

**SUBSTITUTE FOR
SENATE BILL NO. 139**

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **PART 1**

2 **LINE-ITEM APPROPRIATIONS**

3 Sec. 101. There is appropriated for the department of health
4 and human services for the fiscal year ending September 30, 2020,
5 from the following funds:

6 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

7 **APPROPRIATION SUMMARY**

8	Full-time equated unclassified positions	6.0
9	Full-time equated classified positions	16,005.0
10	Average population	770.0

1	GROSS APPROPRIATION	\$ 26,452,349,600
2	Interdepartmental grant revenues:	
3	Total interdepartmental grants and intradepartmental	
4	transfers.....	13,857,600
5	ADJUSTED GROSS APPROPRIATION	\$ 26,438,492,000
6	Federal revenues:	
7	Social security act, temporary assistance for needy	
8	families.....	557,217,500
9	Capped federal revenues	573,830,400
10	Total other federal revenues	17,262,613,500
11	Special revenue funds:	
12	Total local revenues	151,546,000
13	Total private revenues	143,535,100
14	Michigan merit award trust fund	49,768,700
15	Total other state restricted revenues	2,941,052,500
16	State general fund/general purpose	\$ 4,758,928,300
17	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions 6.0	
19	Full-time equated classified positions 829.6	
20	Unclassified salaries--6.0 FTE positions	\$ 1,223,600
21	Administrative hearings officers	11,157,000
22	Demonstration projects--7.0 FTE positions	7,358,400
23	Departmental administration and management--601.6 FTE	
24	positions.....	95,382,700
25	Michigan community service commission--14.0 FTE	
26	positions.....	10,682,400
27	Office of inspector general--207.0 FTE positions	25,961,600

1	Property management	68,243,100
2	Terminal leave payments	7,302,700
3	Worker's compensation	<u>6,674,900</u>
4	GROSS APPROPRIATION	\$ 233,986,400
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG from department of education	1,943,300
8	IDG from department of technology, management, and	
9	budget - office of retirement services	600
10	Federal revenues:	
11	Social security act, temporary assistance for needy	
12	families.....	22,972,900
13	Capped federal revenues	31,019,200
14	Total other federal revenues	70,748,600
15	Special revenue funds:	
16	Total local revenues	86,000
17	Total private revenues	3,887,300
18	Total other state restricted revenues	1,270,100
19	State general fund/general purpose	\$ 102,058,400
20	Sec. 103. CHILD SUPPORT ENFORCEMENT	
21	Full-time equated classified positions	185.7
22	Child support enforcement operations--179.7 FTE	
23	positions.....	\$ 22,909,500
24	Child support incentive payments	24,409,600
25	Legal support contracts	113,027,100
26	State disbursement unit--6.0 FTE positions	<u>8,148,600</u>
27	GROSS APPROPRIATION	\$ 168,494,800

1	Appropriated from:	
2	Federal revenues:	
3	Total other federal revenues	142,584,500
4	State general fund/general purpose	\$ 25,910,300
5	Sec. 104. COMMUNITY SERVICES AND OUTREACH	
6	Full-time equated classified positions	65.6
7	Bureau of community services and outreach--20.0 FTE	
8	positions.....	\$ 3,439,300
9	Child advocacy centers--0.5 FTE position	2,407,000
10	Community services and outreach administration--12.0	
11	FTE positions.....	1,672,200
12	Community services block grant	25,840,000
13	Crime victim grants administration services--17.0 FTE	
14	positions.....	2,236,000
15	Crime victim justice assistance grants	99,279,300
16	Crime victim rights services grants	18,870,000
17	Domestic violence prevention and treatment--15.6 FTE	
18	positions.....	17,915,700
19	Homeless programs	22,632,700
20	Housing and support services	13,031,000
21	Rape prevention and services--0.5 FTE position	5,097,300
22	School success partnership program	525,000
23	Uniform statewide sexual assault evidence kit tracking	
24	system.....	800,000
25	Weatherization assistance	<u>15,505,000</u>
26	GROSS APPROPRIATION	\$ 229,250,500
27	Appropriated from:	

1	Federal revenues:		
2	Social security act, temporary assistance for needy		
3	families.....	13,264,800	
4	Capped federal revenues	58,883,000	
5	Total other federal revenues	115,569,800	
6	Special revenue funds:		
7	Compulsive gambling prevention fund	1,040,500	
8	Sexual assault evidence tracking fund	800,000	
9	Sexual assault victims' prevention and treatment fund	3,000,000	
10	Child advocacy centers fund	1,407,000	
11	Crime victim's rights fund	17,690,600	
12	State general fund/general purpose	\$ 17,594,800	
13	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD		
14	WELFARE		
15	Full-time equated classified positions	4,047.2	
16	Adoption subsidies	\$ 197,521,700	
17	Adoption support services--10.0 FTE positions	34,688,800	
18	Attorney general contract	5,001,100	
19	Child abuse and neglect - children's justice act--1.0		
20	FTE position.....	626,400	
21	Child care fund.....	228,211,300	
22	Child care fund - indirect cost allotment	4,211,400	
23	Child protection.....	800,300	
24	Child welfare administration travel	375,000	
25	Child welfare field staff - noncaseload compliance--		
26	353.0 FTE positions.....	39,335,100	
27	Child welfare institute--51.0 FTE positions	9,315,000	

1	Child welfare licensing--59.0 FTE positions	7,120,300
2	Child welfare medical/psychiatric evaluations	9,835,500
3	Children's protective services - caseload staff--	
4	1,615.0 FTE positions	162,849,600
5	Children's protective services supervisors--387.0 FTE	
6	positions	45,708,900
7	Children's services administration--188.2 FTE	
8	positions	19,812,900
9	Children's trust fund administration--12.0 FTE	
10	positions	590,700
11	Children's trust fund grants	3,577,200
12	Contractual services, supplies, and materials	10,155,600
13	Court-appointed special advocates	500,000
14	Education planners--15.0 FTE positions	1,579,200
15	Family preservation and prevention services	
16	administration--9.0 FTE positions	1,342,900
17	Family preservation programs--15.0 FTE positions	45,994,700
18	Foster care payments	261,677,800
19	Foster care services - caseload staff--966.0 FTE	
20	positions	93,195,800
21	Foster care services supervisors--227.0 FTE positions	29,535,000
22	Guardianship assistance program	10,411,200
23	Interstate compact	179,600
24	Peer coaches--45.5 FTE positions	5,922,300
25	Performance based funding implementation--3.0 FTE	
26	positions	1,454,500
27	Permanency resource managers--28.0 FTE positions	3,317,600

1	Prosecuting attorney contracts	3,879,500
2	Second line supervisors and technical staff--54.0 FTE	
3	positions.....	9,184,800
4	Settlement monitor	2,034,100
5	Strong families/safe children	12,600,000
6	Title IV-E compliance and accountability office--4.0	
7	FTE positions.....	435,700
8	Youth in transition--4.5 FTE positions	<u>15,545,100</u>
9	GROSS APPROPRIATION	\$ 1,278,526,600
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from department of education	90,300
13	Federal revenues:	
14	Social security act, temporary assistance for needy	
15	families.....	347,382,100
16	Capped federal revenues	113,096,100
17	Total other federal revenues	252,530,500
18	Special revenue funds:	
19	Private - collections	1,770,700
20	Local funds - county chargeback	40,914,500
21	Children's trust fund	2,897,300
22	State general fund/general purpose	\$ 519,845,100
23	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE	
24	JUSTICE	
25	Full-time equated classified positions.....	120.5
26	Bay Pines Center--47.0 FTE positions	\$ 5,502,800
27	Committee on juvenile justice administration--2.5 FTE	

1	positions.....	356,300
2	Committee on juvenile justice grants	3,000,000
3	Community support services--3.0 FTE positions	2,129,400
4	County juvenile officers	3,904,300
5	Juvenile justice, administration and maintenance--21.0	
6	FTE positions.....	2,817,900
7	Shawono Center--47.0 FTE positions	<u>5,566,800</u>
8	GROSS APPROPRIATION	\$ 23,277,500
9	Appropriated from:	
10	Federal revenues:	
11	Capped federal revenues	8,556,700
12	Special revenue funds:	
13	Local funds - state share education funds	1,355,700
14	Local funds - county chargeback	4,698,000
15	State general fund/general purpose	\$ 8,667,100
16	Sec. 107. PUBLIC ASSISTANCE	
17	Full-time equated classified positions..... 3.0	
18	Emergency services local office allocations	\$ 9,007,500
19	Family independence program	67,503,700
20	Food assistance program benefits	1,760,805,700
21	Food Bank Council of Michigan	2,045,000
22	Indigent burial	3,875,000
23	Low-income home energy assistance program	174,951,600
24	Michigan energy assistance program--1.0 FTE position .	50,000,000
25	Multicultural integration funding	15,303,800
26	Refugee assistance program--2.0 FTE positions	3,050,400
27	State disability assistance payments	6,671,500

1	State supplementation	58,792,500
2	State supplementation administration	<u>1,806,100</u>
3	GROSS APPROPRIATION	\$ 2,153,812,800
4	Appropriated from:	
5	Federal revenues:	
6	Social security act, temporary assistance for needy	
7	families.....	59,127,700
8	Capped federal revenues	178,186,500
9	Total other federal revenues	1,756,605,700
10	Special revenue funds:	
11	Child support collections	11,250,200
12	Supplemental security income recoveries	4,142,700
13	Public assistance recoupment revenue	5,000,000
14	Low-income energy assistance fund	50,000,000
15	State general fund/general purpose	\$ 89,500,000
16	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES	
17	Full-time equated classified positions	5,814.5
18	Administrative support workers--221.0 FTE positions ..	\$ 13,397,000
19	Adult services field staff--520.0 FTE positions	58,058,800
20	Contractual services, supplies, and materials	16,927,600
21	Donated funds positions--238.0 FTE positions	27,558,000
22	Elder Law of Michigan MiCAFE contract	350,000
23	Electronic benefit transfer (EBT)	6,809,000
24	Employment and training support services	4,219,100
25	Field policy and administration--66.0 FTE positions ..	11,464,100
26	Field staff travel	8,111,400
27	Medical/psychiatric evaluations	1,420,100

