF/GP and authorizes 19.0 FTE positions to expand monitoring and response to public health hazards and threats from environmental contamination, expand laboratory testing and analysis for dioxins, mercury, polychlorinated biphenyls (PCBs), arsenic, and lead, fund nurse case management for children with elevated blood lead levels in Detroit, and local water and well sampling for state laboratory testing. YTD shown is Epidemiology Administration line item. <u>House</u> concurs with the Executive. <u>Senate</u> does not concur with the Executive, but includes a \$100 placeholder.	<b>Gross</b>	<b>\$21,179,800</b>	<b>\$100</b>
	Federal	13,141,000	0
	Private	264,900	0
	Restricted	683,200	0
	GF/GP	\$7,090,700	\$100
<b>59. PFAS Contamination Response</b>	FTEs	46.0	0.0
<u>Executive</u> increases funding by \$5.5 million GF/GP and authorizes 4.0 FTE positions for public health response to perfluoroalkyl and polyfluoroalkyl (PFAS) drinking water contamination; funds support toxicology and chemical analysis, outreach, and local health department services including provision of alternative water sources and water filters, and environmental and well sampling for state laboratory testing. Work project funding available from prior fiscal years will also fund services. <u>House</u> concurs with the Executive except increases FTEs by 2.0 instead of 4.0, reducing the increased funding by \$596,300 GF/GP. <u>Senate</u> does not concur with the Executive.	<b>Gross</b>	<b>\$18,925,300</b>	<b>\$0</b>
	GF/GP	\$18,925,300	\$0
<b>60. Population Health Program Reductions and Eliminations</b>	<b>Gross</b>	<b>\$5,000,000</b>	<b>(\$3,699,800)</b>
<u>Executive</u> eliminates GF/GP funding for bone marrow registry (\$250,000), early primary care incentive program (\$500,000), pediatric traumatic brain injury treatment (\$1.0 million), laboratory opioid enhanced testing (\$1.0 million), and reduces funding for outstate dental clinics (\$1.0 million). Also eliminates funding for alternative pregnancy and parenting program (\$700,000 Gross, \$50,000 GF/GP). <u>House</u> concurs with the Executive except retains current year funding for alternative pregnancy and parenting program, and eliminates remainder of funding for outstate dental clinics of \$550,000 GF/GP. <u>Senate</u> concurs with the Executive except increases funding for alternative pregnancy and parenting program by \$50,000, and provides \$100 placeholders for pediatric TBI and for restoration of outstate dental clinic funding.	TANF	650,000	100,000
	GF/GP	\$4,350,000	(\$3,799,800)

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b>61. Dental Programs GF/GP</b> <u>House</u> reduces public health dental programs GF/GP funding by \$284,900. <u>Senate</u> does not include.	<b>Gross</b>	<b>\$3,759,100</b>	<b>\$0</b>
	Federal	1,259,900	0
	Private	500,000	0
	Restricted	20,000	0
	GF/GP	\$1,979,200	\$0
<b>62. Public Health Laboratory Fee Fund Balance</b> <u>House</u> includes a net \$0 Gross laboratory services adjustment with a \$1.0 million GF/GP reduction offset by state restricted fund increase to use laboratory fee fund balance carryforward, which has been increasing. <u>Senate</u> does not include.	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
	Restricted	0	0
	GF/GP	\$0	\$0
<b>63. Lead Abatement Grant SCHIP Adjustment</b> <u>Executive</u> includes a net \$0 Gross (\$2.9 million GF/GP) federal to GF/GP fund shift to recognize reduction of the federal share for lead abatement grant from 98.12% to 86.34%. YTD shown is for Healthy Homes Program line item of which \$23.5 million is federal Children's Health Insurance Program (SCHIP) funds approved for use for lead abatement in Flint and other high-risk communities for up to five years, since FY 2016-17. <u>House</u> and <u>Senate</u> concur with the Executive.	<b>Gross</b>	<b>\$27,754,200</b>	<b>\$0</b>
	Federal	25,194,100	(2,857,400)
	Private	77,800	0
	Restricted	723,700	0
	GF/GP	\$1,758,600	\$2,857,400
<b>64. Preventive Health Services Block Grant Reallocation</b> <u>Executive</u> reallocates \$495,000 of ongoing federal Preventive Health and Health Services block grant funding to 4 new projects for asthma, safe sleep, diabetes, and emerging health needs in Local Health Services line. Previous use of the funds for primary care clinics is no longer allowed under the grant and was replaced with GF/GP funding in FY 2018-19. <u>House</u> and <u>Senate</u> concur with the Executive. Senate allocates fund source as federal capped funds.	<b>Gross</b>	<b>\$495,000</b>	<b>\$0</b>
	Federal	495,000	0
	GF/GP	\$0	\$0
<b>65. Oral Health Assessment for Children</b> <u>House</u> includes \$2.0 million GF/GP for a new oral health assessment program for children entering public school kindergarten who do not have dental insurance, similar to HB 4223. Sec. 1319 is related boilerplate. <u>Senate</u> does not include.	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
	GF/GP	\$0	\$0
<b>66. Health and Wellness Initiatives – Children's Healthy Exercise</b> <u>Executive</u> includes net \$0 Gross adjustments to eliminate the Health and Wellness Initiatives line item and move GF/GP and Healthy Michigan Fund (HMF) project funding to related appropriation line items. Line item was created in FY 2011-12 when HMF funding for public health prevention projects was reduced and consolidated. <u>House</u> does not concur with the Executive rollout, and eliminates \$1.0 million GF/GP for the school children's healthy exercise program grants funded under this line item. Sec. 1226 is related deleted boilerplate. <u>Senate</u> concurs with the Executive rollout, reduces school children's healthy exercise program grants to a \$100 placeholder and revises related Sec. 1226.	<b>Gross</b>	<b>\$9,047,600</b>	<b>(\$999,900)</b>
	Restricted	5,299,100	0
	GF/GP	\$3,748,500	(\$999,900)
<b>67. Michigan Essential Health Provider</b> <u>Senate</u> provides an increase of \$1.0 million GF/GP for Michigan essential health provider program. Assumes use of unexpended lapsed GF/GP from the early primary care incentive program appropriation of FY 2017-18 and FY 2018-19.	<b>Gross</b>	<b>\$3,591,300</b>	<b>\$1,000,000</b>
	Federal	1,236,300	0
	Private	855,000	0
	GF/GP	\$1,500,000	\$1,000,000
<b>68. Waive Vital Records Fee for Homeless</b> <u>Executive</u> includes \$226,000 GF/GP increase to waive state or local vital records fee for a copy of a birth certificate to a homeless individual; \$136,000 supports state cost (Vital Records), and \$90,000 reimburses homeless service agencies that pay county or out-of-state fee (Homeless Programs). YTD shown is Vital Records line item. Sec. 456 is related boilerplate. Statutory change is required. <u>House</u> and <u>Senate</u> concur with the Executive.	<b>Gross</b>	<b>\$10,167,700</b>	<b>\$226,000</b>
	Federal	4,553,600	0
	Restricted	5,172,100	0
	GF/GP	\$442,000	\$226,000

Major Budget Changes From FY 2018-19 YTD Appropriations		FY 2018-19 Year-to-Date (as of 3/5/19)	FY 2019-20 Senate Change	
<b>69. Newborn Screening Annual CPI Fee Adjustment</b>		<b>Gross</b>	<b>\$7,535,600</b>	<b>\$560,800</b>
<u>Executive</u> increases state restricted funds by \$560,800 to reflect annual statutory CPI fee adjustment for screening of newborns for over 50 treatable genetic conditions, in program (YTD shown) and laboratory lines. <u>House</u> and <u>Senate</u> concur with the Executive.	Restricted	7,535,600	560,800	
	GF/GP	\$0	\$0	
<b>70. Nurse Family Partnership Supplemental Funding</b>		<b>Gross</b>	<b>\$20,972,000</b>	<b>(\$324,900)</b>
<u>Executive</u> eliminates \$325,000 GF/GP for prenatal care nurse family partnership programs for Ingham and Kent counties included in supplemental 2018 PA 618. YTD shown is Prenatal Care Outreach line item. <u>House</u> retains current year funding for nurse family partnership, but does not include supplemental Sec. 461 boilerplate directing funds. <u>Senate</u> includes a \$100 placeholder for this funding, and revises supplemental Sec. 461 boilerplate as Sec. 1319.	TANF	650,000	0	
	Federal	12,668,000	0	
	GF/GP	\$7,654,000	(\$324,900)	
<b>71. Population Health Federal and Private Funds Adjustments</b>		<b>Gross</b>	<b>NA</b>	<b>(\$31,769,700)</b>
<u>Executive</u> recognizes net reduction of \$31.8 million for federal and private funding, including: 1) completion of \$269,700 federal nursing collaborative grant; 2) \$25.0 million reduction to women, infants, and children (WIC) food program federal authorization to recognize declining caseload; 3) \$7.0 million reduction to AIDS program federal and private authorization to align to actual spending; and 4) \$500,000 increase to epidemiology and laboratory capacity grant. <u>House</u> and <u>Senate</u> concur with the Executive.	Private	NA	(5,000,000)	
	Federal	NA	(26,769,700)	
	GF/GP	NA	\$0	
<b>72. Population Health GF/GP Lapses</b>		<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Health Policy Administration (\$300,000), Michigan Essential Health Provider (\$137,000), Laboratory Services (\$134,000), and Bioterrorism Preparedness (\$66,000). <u>Senate</u> does not include.		GF/GP	NA	\$0
<b>73. Essential Local Public Health Services</b>		<b>Gross</b>	<b>\$45,419,300</b>	<b>\$6,000,000</b>
<u>Senate</u> provides an increase of \$6.0 million GF/GP for essential local public health services funding to local health departments, related to new formula implementation and hold harmless, see related Sec. 1234 modifications.	Local	5,150,000	0	
	GF/GP	\$40,269,300	\$6,000,000	
<b>74. Prenatal Strong Beginnings Program</b>		<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
<u>Senate</u> provides \$1.0 million GF/GP funding for a new Prenatal Care and Premature Birth Avoidance Grant line item to support the Strong Beginnings program in Kent County, a federal Healthy Start program. Section 1312 is related new boilerplate.		GF/GP	NA	\$1,000,000
<b>75. Regional Perinatal System Placeholder</b>		<b>Gross</b>	<b>\$0</b>	<b>\$100</b>
<u>Senate</u> includes a \$100 placeholder in the ongoing budget for regional perinatal system funding.		GF/GP	\$0	\$100
<b>76. Flint Drinking Water and Lead Exposure – One-Time Funding</b>		<b>Gross</b>	<b>\$4,621,100</b>	<b>\$1,275,900</b>
<u>Executive</u> increases funding for assistance to residents exposed to lead in the City of Flint by \$3.4 million Gross (\$3.8 million GF/GP), providing \$5.2 million GF/GP in the ongoing budget and \$2.9 in one-time funding for total funding of \$8.1 million. In addition, work project funding available from prior fiscal years will also be used for services. <u>House</u> does not include increase, makes \$376,700 fund shift from Healthy Michigan Fund to GF/GP and includes revised boilerplate as Sec. 1910. <u>Senate</u> concurs with the Executive for ongoing funding, but removes \$2.2 million from the one-time funding that was designated for lead abatement workforce initiative and creates a new line with \$100 placeholder to make that initiative statewide; net increase over YTD is \$1.3 million Gross (\$1.7 million GF/GP).	Restricted	376,700	(376,700)	
	GF/GP	\$4,244,400	\$1,652,600	