1	Nutrition education--2.0 FTE positions	33,050,400
2	Pathways to potential--231.0 FTE positions	24,417,400
3	Public assistance field staff--4,516.5 FTE positions .	474,868,200
4	SSI advocacy legal services grant	175,000
5	Training and program support--20.0 FTE positions	<u>2,516,600</u>
6	GROSS APPROPRIATION	\$ 683,342,700
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from department of corrections	121,500
10	IDG from department of education	7,873,100
11	Federal revenues:	
12	Social security act, temporary assistance for needy	
13	families.....	73,765,600
14	Capped federal revenues	55,013,900
15	Total other federal revenues	264,635,900
16	Special revenue funds:	
17	Local funds - donated funds	4,102,000
18	Private funds - donated funds	9,395,600
19	State general fund/general purpose	\$ 268,435,100
20	Sec. 109. DISABILITY DETERMINATION SERVICES	
21	Full-time equated classified positions	575.4
22	Disability determination operations--571.3 FTE	
23	positions.....	\$ 112,880,800
24	Retirement disability determination--4.1 FTE positions	<u>623,300</u>
25	GROSS APPROPRIATION	\$ 113,504,100
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1	IDG from department of technology, management, and	
2	budget - office of retirement services	799,900
3	Federal revenues:	
4	Total other federal revenues	108,388,000
5	State general fund/general purpose	\$ 4,316,200
6	Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION	
7	AND SPECIAL PROJECTS	
8	Full-time equated classified positions 108.0	
9	Behavioral health program administration--86.0 FTE	
10	positions.....	\$ 49,886,700
11	Court-ordered assisted outpatient treatment	1,000,000
12	Family support subsidy	14,137,300
13	Federal and other special projects	2,535,600
14	Gambling addiction--1.0 FTE position	4,511,000
15	Mental health diversion council	4,350,000
16	Office of recipient rights--21.0 FTE positions	2,604,700
17	Protection and advocacy services support	<u>194,400</u>
18	GROSS APPROPRIATION	\$ 79,219,700
19	Appropriated from:	
20	Federal revenues:	
21	Social security act, temporary assistance for needy	
22	families.....	14,317,800
23	Total other federal revenues	38,998,700
24	Special revenue funds:	
25	Total private revenues	1,004,700
26	Total other state restricted revenues	4,511,000
27	State general fund/general purpose	\$ 20,387,500

1	Sec. 111. BEHAVIORAL HEALTH SERVICES		
2	Full-time equated classified positions	11.0	
3	Autism services	\$ 230,679,600	
4	Behavioral health community supports and services	11,221,500	
5	Children with serious emotional disturbance waiver ...	8,600,000	
6	Children's waiver home care program	18,330,800	
7	Civil service charges	249,300	
8	Community mental health non-Medicaid services	125,578,200	
9	Community substance use disorder prevention,		
10	education, and treatment	108,754,700	
11	Court-appointed guardian reimbursements	2,700,000	
12	Federal mental health block grant--4.0 FTE positions .	20,573,800	
13	Health homes	3,369,000	
14	Healthy Michigan plan - behavioral health	371,843,300	
15	Medicaid mental health services	2,487,345,800	
16	Medicaid substance use disorder services	68,281,100	
17	Nursing home PAS/ARR-OBRA--7.0 FTE positions	<u>12,291,300</u>	
18	GROSS APPROPRIATION	\$ 3,469,818,400	
19	Appropriated from:		
20	Federal revenues:		
21	Total other federal revenues	2,284,772,600	
22	Special revenue funds:		
23	Total local revenues	20,380,700	
24	Total other state restricted revenues	43,593,100	
25	State general fund/general purpose	\$ 1,121,072,000	
26	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC		
27	MENTAL HEALTH SERVICES		

1	Total average population.....	770.0	
2	Full-time equated classified positions.....	2,390.6	
3	Behavioral health facility contingency	\$	20,000,000
4	Caro Regional Mental Health Center - psychiatric		
5	hospital - adult - or regional mental health center		
6	located within 6 miles of the county seat of a		
7	county with a population between 55,000 and 57,000		
8	in the 2010 decennial census--542.3 FTE positions ...		63,020,400
9	Average population.....	145.0	
10	Center for forensic psychiatry--608.1 FTE positions ..		87,262,300
11	Average population.....	240.0	
12	Developmental disabilities council and projects--10.0		
13	FTE positions.....		3,108,100
14	Gifts and bequests for patient living and treatment		
15	environment.....		1,000,000
16	Hawthorn Center - psychiatric hospital - children and		
17	adolescents--276.0 FTE positions.....		32,617,800
18	Average population.....	55.0	
19	IDEA, federal special education		120,000
20	Kalamazoo Psychiatric Hospital - adult--548.8 FTE		
21	positions.....		71,128,700
22	Average population.....	170.0	
23	Purchase of medical services for residents of		
24	hospitals and centers.....		445,600
25	Revenue recapture		750,100
26	Special maintenance		924,600
27	Walter P. Reuther Psychiatric Hospital - adult--405.4		

1	FTE positions.....	48,375,800
2	Average population..... 160.0	<hr/>
3	GROSS APPROPRIATION	\$ 328,753,400
4	Appropriated from:	
5	Federal revenues:	
6	Total other federal revenues	43,434,400
7	Special revenue funds:	
8	Total local revenues	23,106,200
9	Total private revenues	1,000,000
10	Total other state restricted revenues	15,092,700
11	State general fund/general purpose	\$ 246,120,100
12	Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND	
13	INITIATIVES	
14	Full-time equated classified positions..... 609.7	
15	Certificate of need program administration--11.8 FTE	
16	positions.....	\$ 2,770,900
17	Health policy administration--33.9 FTE positions	14,217,200
18	Human trafficking intervention services	200,000
19	Independent living	15,531,600
20	Michigan essential health provider	4,384,200
21	Michigan rehabilitation services--555.0 FTE positions	131,109,200
22	Minority health grants and contracts--3.0 FTE	
23	positions.....	1,127,900
24	Nurse education and research program--3.0 FTE	
25	positions.....	798,900
26	Primary care services--2.0 FTE positions	3,781,000
27	Rural health services--1.0 FTE position	<hr/> 1,555,500

1	GROSS APPROPRIATION	\$	175,476,400
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from department of education		2,400
5	IDG from department of licensing and regulatory		
6	affairs.....		837,200
7	IDG from department of treasury, Michigan finance		
8	authority.....		117,700
9	Federal revenues:		
10	Social security act, temporary assistance for needy		
11	families.....		332,100
12	Capped federal revenues		104,163,600
13	Federal supplemental security income		8,588,600
14	Total other federal revenues		16,176,400
15	Special revenue funds:		
16	Total local revenues		5,300,000
17	Total private revenues		1,396,500
18	Total other state restricted revenues		3,143,000
19	State general fund/general purpose	\$	35,418,900
20	Sec. 114. LABORATORY SERVICES		
21	Full-time equated classified positions	102.0	
22	Laboratory services--102.0 FTE positions	\$	<u>23,642,100</u>
23	GROSS APPROPRIATION	\$	23,642,100
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from department of environment, Great Lakes, and		
27	energy.....		1,004,600

1	Federal revenues:	
2	Total other federal revenues	4,338,600
3	Special revenue funds:	
4	Total other state restricted revenues	12,147,200
5	State general fund/general purpose	\$ 6,151,700
6	Sec. 115. EPIDEMIOLOGY AND POPULATION HEALTH	
7	Full-time equated classified positions	242.5
8	Childhood lead program--4.5 FTE positions	\$ 2,062,200
9	Epidemiology administration--86.1 FTE positions	25,826,600
10	Healthy homes program--12.0 FTE positions	27,768,000
11	Newborn screening follow-up and treatment services--	
12	10.5 FTE positions	7,825,900
13	PFAS and environmental contamination response--48.0	
14	FTE positions	21,633,700
15	Vital records and health statistics--81.4 FTE	
16	positions	<u>10,439,500</u>
17	GROSS APPROPRIATION	\$ 95,555,900
18	Appropriated from:	
19	Federal revenues:	
20	Capped federal revenues	81,100
21	Total other federal revenues	41,423,800
22	Special revenue funds:	
23	Total private revenues	347,000
24	Total other state restricted revenues	14,529,500
25	State general fund/general purpose	\$ 39,174,500
26	Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
27	Full-time equated classified positions	137.3

1	AIDS prevention, testing, and care programs--37.7 FTE		
2	positions.....	\$	63,752,200
3	Cancer prevention and control program--16.0 FTE		
4	positions.....		15,632,300
5	Chronic disease control and health promotion		
6	administration--23.4 FTE positions.....		10,617,300
7	Diabetes and kidney program--8.0 FTE positions		4,078,100
8	Essential local public health services		51,419,300
9	Implementation of 1993 PA 133, MCL 333.17015		20,000
10	Injury control intervention project		1,500,000
11	Local health services--3.3 FTE positions		7,209,100
12	Medicaid outreach cost reimbursement to local health		
13	departments.....		12,500,000
14	Public health administration--9.0 FTE positions		1,998,200
15	Sexually transmitted disease control program--20.0 FTE		
16	positions.....		6,376,500
17	Smoking prevention program--15.0 FTE positions		3,818,000
18	Violence prevention--4.9 FTE positions		<u>3,315,800</u>
19	GROSS APPROPRIATION	\$	182,236,800
20	Appropriated from:		
21	Federal revenues:		
22	Total other federal revenues		73,049,200
23	Special revenue funds:		
24	Total local revenues		5,150,000
25	Total private revenues		33,789,800
26	Total other state restricted revenues		9,919,500
27	State general fund/general purpose	\$	60,328,300

1	Sec. 117. FAMILY HEALTH SERVICES		
2	Full-time equated classified positions	133.6	
3	Dental programs--3.8 FTE positions		\$ 5,479,900
4	Family, maternal, and child health administration--		
5	55.0 FTE positions		9,738,300
6	Family planning local agreements		8,310,700
7	Immunization program--15.8 FTE positions		19,046,200
8	Local MCH services		7,018,100
9	Pregnancy prevention program		1,464,600
10	Prenatal care and premature birth avoidance grant		1,000,000
11	Prenatal care outreach and service delivery support--		
12	14.0 FTE positions		21,078,300
13	Special projects		6,289,100
14	Sudden and unexpected infant death and suffocation		
15	prevention program		321,300
16	Women, infants, and children program administration		
17	and special projects--45.0 FTE positions		18,186,600
18	Women, infants, and children program local agreements		
19	and food costs		<u>231,285,000</u>
20	GROSS APPROPRIATION		\$ 329,218,100
21	Appropriated from:		
22	Federal revenues:		
23	Social security act, temporary assistance for needy		
24	families		700,000
25	Total other federal revenues		243,388,500
26	Special revenue funds:		
27	Total local revenues		75,000