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b>77. Lead Exposure Response for Communities – One Time Funding</b> <u>House</u> includes \$3.4 million GF/GP for health care, food and nutrition, lead abatement, and other services in communities with lead contamination in water, soil, or housing that has caused human health consequences. Sec. 1917 is related boilerplate. <u>Senate</u> does not include.	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
	GF/GP	\$0	\$0
<b>78. Child and Adolescent Health Centers – One-Time Funding</b> <u>House</u> includes \$2.0 million GF/GP for the expansion of school-based child and adolescent health centers in underserved areas, for behavioral and physical health services. Sec. 1911 is related boilerplate. <u>Senate</u> does not include.	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
	GF/GP	\$0	\$0
<b>79. State Innovation Model Regions – One-Time Funding</b> <u>Executive</u> includes one-time funding of \$7.0 million GF/GP to sustain infrastructure of five community health innovation regions (CHIRs), initiated under the 4-year \$70 million federal state innovation model (SIM) grant nearing completion, while SIM evaluation and recommendations are completed and the regions work to identify ongoing non-state financial support. In addition, work project funding available from prior fiscal years will also be used. <u>House</u> includes a \$200 placeholder. <u>Senate</u> includes a \$100 placeholder.	<b>Gross</b>	<b>\$10,000,000</b>	<b>\$100</b>
	Federal	10,000,000	0
	GF/GP	\$0	\$100
<b>80. Population Health Programs – One-Time Funding</b> <u>House</u> includes \$300,000 GF/GP for obesity and substance abuse prevention programs of Leaders Advancing and Helping Communities (Sec. 1915 is related boilerplate), and also includes a \$100 placeholder for the Special Needs Vision Clinic. <u>Senate</u> does not include.	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
	GF/GP	\$0	\$0
<b>AGING AND ADULT SERVICES</b>			
<b>81. Aging Services GF/GP Lapses</b> <u>House</u> reduces GF/GP funding for Community Services by \$101,000 based on historic lapse trends. <u>Senate</u> does not include.	<b>Gross</b>	<b>\$46,067,300</b>	<b>\$0</b>
	Federal	22,280,400	0
<b>82. Senior Services Program Placeholders</b> <u>House</u> includes a one-time funding \$100 placeholder for increased programming for dementia and in-home care and community services for seniors. <u>Senate</u> includes two \$100 placeholders in the ongoing budget for an Alzheimer's Disease program (and related Sec. 1424), and in-home care and community services programs for seniors.	<b>Gross</b>	<b>NA</b>	<b>\$200</b>
	GF/GP	NA	\$200
<b>MEDICAL SERVICES</b>			
<b>83. Healthy Michigan Plan Work Requirement</b> <u>Executive</u> increases \$36.2 million Gross (\$23.1 million GF/GP) for administrative costs and employment and training-related services and supports related to the Healthy Michigan Plan work requirements set to begin January 1, 2020. Sec. 1511 is related boilerplate for the \$10.0 million GF/GP for employment and training-related services and supports. <u>House</u> does not include the additional employment and training-related funding. <u>Senate</u> concurs with the Executive with revised, related Sec. 1511.	FTE	84.0	(48.0)
	<b>Gross</b>	<b>\$49,078,800</b>	<b>\$36,215,400</b>
	Federal	37,035,500	13,107,700
	GF/GP	\$12,043,300	\$23,107,400
<b>84. Medicaid Adult Home Help Minimum Wage Increase</b> <u>Executive</u> increases \$28.2 million Gross (\$10.1 million GF/GP) for Medicaid adult home help minimum wage cost increases. FY 2018-19 YTD funding supports a minimum wage of \$9.25 that will be increasing to \$9.65 on January 1, 2020. Amount includes \$16.6 million Gross (\$6.0 million GF/GP) to increase home health agency providers, which have been decoupled from minimum wage increases since November 2017. <u>House</u> and <u>Senate</u> concur with the Executive.	<b>Gross</b>	<b>\$328,368,100</b>	<b>\$28,173,100</b>
	Federal	212,068,900	18,047,600
	GF/GP	\$116,299,200	\$10,125,500

		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b><u>Major Budget Changes From FY 2018-19 YTD Appropriations</u></b>			
<b>85. Office of Inspector General Medicaid Managed Care Audit</b>	FTE	NA	30.0
<u>Executive</u> includes a net reduction of \$21.6 million Gross (\$4.9 million GF/GP) in state recoupment of inappropriate and fraudulent payments from Medicaid managed care organizations to providers. Amount includes an increase of \$3.4 million Gross (\$1.7 million GF/GP) and authorizes 30.0 FTE positions for the Office of Inspector General and a reduction of \$25.0 million Gross (\$6.6 million GF/GP) from Medicaid recoupments. Current Inspector General activity is limited to Medicaid fee-for-service payments. <u>House</u> authorizes 10.0 FTEs and revises down the net reduction. Sec. 1507 is related boilerplate. <u>Senate</u> authorizes 30.0 FTEs and increases recoupments by \$5.6 million Gross (\$2.0 million GF/GP).	<b>Gross</b>	<b>NA</b>	<b>(\$27,147,400)</b>
	Federal	NA	(20,285,900)
	GF/GP	NA	(\$6,861,500)
<b>86. Medicaid Managed Care Pharmaceutical Administration</b>	<b>Gross</b>	<b>NA</b>	<b>(\$19,853,000)</b>
<u>Executive</u> reduces the Medicaid managed care pharmaceutical administration component \$19.9 million Gross (\$5.0 million GF/GP). Pharmaceutical administrative costs are calculated as a percentage of pharmaceutical costs, so any pharmaceutical cost increases have led to a proportionate increase in payments for Medicaid managed care pharmaceutical administration. <u>House</u> concurs with the Executive and includes new, related boilerplate section 1625. <u>Senate</u> concurs with the Executive.	Federal	NA	(14,853,000)
	GF/GP	NA	(\$5,000,000)
<b>87. Medicaid Managed Care Health Insurer Fee – One-Time Funding</b>	<b>Gross</b>	<b>\$0</b>	<b>\$180,500,000</b>
<u>Executive</u> increases \$180.5 million Gross (\$50.0 million GF/GP) on a one-time basis under the assumption that the federal Affordable Care Act (ACA) health insurer fee moratorium will expire, as is current federal law. <u>House</u> does not include. <u>Senate</u> concurs with the Executive.	Federal	0	130,480,200
	GF/GP	\$0	\$50,019,800
<b>88. Special Hospital Payments</b>	<b>Gross</b>	<b>NA</b>	<b>\$107,481,400</b>
<u>Executive</u> includes a net increase of \$101.5 million Gross (net reduction of \$9.1 million GF/GP) based on changes to special hospital payments. Changes include: increasing Hospital Rate Adjustment (HRA) \$67.5 million Gross (reducing \$1.6 million GF/GP), reducing Medicaid Access to Care Initiative (MACI) \$3.7 million Gross (\$0 GF/GP), increasing outpatient Disproportionate Share Hospital (DSH) \$40.7 million Gross (reducing \$4.5 million GF/GP), and reducing Rural Hospital Obstetrical Stabilization Pool \$3.0 million GF/GP. <u>House</u> retains current year funding for Rural Hospital Pools and includes \$41.7 million Gross (\$15.0 million GF/GP) on a one-time basis for critical access hospitals. <u>Senate</u> increases Rural Hospital Pools \$3.0 million GF/GP.	Federal	NA	79,861,600
	Restricted	NA	30,685,200
	GF/GP	NA	(\$3,065,400)
<b>89. MiDocs</b>	<b>Gross</b>	<b>\$28,129,400</b>	<b>\$0</b>
<u>Executive</u> reduces \$15.5 million Gross (\$3.7 million GF/GP) based on anticipated spending in FY 2018-19, as unspent FY 2018-19 funding will be available as work project authorization for FY 2019-20. Also reduces federal authorization based on a 50% federal match rather than FMAP. <u>House</u> concurs with the Executive and includes boilerplate section 240 directing DHHS to expend available work project authorization funding. <u>Senate</u> retains current year funding.	Federal	18,129,400	0
	Restricted	5,000,000	0
	GF/GP	\$5,000,000	\$0
<b>90. Psychiatric Residency Program</b>	<b>Gross</b>	<b>\$8,438,800</b>	<b>(\$8,438,700)</b>
<u>Executive</u> eliminates \$8.4 million Gross (\$3.0 million GF/GP) added in 2018 PA 618 to support a new psychiatric residency training program through Beaumont Health. <u>House</u> concurs with the Executive. <u>Senate</u> includes \$100 placeholder.	Federal	5,438,800	(5,438,800)
	GF/GP	\$3,000,000	(\$2,999,900)
<b>91. Hospice Room and Board</b>	<b>Gross</b>	<b>\$3,318,000</b>	<b>(\$3,317,900)</b>
<u>Executive</u> eliminates \$3.3 million GF/GP for hospice room and board payments that are not eligible for federal Medicaid reimbursement. Sec. 1856 is related boilerplate. <u>House</u> retains current year funding. <u>Senate</u> includes \$100 placeholder.	GF/GP	\$3,318,000	(\$3,317,900)

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b>92. Medicaid Long-Term Care – Capital Asset Value Limit</b>	<b>Gross</b>	<b>\$1,866,486,100</b>	<b>\$4,862,600</b>
<u>Executive</u> increases \$4.9 million Gross (\$1.7 million GF/GP) from changing the capital asset value limit for Class I nursing facilities from a total average to a rolling 15-year average of new construction. Sec. 1645 is related boilerplate. <u>House</u> and <u>Senate</u> concur with the Executive.	Federal	1,199,095,600	3,115,000
	Local	6,618,800	0
	Private	2,100,000	0
	Restricted	313,109,300	0
	GF/GP	\$297,362,400	\$1,747,600
<b>93. Medicaid Long-Term Care – Variable Cost Limit</b>	<b>Gross</b>	<b>\$1,866,486,100</b>	<b>\$0</b>
<u>Executive</u> reduces \$15.3 million Gross (\$5.5 million GF/GP) from changing the Class I and Class III variable cost limit from the 80 <sup>th</sup> percentile to the 70 <sup>th</sup> percentile. <u>House</u> concurs with the Executive. <u>Senate</u> retains current year funding.	Federal	1,199,095,600	0
	Local	6,618,800	0
	Private	2,100,000	0
	Restricted	313,109,300	0
	GF/GP	\$297,362,400	\$0
<b>94. Medicaid Long-Term Care – Quality Assurance Assessment Program (QAAP)</b>	<b>Gross</b>	<b>\$1,866,486,100</b>	<b>\$59,347,000</b>
<u>Executive</u> increases \$59.3 million Gross (reduces \$6.6 million GF/GP) in QAAP-funding supplemental nursing facility payments. Total payment would be \$620.0 million Gross. <u>House</u> and <u>Senate</u> concur with the Executive.	Federal	1,199,095,600	38,017,700
	Local	6,618,800	0
	Private	2,100,000	0
	Restricted	313,109,300	27,891,600
	GF/GP	\$297,362,400	(\$6,562,300)
<b>95. MI Choice Waiver Program</b>	<b>Gross</b>	<b>\$351,913,900</b>	<b>\$0</b>
<u>House</u> includes \$40.5 million Gross (\$14.6 million GF/GP) to increase the capitated rates by 5% and to increase the number of MI Choice slots by 1,000. Increase is offset with assumed long-term care savings. <u>Senate</u> does not include.	Federal	226,383,300	0
	GF/GP	\$125,530,600	\$0
<b>96. Neonatology Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$100</b>
<u>House</u> includes \$1.7 million Gross (\$625,000 GF/GP) to increase Medicaid neonatal rates to 80% of Medicare reimbursement. <u>Senate</u> includes \$100 placeholder.	Federal	NA	0
	GF/GP	NA	\$100
<b>97. Pediatric Psychiatric Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>House</u> includes \$5.8 million Gross (\$2.1 million GF/GP) to increase Medicaid pediatric psychiatry rates to 80% of Medicare reimbursement. <u>Senate</u> does not include.	Federal	NA	0
	GF/GP	NA	\$0
<b>98. Opioid Prescribing</b>	<b>Gross</b>	<b>NA</b>	<b>(\$2,000,000)</b>
<u>Executive</u> reduces \$2.0 million Gross (\$500,000 GF/GP) from FY 2018-19 policy changes limiting certain opioid prescriptions to seven days and reducing Morphine Equivalent Daily Dose limits in accordance with federal CDC guidelines. <u>House</u> and <u>Senate</u> concur with the Executive.	Federal	NA	(1,500,000)
	GF/GP	NA	(\$500,000)
<b>99. Non-Emergency Medical Transportation Pilot</b>	<b>Gross</b>	<b>\$1,419,600</b>	<b>(\$1,419,500)</b>
<u>Executive</u> eliminates \$1.4 million Gross (\$510,200 GF/GP) allocated for a non-emergency medical transportation pilot aimed at increasing public transportation utilization. <u>House</u> concurs with the Executive. <u>Senate</u> includes \$100 placeholder.	Federal	909,400	(909,400)
	GF/GP	\$510,200	(\$510,100)
<b>100. Medical Services GF/GP Lapses</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Children's Special Health Care Services (CSHCS) Nonemergency Medical Transportation (\$500,000 Gross) and Medical Services Administration (\$400,000 GF/GP). <u>Senate</u> retains current year funding.	Federal	NA	0
	GF/GP	NA	\$0
<b>101. Medical Services Placeholders</b>	<b>Gross</b>	<b>NA</b>	<b>\$500</b>
<u>House</u> includes \$100 placeholder for Medicaid recipient engagement for self-sufficiency and \$200 placeholder for Michigan Health Information Network (MiHIN). <u>Senate</u> includes \$100 placeholders for dental registry, cloud-based services, MiHIN, nursing transition, and direct primary care	GF/GP	NA	\$500