1	Total private revenues	62,202,400
2	Total other state restricted revenues	4,053,900
3	State general fund/general purpose	\$ 18,798,300
4	Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND	
5	PREPAREDNESS	
6	Full-time equated classified positions	76.0
7	Bioterrorism preparedness--53.0 FTE positions	\$ 30,522,900
8	Emergency medical services program--23.0 FTE positions	<u>6,594,100</u>
9	GROSS APPROPRIATION	\$ 37,117,000
10	Appropriated from:	
11	Federal revenues:	
12	Total other federal revenues	31,532,200
13	Special revenue funds:	
14	Total other state restricted revenues	4,004,900
15	State general fund/general purpose	\$ 1,579,900
16	Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES	
17	Full-time equated classified positions	46.8
18	Bequests for care and services--2.8 FTE positions	\$ 1,841,400
19	Children's special health care services	
20	administration--44.0 FTE positions	6,173,400
21	Medical care and treatment	236,348,100
22	Nonemergency medical transportation	405,900
23	Outreach and advocacy	<u>5,510,000</u>
24	GROSS APPROPRIATION	\$ 250,278,800
25	Appropriated from:	
26	Federal revenues:	
27	Total other federal revenues	134,955,400

1	Special revenue funds:	
2	Total private revenues	1,019,800
3	Total other state restricted revenues	3,683,400
4	State general fund/general purpose	\$ 110,620,200
5	Sec. 120. AGING AND ADULT SERVICES AGENCY	
6	Full-time equated classified positions	47.0
7	Aging and adult services administration--47.0 FTE	
8	positions.....	\$ 8,727,600
9	Community services	45,966,300
10	Employment assistance	3,500,000
11	Nutrition services	42,254,200
12	Respite care program	6,468,700
13	Senior volunteer service programs	<u>4,765,300</u>
14	GROSS APPROPRIATION	\$ 111,682,100
15	Appropriated from:	
16	Federal revenues:	
17	Capped federal revenues	249,700
18	Total other federal revenues	59,094,200
19	Special revenue funds:	
20	Total private revenues	520,000
21	Michigan merit award trust fund	4,068,700
22	Total other state restricted revenues	2,000,000
23	State general fund/general purpose	\$ 45,749,500
24	Sec. 121. MEDICAL SERVICES ADMINISTRATION	
25	Full-time equated classified positions	406.0
26	Electronic health record incentive program	\$ 37,501,000
27	Healthy Michigan plan administration--36.0 FTE	

1	positions.....	45,654,100
2	Medical services administration--370.0 FTE positions .	<u>79,621,500</u>
3	GROSS APPROPRIATION	\$ 162,776,600
4	Appropriated from:	
5	Federal revenues:	
6	Total other federal revenues	118,936,900
7	Special revenue funds:	
8	Total local revenues	37,700
9	Total private revenues	101,300
10	Total other state restricted revenues	336,300
11	State general fund/general purpose	\$ 43,364,400
12	Sec. 122. MEDICAL SERVICES	
13	Adult home help services	\$ 392,268,400
14	Ambulance services	10,790,100
15	Auxiliary medical services	7,815,800
16	Dental clinic program	1,000,000
17	Dental services	337,962,100
18	Federal Medicare pharmaceutical program	294,513,900
19	Health plan services	5,444,321,400
20	Healthy Michigan plan	3,777,862,100
21	Home health services	5,722,800
22	Hospice services	156,207,600
23	Hospital disproportionate share payments	45,000,000
24	Hospital services and therapy	804,829,900
25	Integrated care organizations	276,837,700
26	Long-term care services	2,038,990,500
27	Maternal and child health	32,279,600

1	Medicaid home- and community-based services waiver ...	390,620,400
2	Medicare premium payments	627,602,400
3	Personal care services	8,472,900
4	Pharmaceutical services	292,982,600
5	Physician services	212,852,600
6	Program of all-inclusive care for the elderly	129,353,900
7	School-based services	131,140,000
8	Special Medicaid reimbursement	342,739,100
9	Transportation	<u>18,686,800</u>
10	GROSS APPROPRIATION	\$ 15,780,852,600
11	Appropriated from:	
12	Federal revenues:	
13	Total other federal revenues	11,130,120,600
14	Special revenue funds:	
15	Total local revenues	46,340,200
16	Total private revenues	2,100,000
17	Michigan merit award trust fund	45,700,000
18	Total other state restricted revenues	2,722,539,800
19	State general fund/general purpose	\$ 1,834,052,000
20	Sec. 123. INFORMATION TECHNOLOGY	
21	Full-time equated classified positions	43.0
22	Bridges information system	\$ 3,726,100
23	Child support automation	11,106,500
24	Information technology contingency	344,023,800
25	Information technology services and projects	49,763,300
26	Michigan Medicaid information system	26,071,900
27	Michigan statewide automated child welfare information	

1	system.....	5,623,900
2	State child welfare information system	100
3	Technology supporting integrated service delivery--	
4	43.0 FTE positions.....	<u>18,383,300</u>
5	GROSS APPROPRIATION	\$ 458,698,900
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from department of education	1,067,000
9	Federal revenues:	
10	Social security act, temporary assistance for needy	
11	families.....	24,854,500
12	Capped federal revenues	24,580,600
13	Total other federal revenues	286,429,800
14	Special revenue funds:	
15	Total private revenues	25,000,000
16	Total other state restricted revenues	1,999,800
17	State general fund/general purpose	\$ 94,767,200
18	Sec. 124. ONE-TIME APPROPRIATIONS	
19	Full-time equated classified positions..... 10.0	
20	Asian American health care and wellness initiative ...	\$ 150,000
21	Autism navigator	1,025,000
22	Autism train the trainer grant	100,000
23	Cercarial dermatitis prevention program	250,000
24	Child and adolescent health centers	1,000,000
25	Children's behavioral health counseling services	100,000
26	Co-responder crisis services pilot	60,000
27	Dental clinic program	1,000,000

1	Drinking water declaration of emergency	4,621,100
2	Employment first	500,000
3	Food delivery	470,000
4	Healthy communities grant	300,000
5	Healthy seniors grant	1,000,000
6	Homelessness elimination blueprint	250,000
7	Hospital behavioral health pilot program--10.0 FTE	
8	positions.....	4,000,000
9	Human trafficking survivors' assistance	1,000,000
10	Juvenile justice property projects	300,000
11	Kids' food basket	250,000
12	Lead exposure response and abatement	3,434,500
13	Legal assistance	60,000
14	Multicultural integration funding	1,981,100
15	One-time information technology contingency	35,250,000
16	One-time information technology services and projects	11,750,000
17	Opioid transitional housing and services grant	750,000
18	Primary care and dental health services	150,000
19	Project ECHO opioid intervention	40,000
20	Property management projects	2,460,700
21	Refugee assistance grant	175,000
22	Runaway and homeless youth services program	800,000
23	Senior citizen center program grants	500,000
24	Senior community services	400,000
25	Sexual assault comprehensive services grants	2,000,000
26	State innovation model continuation	3,000,000
27	Statewide health information exchange projects	1,500,000

1	Substance abuse community and school outreach	100,000
2	Unified clinics resiliency center for families and	
3	children.....	1,500,000
4	Wrap-around services	<u>600,000</u>
5	GROSS APPROPRIATION	\$ 82,827,400
6	Appropriated from:	
7	Federal revenues:	
8	Social security act, temporary assistance for needy	
9	families.....	500,000
10	Total other federal revenues	36,310,600
11	Special revenue funds:	
12	Total other state restricted revenues	1,000,000
13	State general fund/general purpose	\$ 45,016,800

14 PART 2

15 PROVISIONS CONCERNING APPROPRIATIONS

16 FOR FISCAL YEAR 2019-2020

17 **GENERAL SECTIONS**

18 Sec. 201. Pursuant to section 30 of article IX of the state

19 constitution of 1963, total state spending from state sources under

20 part 1 for fiscal year 2019-2020 is \$7,749,749,500.00 and state

21 spending from state sources to be paid to local units of government

22 for fiscal year 2019-2020 is \$1,567,136,600.00. The itemized

23 statement below identifies appropriations from which spending to

24 local units of government will occur:

25 DEPARTMENT OF HEALTH AND HUMAN SERVICES

1	DEPARTMENTAL ADMINISTRATION AND SUPPORT	
2	Departmental administration and management	\$ 344,000
3	Michigan community service commission	2,300
4	CHILD SUPPORT ENFORCEMENT	
5	Child support incentive payments	9,465,000
6	Legal support contracts	3,511,000
7	COMMUNITY SERVICES AND OUTREACH	
8	Crime victim rights services grants	7,796,300
9	Domestic violence prevention and treatment	164,500
10	Housing and support services	501,200
11	CHILDREN'S SERVICES AGENCY - CHILD WELFARE	
12	Child care fund	162,024,300
13	Child care fund - indirect cost allotment	4,211,400
14	Child welfare licensing	76,700
15	Child welfare medical/psychiatric evaluations	32,700
16	Children's trust fund grants	150,200
17	Contractual services, supplies, and materials	5,600
18	Foster care payments	2,485,800
19	Youth in transition	2,700
20	CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE	
21	Bay Pines Center	26,900
22	Community support services	412,800
23	Juvenile justice, administration and maintenance	26,500
24	Shawono Center	1,300
25	PUBLIC ASSISTANCE	
26	Emergency services local office allocations	557,800
27	Family independence program	1,300