		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Senate Change</b>
<b><u>Major Budget Changes From FY 2018-19 YTD Appropriations</u></b>			
<b>102. State Restricted Revenue Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Executive</u> revises restricted revenues based on projected available revenue for a net increase of \$15.0 million, which is offset with a like amount of GF/GP savings. Revisions include:	Federal	NA	25,000,000
	Restricted	NA	(10,000,000)
	GF/GP	NA	(\$15,000,000)

- Increasing State Psychiatric DSH savings \$25.0 million.
  - Reducing Medicaid Benefits Trust Fund \$10.0 million.
  - Reducing Merit Award Trust Fund \$2.5 million.
  - Increasing Healthy Michigan Fund \$2.5 million.
- House concurs with the Executive and also allocates \$7.2 million in Health Insurance Claims Assessment fund balance to offset GF/GP. Senate concurs with the Executive

## **ONE-TIME APPROPRIATIONS**

<b>103. Remove FY 2018-19 One-Time Appropriations</b>	<b>Gross</b>	<b>\$56,024,000</b>	<b>(\$54,542,400)</b>
<u>Executive</u> removes \$56.0 million Gross (\$37.8 million GF/GP) one-time appropriations included in FY 2018-19. <u>House</u> retains \$1.4 million GF/GP for multicultural integration, \$1.0 million GF/GP for autism navigator contracts, \$1.0 million GF/GP for U of D Mercy dental clinic, and \$100 for TEAM Cares. <u>Senate</u> retains \$1.4 million GF/GP for multicultural integration, \$100,000 for autism train-the-trainer, and \$100 placeholders for autism navigator contracts, Asian American health care and wellness initiative, U of D Mercy dental clinic, employment first, and refugee assistance.	Federal	14,206,300	(14,206,300)
	Private	4,000,000	(4,000,000)
	GF/GP	\$37,817,700	(\$36,336,100)

## **Major Boilerplate Changes From FY 2018-19**

### **GENERAL SECTIONS**

#### **Sec. 208. Legal Services of Attorney General – DELETED**

Prohibits the use of appropriated funds by DHHS to hire a person to provide legal services that are the responsibility of the Attorney General, except for bonding activities and outside services authorized by the Attorney General. Senate deletes.

#### **Sec. 210. Contingency Fund Appropriations – DELETED**

Appropriates federal, state restricted, local, and private contingency funds of up to \$545 million total, available for expenditure when transferred to a line item through the legislative transfer process. Executive revises by increasing state restricted contingency funds from \$45 million to \$90 million. House retains current law. Senate deletes.

#### **Sec. 235./976. Integrated Service Demonstration Pilot – NEW**

House, in Sec. 976., requires DHHS to work with a single county PIHP that is currently not participating in any other pilot project to pilot a physical and behavioral health integrated service demonstration model that does not transfer funds to Medicaid health plans; expands existing integrated efforts such as shared care coordination; states intent that the pilot project last at least 2 years, expands individuals who meet criteria for expanded care coordination through CareConnect 360 and identifying individuals not receiving health care services; states outcomes and performance measures; requires a report. Senate, in Sec. 235., includes similar language but allows DHHS to create a physical and behavioral health service demonstration pilot.

#### **Sec. 240. Use of Existing Work Project Authorization – NOT INCLUDED**

House establishes that appropriations in part 1 shall not be expended in cases where existing work project authorization is available for the same expenditures. Senate does not include.

#### **Sec. 250. [Sec. 468 2018 PA 618 Supplemental] Information Technology Cost Estimates – REVISED**

Requires DHHS to report monthly regarding expenditures on information technology services and projects by service, project and line item, including year-to-date spending and planned spending for the remainder of the fiscal year; defines "projects"; requires DHHS to coordinate with DTMB to provide a 5-year strategic plan for information technology services and projects including changes in federal and state shares. Executive revises to 3 reports per year, and makes minor revisions. House retains as Sec. 1905 as a monthly report with minor revisions. Senate retains as a monthly report with minor revisions, and expanded reporting requirements.

## **Major Boilerplate Changes From FY 2018-19**

### ***Sec. 253. Information Technology Investment Management and Board – NEW***

Senate requires the establishment of an information technology investment board within DHHS and provides guidance and policy for establishing management practices; requires reports; requires DHHS to establish an independent verification validation program and vendor to oversee information technology practices, compliance, assess risks, and with the Department provide a report to the legislature.

### ***Sec. 257. Revise Education Modules Regarding Suicide and Depression Prevention - NEW***

Senate directs DHHS to collaboratively revise the curriculum for 2 education health modules to include age-appropriate and medically accurate information about depression and suicide and protective factors to prevent suicide.

### ***Sec. 275. Year-End Federal Funds Adjustments – REVISED***

(1) Provides limited authority for the Executive to realign capped and other federal fund sources to maximize federal revenues as part of the year-end closing process, and (2) requires a report by November 30 on the realignments made for the previous fiscal year. Executive revises to strike year-end closing language, allowing DHHS to realign federal fund sources at any time during the fiscal year. House revises to allow quarterly realignment, with quarterly reporting. Senate retains (1) current law, but allows for later reporting in (2).

### ***Sec. 298. Behavioral Health Integration Pilot Projects – REVISED***

Requires DHHS to continue to pilot the integration of behavioral health and physical health services, including: project facilitator, demonstration model project in Kent County with a willing CMHSP, up to 3 additional pilot projects with CMHSPs and Medicaid health plans, reinvest savings into behavioral health services in the pilot area, and evaluate pilots and replicability. Requires report by DHHS, and report by managing entities of pilots, and states legislative intent for projects. Executive revises to remove DHHS report requirement and make one technical change. House retains current law. Senate revises to eliminate language regarding Kent County project, and adds language to allow for service agreement variances for the 3 pilot projects, and to require a January 2021 report on progress on a list of measures that if met would trigger an October 2022 implementation statewide of integrated care provided through managed care.