1	Indigent burial.....	4,300
2	Multicultural integration funding.....	1,193,300
3	State disability assistance payments.....	243,400
4	FIELD OPERATIONS AND SUPPORT SERVICES	
5	Contractual services, supplies, and materials.....	46,500
6	Employment and training support services.....	7,600
7	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND	
8	SPECIAL PROJECTS	
9	Behavioral health program administration.....	4,252,000
10	BEHAVIORAL HEALTH SERVICES	
11	Autism services.....	80,970,600
12	Children with serious emotional disturbance waiver....	2,194,000
13	Children's waiver home care program.....	5,242,900
14	Community mental health non-Medicaid services.....	125,578,200
15	Community substance use disorder prevention,	
16	education, and treatment.....	14,735,900
17	Health homes.....	50,800
18	Healthy Michigan plan - behavioral health.....	34,358,200
19	Medicaid mental health services.....	859,638,900
20	Medicaid substance use disorder services.....	24,004,600
21	Nursing home PAS/ARR-OBRA.....	2,485,800
22	STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL	
23	HEALTH SERVICES	
24	Caro Regional Mental Health Center - psychiatric	
25	hospital - adult - or regional mental health center	
26	located within 6 miles of the county seat of a county	
27	with a population between 55,000 and 57,000 in the 2010	

1	decennial census.....	182,900
2	Center for forensic psychiatry.....	643,600
3	Hawthorn Center - psychiatric hospital - children	
4	and adolescents.....	93,600
5	Kalamazoo Psychiatric Hospital - adult.....	33,300
6	Walter P. Reuther Psychiatric Hospital - adult.....	48,000
7	HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES	
8	Michigan rehabilitation services.....	262,600
9	Primary care services.....	88,900
10	EPIDEMIOLOGY AND POPULATION HEALTH	
11	Epidemiology administration.....	233,200
12	Healthy homes program.....	99,200
13	Vital records and health statistics.....	5,100
14	LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
15	AIDS prevention, testing, and care programs.....	2,323,800
16	Cancer prevention and control program.....	463,000
17	Chronic disease control and health promotion	
18	administration.....	2,189,400
19	Essential local public health services.....	46,269,300
20	Local health services.....	3,184,300
21	Sexually transmitted disease control program.....	442,700
22	FAMILY HEALTH SERVICES	
23	Family, maternal, and child health administration.....	52,300
24	Family planning local agreements.....	187,700
25	Immunization program.....	1,247,900
26	Prenatal care outreach and service delivery support...	4,134,100
27	EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS	

1	Emergency medical services program	8,200
2	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
3	Medical care and treatment	368,800
4	Outreach and advocacy	2,617,900
5	AGING AND ADULT SERVICES AGENCY	
6	Aging and adult services administration	716,400
7	Community services	21,589,100
8	Nutrition services	12,597,200
9	Respite care program	6,375,300
10	Senior volunteer service programs	1,000,400
11	MEDICAL SERVICES	
12	Adult home help services	269,100
13	Ambulance services	441,400
14	Auxiliary medical services	1,100
15	Dental services	1,166,900
16	Health plan services	658,300
17	Healthy Michigan plan	463,800
18	Home health services	15,500
19	Hospice services	51,900
20	Hospital disproportionate share payments	9,000
21	Hospital services and therapy	2,032,000
22	Long-term care services	90,155,600
23	Medicaid home- and community-based services waiver	11,666,900
24	Personal care services	28,900
25	Pharmaceutical services	16,400
26	Physician services	3,320,300
27	Special Medicaid reimbursement	112,900

1	Transportation.....	235,900
2	ONE-TIME APPROPRIATIONS	
3	Drinking water declaration of emergency.....	1,460,000
4	Homelessness elimination blueprint.....	250,000
5	Lead exposure response and abatement.....	<u>515,200</u>
6	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,567,136,600

7 Sec. 202. The appropriations authorized under this part and
8 part 1 are subject to the management and budget act, 1984 PA 431,
9 MCL 18.1101 to 18.1594.

10 Sec. 203. As used in this part and part 1:

11 (a) "AIDS" means acquired immunodeficiency syndrome.

12 (b) "CMHSP" means a community mental health services program
13 as that term is defined in section 100a of the mental health code,
14 1974 PA 258, MCL 330.1100a.

15 (c) "CMS" means the Centers for Medicare and Medicaid
16 Services.

17 (d) "Current fiscal year" means the fiscal year ending
18 September 30, 2020.

19 (e) "Department" means the department of health and human
20 services.

21 (f) "Director" means the director of the department.

22 (g) "DSH" means disproportionate share hospital.

23 (h) "EPSDT" means early and periodic screening, diagnosis, and
24 treatment.

25 (i) "Federal poverty level" means the poverty guidelines
26 published annually in the Federal Register by the United States
27 Department of Health and Human Services under its authority to

1 revise the poverty line under 42 USC 9902.

2 (j) "FTE" means full-time equated.

3 (k) "GME" means graduate medical education.

4 (l) "Health plan" means, at a minimum, an organization that
5 meets the criteria for delivering the comprehensive package of
6 services under the department's comprehensive health plan.

7 (m) "HEDIS" means healthcare effectiveness data and
8 information set.

9 (n) "HMO" means health maintenance organization.

10 (o) "IDEA" means the individuals with disabilities education
11 act, 20 USC 1400 to 1482.

12 (p) "IDG" means interdepartmental grant.

13 (q) "MCH" means maternal and child health.

14 (r) "Medicaid" means subchapter XIX of the social security
15 act, 42 USC 1396 to 1396w-5.

16 (s) "Medicare" means subchapter XVIII of the social security
17 act, 42 USC 1395 to 1395III.

18 (t) "MiCAFE" means Michigan's coordinated access to food for
19 the elderly.

20 (u) "MiChild" means the program described in section 1670 of
21 this part.

22 (v) "MiSACWIS" means Michigan statewide automated child
23 welfare information system.

24 (w) "PAS/ARR-OBRA" means the preadmission screening and annual
25 resident review required under the omnibus budget reconciliation
26 act of 1987, section 1919(e)(7) of the social security act, 42 USC
27 1396r.

1 (x) "PFAS" means perfluoroalkyl and polyfluoroalkyl
2 substances.

3 (y) "PIHP" means an entity designated by the department as a
4 regional entity or a specialty prepaid inpatient health plan for
5 Medicaid mental health services, services to individuals with
6 developmental disabilities, and substance use disorder services.
7 Regional entities are described in section 204b of the mental
8 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
9 inpatient health plans are described in section 232b of the mental
10 health code, 1974 PA 258, MCL 330.1232b.

11 (z) "Previous fiscal year" means the fiscal year ending
12 September 30, 2019.

13 (aa) "Quarterly reports" means 4 reports shall be submitted to
14 the required recipients by the following dates: February 1, April
15 1, July 1, and September 30 of the current fiscal year.

16 (bb) "Semiannual basis" means March 1 and September 30 of the
17 current fiscal year.

18 (cc) "Settlement" means the settlement agreement entered in
19 the case of *Dwayne B. v Snyder*, docket no. 2:06-cv-13548 in the
20 United States District Court for the Eastern District of Michigan.

21 (dd) "SSI" means supplemental security income.

22 (ee) "Temporary assistance for needy families" or "TANF" or
23 "title IV-A" means part A of subchapter IV of the social security
24 act, 42 USC 601 to 619.

25 (ff) "Title IV-B" means part B of title IV of the social
26 security act, 42 USC 620 to 629m.

27 (gg) "Title IV-D" means part D of title IV of the social

1 security act, 42 USC 651 to 669b.

2 (hh) "Title IV-E" means part E of title IV of the social
3 security act, 42 USC 670 to 679c.

4 (ii) "Title X" means subchapter VIII of the public health
5 service act, 42 USC 300 to 300a-8, which establishes grants to
6 states for family planning services.

7 Sec. 204. Unless otherwise specified, the departments and
8 agencies receiving appropriations in part 1 shall use the internet
9 to fulfill the reporting requirements of this part and part 1. This
10 requirement shall include transmission of reports via electronic
11 mail to the recipients identified for each reporting requirement,
12 and it shall include placement of reports on the internet.

13 Sec. 205. Funds appropriated in part 1 shall not be used for
14 the purchase of foreign goods or services, or both, if
15 competitively priced and of comparable quality American goods or
16 services, or both, are available. Preference shall be given to
17 goods or services, or both, manufactured or provided by Michigan
18 businesses if they are competitively priced and of comparable
19 quality. In addition, preference shall be given to goods or
20 services, or both, that are manufactured or provided by Michigan
21 businesses owned and operated by veterans if they are competitively
22 priced and of comparable quality.

23 Sec. 206. The director shall take all reasonable steps to
24 ensure businesses in deprived and depressed communities compete for
25 and perform contracts to provide services or supplies, or both.
26 Each director shall strongly encourage firms with which the
27 department contracts to subcontract with certified businesses in

1 depressed and deprived communities for services, supplies, or both.

2 Sec. 207. The departments and agencies receiving
3 appropriations in part 1 shall prepare a report on out-of-state
4 travel expenses not later than January 1 of each year. The travel
5 report shall be a listing of all travel by classified and
6 unclassified employees outside this state in the immediately
7 preceding fiscal year that was funded in whole or in part with
8 funds appropriated in the department's budget. The report shall be
9 submitted to the senate and house appropriations committees, the
10 house and senate fiscal agencies, and the state budget director.
11 The report shall include the following information:

12 (a) The dates of each travel occurrence.

13 (b) The transportation and related costs of each travel
14 occurrence, including the proportion funded with state general
15 fund/general purpose revenues, the proportion funded with state
16 restricted revenues, the proportion funded with federal revenues,
17 and the proportion funded with other revenues.

18 Sec. 209. Not later than November 30, the state budget office
19 shall prepare and transmit a report that provides for estimates of
20 the total general fund/general purpose appropriation lapses at the
21 close of the prior fiscal year. This report shall summarize the
22 projected year-end general fund/general purpose appropriation
23 lapses by major departmental program or program areas. The report
24 shall be transmitted to the chairpersons of the senate and house
25 appropriations committees, and the senate and house fiscal
26 agencies.

27 Sec. 210. (1) In addition to the funds appropriated in part 1,

1 there is appropriated an amount not to exceed \$80,000,000.00 for
2 federal contingency funds. These funds are not available for
3 expenditure until they have been transferred to another line item
4 in part 1 under section 393(2) of the management and budget act,
5 1984 PA 431, MCL 18.1393. These funds shall not be made available
6 to increase TANF authorization.

7 (2) In addition to the funds appropriated in part 1, there is
8 appropriated an amount not to exceed \$45,000,000.00 for state
9 restricted contingency funds. These funds are not available for
10 expenditure until they have been transferred to another line item
11 in part 1 under section 393(2) of the management and budget act,
12 1984 PA 431, MCL 18.1393.

13 (3) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$5,000,000.00 for local
15 contingency funds. These funds are not available for expenditure
16 until they have been transferred to another line item in part 1
17 under section 393(2) of the management and budget act, 1984 PA 431,
18 MCL 18.1393.

19 (4) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$2,000,000.00 for private
21 contingency funds. These funds are not available for expenditure
22 until they have been transferred to another line item in part 1
23 under section 393(2) of the management and budget act, 1984 PA 431,
24 MCL 18.1393.

25 Sec. 211. The department shall cooperate with the department
26 of technology, management, and budget to maintain a searchable
27 website accessible by the public at no cost that includes, but is

1 not limited to, all of the following for each department or agency:

2 (a) Fiscal year-to-date expenditures by category.

3 (b) Fiscal year-to-date expenditures by appropriation unit.

4 (c) Fiscal year-to-date payments to a selected vendor,
5 including the vendor name, payment date, payment amount, and
6 payment description.

7 (d) The number of active department employees by job
8 classification.

9 (e) Job specifications and wage rates.

10 Sec. 212. Within 14 days after the release of the executive
11 budget recommendation, the department shall cooperate with the
12 state budget office to provide the senate and house appropriations
13 chairs, the senate and house appropriations subcommittees chairs,
14 and the senate and house fiscal agencies with an annual report on
15 estimated state restricted fund balances, state restricted fund
16 projected revenues, and state restricted fund expenditures for the
17 previous fiscal year and the current fiscal year.

18 Sec. 213. The department shall maintain, on a publicly
19 accessible website, a department scorecard that identifies, tracks,
20 and regularly updates key metrics that are used to monitor and
21 improve the department's performance.

22 Sec. 214. Total authorized appropriations from all sources
23 under part 1 for legacy costs for the current fiscal year are
24 estimated at \$350,330,100.00. From this amount, total agency
25 appropriations for pension-related legacy costs are estimated at
26 \$170,303,500.00. Total agency appropriations for retiree health
27 care legacy costs are estimated at \$180,026,600.00.

1 Sec. 215. If either of the following events occur, within 30
2 days the department shall notify the state budget director, the
3 chairs of the house and senate appropriations subcommittees on the
4 department budget, and the house and senate fiscal agencies and
5 policy offices of that fact:

6 (a) A legislative objective of this part or of a bill or
7 amendment to a bill to amend the social welfare act, 1939 PA 280,
8 MCL 400.1 to 400.119b, cannot be implemented because implementation
9 would conflict with or violate federal regulations.

10 (b) A federal grant, for which a notice of an award has been
11 received, cannot be used, or will not be used.

12 Sec. 216. (1) In addition to funds appropriated in part 1 for
13 all programs and services, there is appropriated for write-offs of
14 accounts receivable, deferrals, and for prior year obligations in
15 excess of applicable prior year appropriations, an amount equal to
16 total write-offs and prior year obligations, but not to exceed
17 amounts available in prior year revenues.

18 (2) The department's ability to satisfy appropriation fund
19 sources in part 1 shall not be limited to collections and accruals
20 pertaining to services provided in the current fiscal year, but
21 shall also include reimbursements, refunds, adjustments, and
22 settlements from prior years.

23 Sec. 217. (1) By February 1 of the current fiscal year, the
24 department shall report to the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, and the state budget director on the detailed name and
27 amounts of estimated federal, restricted, private, and local

1 sources of revenue that support the appropriations in each of the
2 line items in part 1.

3 (2) Upon the release of the next fiscal year executive budget
4 recommendation, the department shall report to the same parties in
5 subsection (1) on the amounts and detailed sources of federal,
6 restricted, private, and local revenue proposed to support the
7 total funds appropriated in each of the line items in part 1 of the
8 next fiscal year executive budget proposal.

9 Sec. 218. The department shall include, but not be limited to,
10 the following in its annual list of proposed basic health services
11 as required in part 23 of the public health code, 1978 PA 368, MCL
12 333.2301 to 333.2321:

13 (a) Immunizations.

14 (b) Communicable disease control.

15 (c) Sexually transmitted disease control.

16 (d) Tuberculosis control.

17 (e) Prevention of gonorrhea eye infection in newborns.

18 (f) Screening newborns for the conditions listed in section
19 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
20 recommended by the newborn screening quality assurance advisory
21 committee created under section 5430 of the public health code,
22 1978 PA 368, MCL 333.5430.

23 (g) Health and human services annex of the Michigan emergency
24 management plan.

25 (h) Prenatal care.

26 Sec. 219. (1) The department may contract with the Michigan
27 Public Health Institute for the design and implementation of

1 projects and for other public health-related activities prescribed
2 in section 2611 of the public health code, 1978 PA 368, MCL
3 333.2611. The department may develop a master agreement with the
4 Michigan Public Health Institute to carry out these purposes for up
5 to a 3-year period. The department shall report to the house and
6 senate appropriations subcommittees on the department budget, the
7 house and senate fiscal agencies, and the state budget director on
8 or before January 1 of the current fiscal year all of the
9 following:

10 (a) A detailed description of each funded project.

11 (b) The amount allocated for each project, the appropriation
12 line item from which the allocation is funded, and the source of
13 financing for each project.

14 (c) The expected project duration.

15 (d) A detailed spending plan for each project, including a
16 list of all subgrantees and the amount allocated to each
17 subgrantee.

18 (2) On or before December 30 of the current fiscal year, the
19 department shall provide to the same parties listed in subsection
20 (1) a copy of all reports, studies, and publications produced by
21 the Michigan Public Health Institute, its subcontractors, or the
22 department with the funds appropriated in the department's budget
23 in the previous fiscal year and allocated to the Michigan Public
24 Health Institute.

25 Sec. 220. The department shall ensure that faith-based
26 organizations are able to apply and compete for services, programs,
27 or contracts that they are qualified and suitable to fulfill. The

1 department shall not disqualify faith-based organizations solely on
2 the basis of the religious nature of their organization or their
3 guiding principles or statements of faith.

4 Sec. 221. According to section 1b of the social welfare act,
5 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
6 part as a time-limited addendum to the social welfare act, 1939 PA
7 280, MCL 400.1 to 400.119b.

8 Sec. 222. (1) The department shall make the entire policy and
9 procedures manual available and accessible to the public via the
10 department website.

11 (2) The department shall report by April 1 of the current
12 fiscal year on each specific policy change made to implement a
13 public act affecting the department that took effect during the
14 prior calendar year to the house and senate appropriations
15 subcommittees on the budget for the department, the joint committee
16 on administrative rules, the senate and house fiscal agencies, and
17 policy offices. The department shall attach each policy bulletin
18 issued during the prior calendar year to this report.

19 Sec. 223. The department may establish and collect fees for
20 publications, videos and related materials, conferences, and
21 workshops. Collected fees are appropriated when received and shall
22 be used to offset expenditures to pay for printing and mailing
23 costs of the publications, videos and related materials, and costs
24 of the workshops and conferences. The department shall not collect
25 fees under this section that exceed the cost of the expenditures.
26 When collected fees are appropriated under this section in an
27 amount that exceeds the current fiscal year appropriation, within

1 30 days the department shall notify the chairs of the house and
2 senate appropriations subcommittees on the department budget, the
3 house and senate fiscal agencies and policy offices, and the state
4 budget director of that fact.

5 Sec. 224. The department may retain all of the state's share
6 of food assistance overissuance collections as an offset to general
7 fund/general purpose costs. Retained collections shall be applied
8 against federal funds deductions in all appropriation units where
9 department costs related to the investigation and recoupment of
10 food assistance overissuances are incurred. Retained collections in
11 excess of such costs shall be applied against the federal funds
12 deducted in the departmental administration and support
13 appropriation unit.

14 Sec. 225. (1) Sanctions, suspensions, conditions for
15 provisional license status, and other penalties shall not be more
16 stringent for private service providers than for public entities
17 performing equivalent or similar services.

18 (2) Neither the department nor private service providers or
19 licensees shall be granted preferential treatment or considered
20 automatically to be in compliance with administrative rules based
21 on whether they have collective bargaining agreements with direct
22 care workers. Private service providers or licensees without
23 collective bargaining agreements shall not be subjected to
24 additional requirements or conditions of licensure based on their
25 lack of collective bargaining agreements.

26 Sec. 226. If the revenue collected by the department from fees
27 and collections exceeds the amount appropriated in part 1, the

1 revenue may be carried forward with the approval of the state
2 budget director into the subsequent fiscal year. The revenue
3 carried forward under this section shall be used as the first
4 source of funds in the subsequent fiscal year.

5 Sec. 227. The state departments, agencies, and commissions
6 receiving tobacco tax funds and Healthy Michigan fund revenue from
7 part 1 shall report by April 1 of the current fiscal year to the
8 senate and house appropriations committees, the senate and house
9 fiscal agencies, and the state budget director on the following:

10 (a) Detailed spending plan by appropriation line item
11 including description of programs and a summary of organizations
12 receiving these funds.

13 (b) Description of allocations or bid processes including need
14 or demand indicators used to determine allocations.

15 (c) Eligibility criteria for program participation and maximum
16 benefit levels where applicable.

17 (d) Outcome measures used to evaluate programs, including
18 measures of the effectiveness of these programs in improving the
19 health of Michigan residents.

20 Sec. 228. (1) If the department is authorized under state or
21 federal law to collect an overpayment owed to the department, the
22 department may assess a penalty of 1% per month beginning 60 days
23 after notification. If caused by department error, a penalty may
24 not be assessed until 6 months after the initial notification date
25 of the overpayment amount. The department shall not collect penalty
26 interest in an amount that exceeds the amount of the original
27 overpayment. The state share of any funds collected under this

1 section shall be deposited in the state general fund.

2 (2) By September 30 of the current fiscal year, the department
3 shall report to the house and senate appropriations subcommittees
4 on the department budget, the house and senate fiscal agencies, and
5 the state budget office on penalty amounts assessed and paid by
6 account during the current fiscal year, the reason for the penalty,
7 and the current status of the account.