### ***Sec. 299. Request for Proposal for Contract – RETAINED***

Prohibits DHHS from issuing a request for proposal (RFP) for a contract in excess of \$5 million, without first considering issuing a request for information (RFI) or a request for qualification (RFQ) relative to that contract; DTMB must be notified of evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP; requires that all vendors receive detailed notices of RFP results; and requires report by September 30. Executive deletes. House retains with revisions to reporting requirements. Senate retains current law.

## **CHILDREN'S SERVICES - CHILD WELFARE**

### ***Sec. 411. Medicaid Cash Medical Support Incentive Payments – NEW***

Senate requires DHHS to allocate 100% of the Medicaid cash medical support incentive to counties and to not consider these payments as program income for the Office of Child Support program.

### ***Sec. 505. DHHS Juvenile Justice Report – REVISED***

Requires report on DHHS juvenile justice system including number of youth served by DHHS, type of setting for each youth, and financial costs. Senate revises language to require report from both DHHS and Wayne County and to prohibit DHHS from allocating Child Care Fund funding to Wayne County until the reporting requirement is satisfied.

### ***Sec. 515. Child Protection Services (CPS) Caseworker Home Visit Safety – NOT INCLUDED***

House prohibits DHHS from denying a CPS caseworker's request to have another worker accompany the CPS caseworker on a home visit if the CPS caseworker believes it unsafe to conduct the home visit alone. Senate does not include.

### ***Sec. 518. Supervisory Oversight of CPS Caseworker Reports – NOT INCLUDED***

House requires supervisors to complete an initial read of a CPS caseworker's report and either approve the report or note any needed corrections within 5 business days; requires the caseworker to resubmit a corrected report within 3 business days. Senate does not include.

### ***Sec. 531. Child Welfare Contract Change Notification – RETAINED***

Requires DHHS to notify the Legislature of any changes to a child welfare master contract template not less than 30 days before the changes take effect. Executive deletes. House and Senate retain current law.

### ***Sec. 532. Licensing and Contract Compliance Review – RETAINED***

Requires collaboration between DHHS and representatives of private child and family agencies to revise and improve contract compliance and licensing review processes; requires report. Executive deletes. House and Senate retain current law.



## **Major Boilerplate Changes From FY 2018-19**

### ***Sec. 535. Federal Claims for Foster Care Payments for D.O. v. Glisson Compliance – NEW***

Senate requires DHHS to seek federal Title IV-E claims for foster care maintenance and administrative payments for placements associated with the D.O. v. Glisson ruling.

### ***Sec. 558. Child Welfare Caseworker Training – REVISED***

Requires DHHS to identify ways to modernize the child welfare caseworker training program. Senate revises language to allow private child-placing agencies to provide in-house pre-service training by agency staff and to allow them to train staff at other private agencies.

### ***Sec. 593. Residential Service Providers Staff Ratio – RETAINED***

Allows residential service providers for child abuse and child neglect cases to implement staff ratios of 1 staff to 5 children during working hours. House deletes. Senate retains current law.

### ***Sec. 595. CPS Staff and DHHS/Private Agency Caseload Ratio – NEW***

Senate requires DHHS to expend \$162.8 million to hire/employ CPS staff to comply with the Office of the Auditor General 2018 CPS audit. Requires that most new foster care cases be placed under a private child placing agency's supervision until the statewide ratio of foster cases is 55% for private agency supervision and 45% for DHHS supervision.

## **PUBLIC ASSISTANCE**

### ***Sec. 603. Change in Public Assistance Benefits Notification – NOT INCLUDED***

House includes new section to require the department to notify Food Assistance Program, Family Independence Program, and State Disability Assistance Program benefits recipients of any income-based benefits reductions no later than 15 workdays prior to the effective date of the reductions in benefits received. Senate does not include.

### ***Sec. 610. State Emergency Relief – RETAINED***

Provides for the policies and restrictions on State Emergency Relief grants to needy individuals. House includes new subsection that increases the cash asset disregard from \$50 to \$200 when determining applicants' required copayments for energy-related State Emergency Relief assistance. Senate retains current law.

## **FIELD OPERATIONS AND SUPPORT SERVICES**

### ***Sec. 805. 1155. Michigan Rehabilitative Services Order of Selection – REVISED***

Details the intent of the legislature that the department not implement a waiting list for rehabilitative services. Executive rennumbers and moves to Health Policy section. House concurs with the Executive, but adds a new subsection providing the intent of the legislature that the department coordinate with various entities in order to ensure maximum program participation. Senate concurs with the Executive.

### ***Sec. 809. Pathways to Potential – RETAINED***

Details the purpose, goals, and reporting requirements of the Pathway to Potential program, as well as requirements for measuring outcomes and remedial course of action for schools that do not have sufficient outcomes as measured by the department. Executive revises to remove the requirement to reduce the number of dropouts and increase graduation rates, as well as the requirement to report on funding allocation for each participant school. House concurs with the Executive and makes technical adjustments. Senate retains current law.

## **BEHAVIORAL HEALTH SERVICES**

### ***Sec. 908. Actuarial Rate Reexamination – NEW***

Senate requires DHHS to reexamine Medicaid behavioral health rates to the PIHPs in order to reflect the actual and projected growth in demand for and the real costs of providing services.

### ***Sec. 912. Salvation Army Harbor Light Program – RETAINED***

Requires DHHS to contract with the Salvation Army Harbor Light Program for providing non-Medicaid substance use disorder services, if program meets standard of care. Executive deletes. House and Senate retain current law.

### ***Sec. 924. Autism Services Fee Schedule – RETAINED***

Requires DHHS to establish a fee schedule for autism services by not allowing expenditures used for actuarially sound rate certification to exceed the identified fee schedule, also reduces behavioral technician fee schedule by 10%, but not less than \$50.00 per hour. Executive revises to maintain the established fee schedule. House revises to maintain the established fee schedule and includes requirement for behavioral technician fee be not be less than \$50.00 per hour. Senate retains current law.

## **Major Boilerplate Changes From FY 2018-19**

### ***Sec. 940. Transferring and Withdrawing CMHSP Allocations – RETAINED***

Requires DHHS to review CMHSP expenditures to identify projected lapses and surpluses, to encourage the board of the CMHSP with a projected lapse to reallocate the lapse to other CMHSPs, and to withdraw funds from a CMHSP if those funds were not expended in a manner approved by DHHS, including for services and programs provided to individuals residing outside of the CMHSP's geographic region; prohibits a CMHSP from receiving additional funding if the CMHSP transferred out or withdrew funds during current fiscal year; requires CMHSPs to report any proposed reallocations prior to going into effect; requires legislative notification and report. Executive revises by removing the requirement to withdraw unspent funds if funds were not expended in a manner approved by DHHS. House and Senate retain current law.