8 Sec. 229. (1) The department shall extend the interagency
9 agreement with the Michigan talent investment agency for the
10 duration of the current fiscal year, which concerns TANF funding to
11 provide job readiness and welfare-to-work programming. The
12 interagency agreement shall include specific outcome and
13 performance reporting requirements as described in this section.
14 TANF funding provided to the Michigan talent investment agency in
15 the current fiscal year is contingent on compliance with the data
16 and reporting requirements described in this section. The
17 interagency agreement must require the Michigan talent investment
18 agency to provide all of the following items by January 1 of the
19 current fiscal year for the previous fiscal year to the senate and
20 house appropriations subcommittees on the department budget and the
21 state budget office:

22 (a) An itemized spending report on TANF funding, including all
23 of the following:

24 (i) Direct services to recipients.

25 (ii) Administrative expenditures.

26 (b) The number of family independence program (FIP) recipients
27 served through the TANF funding, including all of the following:

1 (i) The number and percentage who obtained employment through
2 Michigan Works!

3 (ii) The number and percentage who fulfilled their TANF work
4 requirement through other job readiness programming.

5 (iii) Average TANF spending per recipient.

6 (iv) The number and percentage of recipients who were referred
7 to Michigan Works! but did not receive a job or job readiness
8 placement and the reasons why.

9 (2) By March 1 of the current fiscal year, the department
10 shall provide to the senate and house appropriations subcommittees
11 on the department budget, the senate and house fiscal agencies, the
12 senate and house policy offices, and the state budget office an
13 annual report on the following matters itemized by Michigan Works!
14 agency: the number of referrals to Michigan Works! job readiness
15 programs, the number of referrals to Michigan Works! job readiness
16 programs who became a participant in the Michigan Works! job
17 readiness programs, the number of participants who obtained
18 employment, and the cost per participant case.

19 Sec. 230. By December 31 of the current fiscal year, the
20 department shall report to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies and policy offices, and the state budget office on the
23 status of the implementation of any noninflationary, noncaseload,
24 programmatic funding increases from the previous fiscal year. The
25 report shall confirm the implementation of already implemented
26 funding increases and provide explanations for any planned
27 implementation of funding increases that have not yet occurred. For

1 any planned implementation of funding increases that have not yet
2 occurred, the department shall provide an expected implementation
3 date and the reasons for delayed implementation.

4 Sec. 231. From the funds appropriated in part 1 for travel
5 reimbursements to employees, the department shall allocate up to
6 \$100,000.00 toward reimbursing counties for the out-of-pocket
7 travel costs of the local county department board members and
8 county department directors to attend 1 meeting per year of the
9 Michigan County Social Services Association.

10 Sec. 232. (1) The department shall provide the approved
11 spending plan for each line item receiving an appropriation in the
12 current fiscal year to the senate and house appropriations
13 subcommittees on the department budget and the senate and house
14 fiscal agencies within 60 days of approval by the department but
15 not later than January 15 of the current fiscal year. The spending
16 plan shall include the following information regarding planned
17 expenditures for each category: allocation in the previous period,
18 change in the allocation, and new allocation. The spending plan
19 shall include the following information regarding each revenue
20 source for the line item: category of the fund source indicated by
21 general fund/general purpose, state restricted, local, private or
22 federal. Figures included in the approved spending plan shall not
23 be assumed to constitute the actual final expenditures, as line
24 items may be updated on an as-needed basis to reflect changes in
25 projected expenditures and projected revenue. The department shall
26 supplement the spending plan information by providing a list of all
27 active contracts and grants in the department's contract system.

1 For amounts listed in the other contracts category of each spending
2 plan, the department shall provide a list of all contracts and
3 grants and amounts for the current fiscal year, and include the
4 name of the line item and the name of the fund source related to
5 each contract or grant and amount. For amounts listed in the all
6 other costs category of each spending plan, the department shall
7 provide a list detailing planned expenditures and amounts for the
8 current fiscal year, and include the name of the line item and the
9 name of the fund source related to each amount and expenditure.

10 (2) Notwithstanding any other appropriation authority granted
11 in part 1, the department shall not appropriate any additional
12 general fund/general purpose funds or any related federal and state
13 restricted funds without providing a written 30-day notice to the
14 senate and house appropriations subcommittees on the department
15 budget, the senate and house fiscal agencies, and the senate and
16 house policy offices.

17 Sec. 240. Appropriations in part 1 shall not be expended in
18 cases where existing work project authorization is available for
19 the same expenditures.

20 Sec. 251. On a monthly basis, the department shall report to
21 the senate and house appropriations subcommittees on the department
22 budget, the senate and house fiscal agencies, and the state budget
23 office on any line-item appropriation for which the department
24 estimates total annual expenditures would exceed the funds
25 appropriated for that line-item appropriation by 5% or more. The
26 department shall provide a detailed explanation for any relevant
27 line-item appropriation exceedance and shall identify the

1 corrective actions undertaken to mitigate line-item appropriation
2 expenditures from exceeding the funds appropriated for that line-
3 item appropriation by a greater amount. This section does not apply
4 for line-item appropriations that are part of the May revenue
5 estimating conference caseload and expenditure estimates.

6 Sec. 252. The appropriations in part 1 for Healthy Michigan
7 plan - behavioral health, Healthy Michigan plan administration, and
8 Healthy Michigan plan are contingent on the provisions of the
9 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were
10 contained in 2013 PA 107 not being amended, repealed, or otherwise
11 altered to eliminate the Healthy Michigan plan. If that occurs,
12 then, upon the effective date of the amendatory act that amends,
13 repeals, or otherwise alters those provisions, the remaining funds
14 in the Healthy Michigan plan - behavioral health, Healthy Michigan
15 plan administration, and Healthy Michigan plan line items shall
16 only be used to pay previously incurred costs and any remaining
17 appropriations shall not be allotted to support those line items.

18 Sec. 253. (1) The department shall implement information
19 technology investment management practices that use recommendations
20 from the office of the auditor general audit number 071-0550-17.
21 The department shall form a department-based information technology
22 investment board (IT investment board). The IT investment board
23 shall include the director, the deputy director with information
24 technology responsibilities, the deputy director with budgetary and
25 financial responsibilities, and senior leadership from each
26 administration or agency within the department that uses a system
27 or program that is included in the funds appropriated in part 1.

1 The IT investment board shall create a board charter that directs
2 the department's information technology investment management
3 practices. The IT investment board, in consultation with the
4 department of technology, management, and budget, shall implement
5 an appropriate governance framework such as "Information Technology
6 Investment Management: A Framework for Assessing and Improving
7 Process Maturity" from the United States Government Accountability
8 Office or "Val IT Framework" from the IT Governance Institute as
9 the policy for the department's information technology investment
10 decisions. The department, in consultation with the IT investment
11 board, shall develop policies that include, but are not limited to,
12 the following:

13 (a) The roles and responsibilities that department staff have
14 in making information technology investment decisions.

15 (b) The criteria, policies, and best practices for selecting,
16 controlling, and evaluating information technology investments. The
17 criteria, policies, and best practices shall include a return on
18 investment to evaluate the funds appropriated in part 1 for
19 information technology.

20 (c) The authority the department has in determining
21 information technology investment decisions that are not made
22 within the department of technology, management, and budget.

23 (d) Policies to manage information technology investment
24 decisions that have a high cost or are considered a high risk to
25 the department to reduce the possibility that information
26 technology expenditures will exceed the funds appropriated in part
27 1 for information technology.

1 (2) By January 1 of the current fiscal year, the department
2 shall submit to the senate and house appropriations subcommittees
3 on the department budget, the senate and house fiscal agencies, and
4 the senate and house policy offices, a report with a copy of the IT
5 investment board charter and a list of all information technology
6 projects in which the funds appropriated in part 1 exceed
7 \$250,000.00 for the current fiscal year.

8 (3) By September 30 of the current fiscal year, the department
9 shall submit to the senate and house appropriations subcommittees
10 on the department budget, the senate and house fiscal agencies, and
11 the senate and house policy offices, a report, for any information
12 technology project in which the funds appropriated in part 1 exceed
13 \$250,000.00 for the current fiscal year, on the business needs met
14 by each project, the selection process used to select the project,
15 the documentation of the IT investment board oversight and approval
16 of the project, total project development cost, total project
17 operational and maintenance cost, total state cost, total
18 contractor cost, total nonlabor cost, and the total cost of
19 ownership of the project through the current fiscal year.

20 (4) From the funds appropriated in part 1 and all available
21 federal funds for information technology services and projects, the
22 department shall contract with an independent verification and
23 validation program to address the increasing information technology
24 cost and to ensure that information technology contracts are
25 meeting the policies and objectives stated in subsection (1). By
26 January 1 of the current fiscal year, the department shall
27 institute an independent verification and validation program by

1 using a third-party vendor who has been approved on the state's
2 financial accounting and auditing services prequalification
3 program. The independent verification and validation program vendor
4 that is selected to perform independent verification and validation
5 services shall not be involved in the development of software or
6 systems that are used by the department or are under consideration
7 to be used by the department. The independent verification and
8 validation program vendor selected shall have experience in a
9 variety of information technology development methodologies such as
10 waterfall, agile, and scale agile. The vendor selected shall apply
11 information technology industry audit standards and audit
12 credentials and shall have an established advisory business unit.

13 (5) The independent verification and validation program shall
14 be applied to information technology projects that have funds
15 appropriated in part 1 with a contract value greater than
16 \$250,000.00 in the current fiscal year that meet at least 1 of the
17 following criteria:

18 (a) The project spans across more than 1 administration or
19 agency.

20 (b) The project involves multiple vendors.

21 (c) The project has an accelerated schedule.

22 (d) The impact is high if the project were to fail or be
23 delayed.

24 (6) The independent verification and validation program shall
25 design compliance of program governance, project management, and
26 technical delivery requirements.

27 (7) By May 1 of the current fiscal year, the department, along

1 with the selected independent verification and validation vendor,
2 shall report to the senate and house appropriations subcommittees
3 on the department budget, the senate and house fiscal agencies, and
4 senate and house policy offices on an assessment of the findings of
5 the independent verification and validation program and
6 recommendations for improvements. The report shall include, but not
7 be limited to, the following items:

8 (a) Compliance with federal reporting requirements.

9 (b) Demonstration of earlier identification and resolution of
10 project risks.

11 (c) The capacity to achieve a positive return on investment
12 from information technology investments.

13 (d) The potential for accelerated time to benefit realization
14 and increased benefit sustainability.

15 (e) Improved transparency of information technology project
16 benefits and financial measures.

17 (f) A reduction in variability in the development and system
18 integration process that will lead to more predictable outcomes of
19 information technology expenditures and information technology
20 project performance.

21 (g) Identification and transfer of leading industry practices
22 for improved effectiveness and efficiency.

23 Sec. 256. If funds become available, the department shall, in
24 consultation with the Michigan department of education, the
25 Michigan domestic and sexual violence prevention and treatment
26 board, and the Michigan Coalition to End Domestic and Sexual
27 Violence, redraft the curriculum for the "Growing Up & Staying

1 Healthy" and "Healthy & Responsible Relationships" modules to
2 include age-appropriate information about the importance of
3 consent, setting and respecting personal boundaries, and the
4 prevention of child sexual abuse as outlined in MCL 380.1505 and
5 consistent with the recommendations and guidelines set by the task
6 force on the prevention of sexual abuse of children created under
7 section 12b of the child protection law, 1975 PA 238, MCL 722.632b,
8 and the prevention of sexual assault and dating violence.

9 Sec. 257. If funds become available, the department shall, in
10 consultation with the department of education, the American
11 Foundation of Suicide Prevention, the National Alliance on Mental
12 Illness, the Michigan Psychiatric Society, the Community Mental
13 Health Association, and members of law enforcement, redraft the
14 curriculum for the "Safe and Sound for Life" and "Social &
15 Emotional Health" modules to include age-appropriate and medically
16 accurate information about the warning signs and risk factors for
17 suicide and depression, and the protective factors that help
18 prevent suicide as outlined in section 1171 of the revised school
19 code, 1976 PA 451, MCL 380.1171.

20 Sec. 263. (1) Except as otherwise provided in this subsection,
21 before submission of a waiver, a state plan amendment, or a similar
22 proposal to CMS or other federal agency, the department shall
23 provide written notification of the planned submission to the house
24 and senate appropriations subcommittees on the department budget,
25 the house and senate fiscal agencies and policy offices, and the
26 state budget office. This subsection does not apply to the
27 submission of a waiver, a state plan amendment, or similar proposal

1 that does not propose a material change or is outside of the
2 ordinary course of waiver, state plan amendment, or similar
3 proposed submissions.

4 (2) The department shall provide written reports on a
5 semiannual basis to the senate and house appropriations
6 subcommittees on the department budget, the senate and house fiscal
7 agencies, and the state budget office summarizing the status of any
8 new or ongoing discussions with CMS or the United States Department
9 of Health and Human Services or other federal agency regarding
10 potential or future waiver applications as well as the status of
11 submitted waivers that have not yet received federal approval. If,
12 at the time a semiannual report is due, there are no reportable
13 items, then no report is required to be provided.

14 Sec. 264. The department shall not take disciplinary action
15 against an employee for communicating with a member of the
16 legislature or his or her staff.

17 Sec. 270. The department shall advise the legislature of the
18 receipt of a notification from the attorney general's office of a
19 legal action in which expenses had been recovered according to
20 section 106(6) of the social welfare act, 1939 PA 280, MCL 400.106.
21 By February 1 of the current fiscal year, the department shall
22 submit a written report to the house and senate appropriations
23 subcommittees on the department budget, the house and senate fiscal
24 agencies, and the state budget office that includes, at a minimum,
25 all of the following:

26 (a) The total amount recovered from the legal action.

27 (b) The program or service for which the money was originally

1 expended.

2 (c) Details on the disposition of the funds recovered such as
3 the appropriation or revenue account in which the money was
4 deposited.

5 (d) A description of the facts involved in the legal action.

6 Sec. 274. (1) The department, in collaboration with the state
7 budget office, shall submit to the house and senate appropriations
8 subcommittees on the department budget, the house and senate fiscal
9 agencies, and the house and senate policy offices 1 week after the
10 day the governor submits to the legislature the budget for the
11 ensuing fiscal year a report on spending and revenue projections
12 for each of the capped federal funds listed below. The report shall
13 contain actual spending and revenue in the previous fiscal year,
14 spending and revenue projections for the current fiscal year as
15 enacted, and spending and revenue projections within the executive
16 budget proposal for the fiscal year beginning October 1, 2020 for
17 each individual line item for the department budget. The report
18 shall also include federal funds transferred to other departments.
19 The capped federal funds shall include, but not be limited to, all
20 of the following:

21 (a) TANF.

22 (b) Title XX social services block grant.

23 (c) Title IV-B part I child welfare services block grant.

24 (d) Title IV-B part II promoting safe and stable families
25 funds.

26 (e) Low-income home energy assistance program.

27 (2) It is the intent of the legislature that the department,

1 in collaboration with the state budget office, not utilize capped
2 federal funding for economics adjustments for FTEs or other
3 economics costs that are included as part of the budget submitted
4 to the legislature by the governor for the ensuing fiscal year,
5 unless there is a reasonable expectation for increased federal
6 funding to be available to the department from that capped revenue
7 source in the ensuing fiscal year.

8 (3) By February 15 of the current fiscal year, the department
9 shall prepare an annual report of its efforts to identify TANF
10 maintenance of effort sources and rationale for any increases or
11 decreases from all of the following, but not limited to:

12 (a) Other departments.

13 (b) Local units of government.

14 (c) Private sources.

15 Sec. 275. (1) As part of the year-end closing process, the
16 department, with the approval of the state budget director, is
17 authorized to realign sources between other federal, TANF, and
18 capped federal financing authorizations in order to maximize
19 federal revenues. This realignment of financing shall not produce a
20 gross increase or decrease in the department's total individual
21 line item authorizations, nor will it produce a net increase or
22 decrease in total federal revenues, or a net increase in TANF
23 authorization.

24 (2) Within 30 days after the date on which year-end book
25 closing is completed, the department shall submit to the house and
26 senate appropriations subcommittees on the department budget, the
27 house and senate fiscal agencies, and the house and senate policy

1 offices a report on the realignment of federal fund sources that
2 took place as part of the year-end closing process for the previous
3 fiscal year.

4 Sec. 280. By March 1 of the current fiscal year, the
5 department shall provide a report to the house and senate
6 appropriations subcommittees on the department budget, the house
7 and senate fiscal agencies, the house and senate policy offices,
8 and the state budget director that provides all of the following
9 for each line item in part 1 containing personnel-related costs,
10 including the specific individual amounts for salaries and wages,
11 payroll taxes, and fringe benefits:

12 (a) FTE authorization.

13 (b) Spending authorization for personnel-related costs, by
14 fund source, under the spending plan.

15 (c) Actual year-to-date expenditures for personnel-related
16 costs, by fund source, through the end of the prior month.

17 (d) The projected year-end balance or shortfall for personnel-
18 related costs, by fund source, based on actual monthly spending
19 levels through the end of the prior month.

20 (e) A specific plan for addressing any projected shortfall for
21 personnel-related costs at either the gross or fund source level.

22 Sec. 288. (1) Beginning October 1 of the current fiscal year,
23 no less than 90% of a new department contract supported solely from
24 state restricted funds or general fund/general purpose funds and
25 designated in this part or part 1 for a specific entity for the
26 purpose of providing services to individuals shall be expended for
27 such services after the first year of the contract.

1 (2) The department may allow a contract to exceed the
2 limitation on administrative and services costs if it can be
3 demonstrated that an exception should be made to the provision in
4 subsection (1).

5 (3) By September 30 of the current fiscal year, the department
6 shall report to the house and senate appropriations subcommittees
7 on the department budget, house and senate fiscal agencies, and
8 state budget office on the rationale for all exceptions made to the
9 provision in subsection (1) and the number of contracts terminated
10 due to violations of subsection (1).

11 Sec. 289. By March 1 of the current fiscal year, the
12 department shall provide to the senate and house appropriations
13 subcommittees on the department budget, the senate and house fiscal
14 agencies, and the senate and house policy offices an annual report
15 on the supervisor-to-staff ratio by department divisions and
16 subdivisions.

17 Sec. 290. Any public advertisement for public assistance shall
18 also inform the public of the welfare fraud hotline operated by the
19 department.

20 Sec. 293. Any savings resulting from pilot projects or
21 demonstration models that consist of service level integration of
22 Medicaid behavioral health and Medicaid physical health services or
23 financial integration of Medicaid behavioral health and Medicaid
24 physical health services, shall only be used for reinvestment in
25 the pilot project sites where the savings occurred in accordance
26 with the Medicaid state plan and any applicable Medicaid waiver,
27 and shall not be used for any other purpose by the department.

1 Shared savings between a PIHP or CMHSP and a Medicaid health plan
2 shall be carried forward for expenditures in future years,
3 unrestricted by current internal service fund caps.

4 Sec. 294. (1) The department may work with PIHPs and CMHSPs to
5 create a physical and behavioral health integrated service
6 demonstration pilot without public funds being transferred to for-
7 profit Medicaid health plans. The pilot is not contingent on
8 approval of a section 1115 waiver from CMS.

9 (2) The pilot program, to achieve integrated practices in
10 Michigan, shall demonstrate a successful expansion of existing
11 local and statewide integrated efforts as currently mandated by the
12 department, and shall continue to include care coordination, risk
13 stratification, data sharing, and health care technology. This
14 contractual mandate by the department shall include shared care
15 coordination between PIHP and Medicaid health plans for individuals
16 served by both entities. Care coordination shall be made possible
17 by using health-related information maintained through the
18 department's Care Connect 360 platform and health information
19 exchanges. The PIHP and Medicaid health plans shall meet monthly,
20 as required by the department, to review health information of all
21 jointly served individuals. From this group, those individuals with
22 the greatest level of need shall be identified to receive joint
23 care coordination. The PIHP and Medicaid health plans shall
24 collaborate to develop a shared care plan for each of these
25 individuals.

26 (3) It is the intent of the legislature that the pilot program
27 shall be designed to last at least 2 years.

1 (4) The pilot shall increase the number of individuals who
2 meet criteria for expanded care coordination for all individuals on
3 the stratification list provided by the department via the Care
4 Connect 360 platform. In addition, the pilot program shall expand
5 the focus of care coordination to include anyone who is identified
6 as not receiving the health care services as identified by HEDIS,
7 including, but not limited to, the following:

8 (a) Follow-up after hospitalization.

9 (b) Plan all cause readmission.