### ***Sec. 950. Court-Appointed Guardians and Conservators – REVISED***

Adds \$1.5 million GF/GP to reimburse counties for 50% of the cost to provide up to \$83 per month to court-appointed public guardians and conservators to individuals who receive CMHSP services, and requires a report. Executive deletes. House revises to provide \$2.7 million GF/GP to directly reimburse court-appointed public guardians and conservators at \$50 per month. Senate revises \$1.5 million to \$100.

### ***Sec. 964. Behavioral Health Fee Schedule – NEW***

Senate requires DHHS to develop and implement a standardized fee schedule for Medicaid behavioral health services by January 1, and to develop and implement adequacy standards for all contracts with PIHPs and CMHSPs.

### ***Sec. 970. Skill Building Assistance Services – NEW***

Senate requires DHHS to maintain skill building assistance services policies in effect on October 1, 2018, and requires DHHS to continue to seek federal matching funds for skill building assistance services.

### ***Sec. 974. Intellectual or Developmental Disability Service Delivery – NOT INCLUDED***

House requires DHHS and PIHPs to allow an individual with an intellectual or developmental disability who receives supports and services from a CMHSP to choose to instead receive supports and services from another provider if the individual can show he or she is qualified and eligible to receive services from the other provider. States that other providers can include MI Choice and PACE providers. Senate does not include.

### ***Sec. 994. National Accreditation Review Criteria for Behavioral Health Services – RETAINED***

Requires DHHS to seek, if necessary, a federal waiver to allow a CMHSP, PIHP, or subcontracting provider agency that is reviewed and accredited by a national accrediting entity for behavioral health care services to be in compliance with state program review and audit requirements; requires a report that lists each CMHSP, PIHP, and subcontracting provider agency that is considered in compliance with state requirements; requires DHHS to continue to comply with state and federal law not initiate an action by negatively impacts beneficiary safety; defines "national accrediting entity." Executive deletes. House and Senate retain current law.

### ***Sec. ~~1010~~. 963. Kevin's Law – RETAINED***

Allocates up to \$2.0 million to address implementation of court-ordered assisted outpatient treatment under the Mental Health Code (Kevin's Law). House, in Sec. 1010., revises to \$1.0 million and modifies the line item name. Senate retains and renumbers to Sec. 963.

### ***Sec. 1053. Behavioral Health Facility Contingency Fund – NEW***

Senate limits expenditures from the behavioral health facility contingency line item until the funds are transferred to another line item.

### ***Sec. 1061. Caro Regional Mental Health Center – REVISED***

Requires DHHS to only use the funds appropriated for the Caro Regional Mental Health Center to support a psychiatric hospital at its current location, includes legislative intent that the Caro Regional Mental Health Center remain open and operational at its current location and that any capital outlay funding be used for planning and construction at the current location instead of a new location. Executive deletes. House and Senate include minor revisions to the capital outlay intent language.

## **POPULATION HEALTH**

### ***Sec. 1234. Essential Local Public Health Services Funding Formula Revision – REVISED***

Requires DHHS to develop and report to the legislature a revised distribution formula for the allocation of essential local public health services line item appropriations to local health departments, and states legislative intent that the new formula be implemented beginning October 1, 2019. Executive and House delete. Senate revises to require that the new distribution formula be implemented by October 1, and that the amount allocated to each local health department shall not be less than the amount allocated in the previous year.

### ***Sec. 1235. Prison Food Service Kitchen Inspections by Local Health Departments – DELETED***

States that if funds become available from the Department of Corrections, funds shall be allocated to local health departments to evaluate and inspect food service kitchens of state prisons. Executive, House, and Senate delete.

## **Major Boilerplate Changes From FY 2018-19**

### ***Sec. 1237. Kidney Foundation Allocation – NOT INCLUDED***

House allocates \$563,000 to the National Kidney Foundation of Michigan from 4 population health line items. Senate does not include.

### ***Sec. 1238. Lead Elimination and Response Workgroup – NOT INCLUDED***

House requires DHHS to establish a workgroup to determine the cost of establishing lead elimination and response as an essential local public health service, and to report to the legislature on the findings of the workgroup by March 1. Senate does not include.

### ***Sec. 1239. MPART Participation – NOT INCLUDED***

House requires DHHS to participate collaboratively with the Michigan PFAS Action Response Team (MPART) and other departments, and to make continuous efforts to ensure that DHHS does not duplicate activities of another department. Senate does not include.

### ***Sec. 1303. Contract Restrictions for Family Planning Local Agreements with State Funds – REVISED***

Prohibits DHHS from contracting with an organization that provides elective abortions, or abortion counseling or referrals, for services funded with state restricted or GF/GP funds appropriated for family planning local agreements. Prohibits an organization under contract with DHHS from subcontracting with an organization that provides elective abortions or abortion counseling or referrals, for services that are to be funded with state restricted or GF/GP funds appropriated for family planning local agreements. Executive deletes. House retains current law. Senate revises by striking out reference to family planning local agreements, making the language apply to any program.

### ***Sec. 1304. Prohibit Use of State Funds for Abortion Counseling, Referrals, or Services – REVISED***

Prohibits the use of state restricted or state general funds appropriated in the Family Planning Local Agreements line item or the Pregnancy Prevention Program line items for abortion counseling, referrals, or services. Executive and House retain current law. Senate revises to also include that the department shall not allow grantees or subcontractors to use funds from these line items for these purposes.

### ***Sec. 1305. Contract Restrictions and Priorities for Family Planning and Pregnancy Prevention – REVISED***

(1) Prohibits DHHS from contracting for family planning and pregnancy prevention services with an entity that engages in abortion activities under PA 360 of 2002, if another entity applies to provide those services that is not already engaged in abortion activities. (2) Requires DHHS to give a higher priority to a) contracting for services in counties where there are currently no contracts for services, before b) contracting for additional services by an entity that engages in abortion activities in a county where there are already services provided by an entity that does not engage in abortion activities. (*Governor's FY 2018-19 signing letter states section is considered unenforceable.*) Executive deletes. House retains current law. Senate revises to increase the application of these restrictions to appropriations from additional line items and program areas.

### ***Sec. 1310. Family Planning Federal Title X Rule Compliance – NEW***

Senate requires family planning programs receiving federal Title X funds to be in compliance with all federal Title X rules and requires DHHS to monitor for compliance; agencies not in compliance shall not receive supplemental or reallocated funds. Language is similar to current Sec. 1302.

### ***Sec. 1320. Family Planning and Pregnancy Prevention Media Campaign Messaging – NOT INCLUDED***

House states legislative intent that funds that may be expended for a public media campaign regarding publicly funded family planning or pregnancy prevention programs shall not be used to communicate any message that implies or that can be interpreted to mean that abortion is a method of family planning or pregnancy prevention. Senate does not include.

### ***Sec. 1340. National Brand Peanut Butter as Approved WIC Food Item – REVISED***

Requires the Women, Infants, and Children Special Supplemental Food and Nutrition program (WIC) to include national brand peanut butter on the list of approved food basket items for WIC participant purchase. Senate revises to broaden to include national brand options for all food categories.

## **MEDICAL SERVICES**

### ***Sec. 1513. Medicaid Inpatient Psychiatric Hospital Workgroup – NEW***

House and Senate require DHHS to create a workgroup to determine an equitable and adequate reimbursement methodology for Medicaid inpatient psychiatric hospital care, lists participating workgroup members, requires a report from the workgroup.

### ***Sec. 1514. Telemedicine Reimbursement – NEW***

Senate requires DHHS to expand the definition of "originating site" to include the patient's home or any other site considered appropriate by the provider and expand the definition of "distant site" to include the provider's office or other site considered appropriate by the provider.

## **Major Boilerplate Changes From FY 2018-19**

### ***Sec. 1625. Medicaid Managed Care Pharmacy Benefits Managers – NOT INCLUDED***

House prohibits DHHS from entering in any contracts with a Medicaid managed care organization that relies on a pharmacy benefits manager that does not: utilize the same pharmacy reimbursement methodology as Medicaid fee-for-service of National Average Drug Acquisition Cost plus a professional dispensing fee comparable to the Medicaid fee-for-service dispensing fees, permit pharmacists in good standing who are willing to accept the professional dispensing fees to be part the network, reimburse for valid claims a rate at the time of the original point of sale claim, agree to transparent “pass-through” pricing, states that the administrative savings in part 1 are assumed to be shared across both the Medicaid managed care organizations and the pharmacy benefits managers. Senate does not include.

### ***Sec. 1696. Healthy Michigan Plan Applicants – REVISED***

States legislative intent that an applicant for Healthy Michigan Plan that received traditional Medicaid coverage in the previous fiscal year is not eligible for Healthy Michigan Plan if still eligible for traditional Medicaid. Executive deletes. House retains current law. Senate deletes statement of legislative intent.

### ***Sec. 1763. Actuarial Services Request for Proposal – RETAINED***

Requires DHHS to issue a request for proposal for a 3-year contract for actuarial services related to rate setting for traditional Medicaid and Healthy Michigan Plan during the next contract renewal period and to notify the legislature. Executive and House delete. Senate retains current law.

### ***Sec. 1792. Pharmacy Encounter Data – NEW***

Senate requires DHHS, in consultation with the Medicaid health plans, to evaluate pharmacy encounter data through the first 2 quarters to determine if rates must be recertified.

### ***Sec. 1802. and Sec. 1866. Rural Hospital Payments – REVISED***

Sec. 1802 directs \$8.0 million in lump sum payments to hospitals that qualified for rural hospital access payments in FY 2013-14 at a rate proportional to each hospital's obstetrical care and newborn care volume. Sec. 1866 allocates \$18.0 million GF/GP and any associated federal match to hospitals providing services to low-income rural residents; provides that no hospital or hospital system may receive more than 10% of the total distribution; requires DHHS to provide each hospital the distribution methodology and data used to determine payment amounts. Executive revises by combining both sections into Sec. 1802 and reducing the \$8.0 million GF/GP lump sum payment to \$5.0 million. House revises by combining both sections into Sec. 1802 and by adding language distributing \$15.0 million GF/GP critical access hospital payment. Senate revises by combining both sections into Sec. 1802, increasing the two pools \$3.0 million, and by adding language distributing \$100 GF/GP critical access hospital payment.

### ***Sec. 1804. Identification of Medicaid Beneficiaries Who Are Veterans – REVISED***

Requires DHHS, in cooperation with the Department of Military and Veterans Affairs, to work with the federal government's public assistance reporting information system to identify Medicaid recipients who are veterans and may be eligible for federal veteran's health care benefits. Senate revises to require an interagency agreement with specific performance outcomes to be reported to the legislature and to revise the working in the public assistance application from “veteran” to “served in the military”.

### ***Sec. 1805. Graduate Medical Education (GME) Quality Data – REVISED***

Requires hospitals receiving GME payments to submit quality data utilizing consensus-based nationally endorsed standards to be posted on a public website, lists specific quality reporting information, requires hospitals to also post quality data on the hospital's website, and requires DHHS to withhold 25% of a hospital's GME payment if data is not submitted by January 1. Executive revises by requiring data submission for acute care hospitals only and by removing the 25% withhold. House retains current law. Senate revises by requiring data submission for acute care hospitals only

### ***Sec. 1855. Unused PACE Slots – RETAINED***

Requires DHHS, if funds are available, to allow PACE programs to increase then number of program slots if the local PACE program provides documentation of its ability to expand capacity, and to allow PACE programs to enroll more than 10 new members per month to address unmet demand. Executive deletes. House and Senate retain current law.

## **INFORMATION TECHNOLOGY**

### ***Sec. 1906. Michigan Statewide Automated Child Welfare Information System Workgroup – NOT INCLUDED***

House includes new section requiring the department to collaborate with various entities to establish a MiSACWIS work group; provides for the director of the department of technology, management, and budget, or his or her designee, to act as the chair of the work group; requires the work group via the department to report no later than February 1 on recommendations regarding the continuation of MiSACWIS; and requires the department to expend or encumber only funds from the Michigan Statewide Automated Child Welfare Information System line item in Part 1 on MiSACWIS operations, maintenance, and improvements. Senate does not include.