10 (c) Diabetes screening for people with schizophrenia or bi-
11 polar disorder who are using antipsychotic medications.

12 (5) The primary purpose of the pilot program is to test how
13 the state may better integrate behavioral and physical health
14 delivery systems in order to improve behavioral and physical health
15 outcomes, maximize efficiencies, minimize unnecessary costs, and
16 achieve material increases in behavioral health services without
17 increases in overall Medicaid spending. Specific outcome
18 measurements of the pilot program shall include, but are not
19 limited to, all of the following:

20 (a) Decreased emergency room visits.

21 (b) Decreased hospitalizations.

22 (c) Increased primary care or preventative services.

23 (d) Increased stable housing.

24 (e) Increased competitive employment.

25 (f) Improved HEDIS scores for the measures listed in
26 subsection (4).

27 (6) Within 90 days after completion of the pilot program

1 advanced under this section, the PIHP or CMHSP and Medicaid health
2 plans shall submit a joint report to the senate and house
3 appropriations subcommittees on the department budget, the senate
4 and house fiscal agencies, the senate and house policy offices, and
5 the state budget office detailing their experiences, lessons
6 learned, the outcomes of the measurements in subsection (5), any
7 efficiencies and savings revealed for the PIHP or CMHSP and the
8 Medicaid health plans, and any increases in investment on
9 behavioral health services from the PIHP or CMHSP and the Medicaid
10 health plans.

11 Sec. 295. (1) From the funds appropriated in part 1 to
12 agencies providing physical and behavioral health services to
13 multicultural populations, the department shall award grants in
14 accordance with the requirements of subsection (2). The state is
15 not liable for any spending above the contract amount. Funds shall
16 not be released until reporting requirements under section 295 of
17 article X of 2018 PA 207 are satisfied.

18 (2) The department shall require each contractor described in
19 subsection (1) that receives greater than \$1,000,000.00 in state
20 grant funding to comply with performance-related metrics to
21 maintain their eligibility for funding. The organizational metrics
22 shall include, but not be limited to, all of the following:

23 (a) Each contractor or subcontractor shall have accreditations
24 that attest to their competency and effectiveness as behavioral
25 health and social service agencies.

26 (b) Each contractor or subcontractor shall have a mission that
27 is consistent with the purpose of the multicultural agency.

1 (c) Each contractor shall validate that any subcontractors
2 utilized within these appropriations share the same mission as the
3 lead agency receiving funding.

4 (d) Each contractor or subcontractor shall demonstrate cost-
5 effectiveness.

6 (e) Each contractor or subcontractor shall ensure their
7 ability to leverage private dollars to strengthen and maximize
8 service provision.

9 (f) Each contractor or subcontractor shall provide timely and
10 accurate reports regarding the number of clients served, units of
11 service provision, and ability to meet their stated goals.

12 (3) The department shall require an annual report from the
13 contractors described in subsection (2). The annual report, due 60
14 days following the end of the contract period, shall include
15 specific information on services and programs provided, the client
16 base to which the services and programs were provided, information
17 on any wraparound services provided, and the expenditures for those
18 services. The department shall provide the annual reports to the
19 senate and house appropriations subcommittees on health and human
20 services, the senate and house fiscal agencies, and the state
21 budget office.

22 Sec. 296. From the funds appropriated in part 1, the
23 department is responsible for the necessary and reasonable attorney
24 fees and costs incurred by private and independent legal counsel
25 chosen by current and former classified and unclassified department
26 employees in the defense of the employees in any state or federal
27 lawsuit or investigation related to the water system in a city or

1 community in which a declaration of emergency was issued because of
2 drinking water contamination.

3 Sec. 297. On a semiannual basis, the department shall report
4 on the number of FTEs in pay status by type of staff. The report
5 shall include a comparison by line item of the number of FTEs
6 authorized from funds appropriated in part 1 to the actual number
7 of FTEs employed by the department at the end of the reporting
8 period.

9 Sec. 298. (1) The department shall implement up to 3 pilot
10 projects to achieve fully financially integrated Medicaid
11 behavioral health and physical health benefit and financial
12 integration demonstration models. These demonstration models shall
13 use single contracts between the state and each licensed Medicaid
14 health plan that is currently contracted to provide Medicaid
15 services in the geographic area of the pilot project. The
16 department shall ensure that the pilot projects described in this
17 subsection are implemented in a manner that ensures at least all of
18 the following:

19 (a) That allows the CMHSP in the geographic area of the pilot
20 project to be a provider of behavioral health supports and
21 services. At the Medicaid health plan's discretion, the plan may
22 also contract directly with a behavioral health service provider as
23 long as both of the following conditions are met:

24 (i) The contracted provider complies with all licensing laws
25 and regulations applicable to the provider's practice or business
26 in this state including, but not limited to, article 15 of the
27 public health code, 1978 PA 368, MCL 333.16101 to 333.18838, and

1 article 17 of the public health code, 1978 PA 368, MCL 333.20101 to
2 333.22260, and is not currently excluded from participating in
3 Medicaid by state or federal sanction.

4 (ii) The Medicaid health plan meets all existing network
5 adequacy requirements for behavioral health services and supports.

6 (b) A Medicaid health plan may retain all functions related to
7 its accreditation with the National Committee for Quality
8 Assurance. At the discretion of the Medicaid health plan, the plan
9 may delegate a function that is related to its accreditation to
10 another entity.

11 (c) That any changes made to a Medicaid waiver or Medicaid
12 state plan to implement the pilot projects described in this
13 subsection must only be in effect for the duration of the pilot
14 programs established under section 298 of article X of 2016 PA 268.

15 (d) That the project is consistent with the stated core values
16 as identified in the final report of the workgroup established in
17 section 298 of article X of 2016 PA 268.

18 (e) That updates are provided to the medical care advisory
19 council, behavioral health advisory council, and developmental
20 disabilities council.

21 (2) It is the intent of the legislature that each pilot
22 project and demonstration model shall be designed to last at least
23 3 years. It is the intent of the legislature that by January 31,
24 2022, the department shall provide a document to the senate and
25 house appropriations subcommittees on the department budget, the
26 senate and house fiscal agencies, the senate and house policy
27 offices, and the state budget office of the results of measures

1 developed in conjunction with the Medicaid health plans and CMHSPs
2 participating in the pilot program described in subsection (1)
3 that, if met, would trigger a full statewide, all managed care
4 populations' integration process beginning October 1, 2023. The
5 measures developed by the department, Medicaid health plans, and
6 CMHSPs must include, at a minimum, performance metrics from each of
7 the following categories:

8 (a) Improvement of the coordination between behavioral health
9 and physical health.

10 (b) Improvement of services available to individuals with
11 mental illness, intellectual or developmental disabilities, or
12 substance use disorders.

13 (c) Benefits associated with full access to community-based
14 services and supports.

15 (d) Beneficiary health status.

16 (e) Beneficiary satisfaction.

17 (f) Provider network stability.

18 (g) Treatment and service efficacies before and during the
19 pilot programs and demonstration pilot, including utilization
20 measures.

21 (h) Use of best practices.

22 (i) Financial efficiencies.

23 (j) Barriers to clinical data sharing between CMHSPs and
24 Medicaid health plans.

25 (k) Any other relevant categories.

26 (3) For the duration of any pilot projects and demonstration
27 model, the department shall require that all realized benefits and

1 cost savings of integrating the physical health and behavioral
2 health systems shall be reinvested in services and supports for
3 individuals having or at risk of having a mental illness, an
4 intellectual or developmental disability, or a substance use
5 disorder. The department, in conjunction with the Medicaid health
6 plans, shall create a risk corridor. The department shall ensure
7 that rates paid to the Medicaid health plans are actuarially sound.
8 After accounting for implementation costs of the pilot project, the
9 department shall ensure savings are reinvested in the pilot site
10 where the savings occurred in accordance with the Medicaid state
11 plan and any applicable Medicaid waiver.

12 (4) It is the intent of the legislature that the primary
13 purpose of the pilot projects and demonstration model is to test
14 how the state may better integrate behavioral and physical health
15 delivery systems in order to improve behavioral and physical health
16 outcomes, maximize efficiencies, minimize unnecessary costs, and
17 achieve material increases in behavioral health services without
18 increases in overall Medicaid spending.

19 (5) The department shall continue to partner with 1 of the
20 state's research universities at least 6 months before the
21 completion of each pilot project or demonstration model authorized
22 under this section to evaluate the pilot project or demonstration
23 model. The evaluation must include all of the following:

24 (a) Information on the pilot project's or demonstration
25 model's success in meeting the performance metrics developed in
26 this subsection and information on whether the pilot project could
27 be replicated into other geographic areas with similar performance

1 metric outcomes.

2 (b) Performance metrics, at a minimum, from each of the
3 following categories:

4 (i) Improvement of the coordination between behavioral health
5 and physical health.

6 (ii) Improvement of services available to individuals with
7 mental illness, intellectual or developmental disabilities, or
8 substance use disorders.

9 (iii) Benefits associated with full access to community-based
10 services and supports.

11 (iv) Beneficiary health status.

12 (v) Beneficiary satisfaction.

13 (vi) Provider network stability.

14 (vii) Treatment and service efficacies before and after the
15 pilot projects and demonstration model.

16 (viii) Use of best practices.

17 (ix) Financial efficiencies.

18 (x) Barriers to clinical data sharing with Medicaid health
19 plans.

20 (xi) Any other relevant categories.

21 (c) A requirement that the evaluation shall be completed
22 within 6 months after the end of each pilot project or
23 demonstration model and will be provided to the department, the
24 house and senate appropriations subcommittees on the department
25 budget, the house and senate fiscal agencies, the house and senate
26 policy offices, and the state budget office.

27 (6) By November 1 of the current fiscal year, the department

1 shall report to the house and senate appropriations subcommittees
2 on the department budget, the house and senate fiscal agencies, the
3 house and senate policy offices, and the state budget office on the
4 progress toward implementation of the pilot projects and
5 demonstration model described in this section, and a summary of all
6 projects. The report shall also include information on policy
7 changes and any other efforts made to improve the coordination of
8 supports and services for individuals having or at risk of having a
9 mental illness, an intellectual or developmental disability, a
10 substance use disorder, or a physical health need.

11 (7) Upon completion of any pilot project or demonstration
12 model advanced under this section, the managing entity of the pilot
13 project or demonstration model shall submit a report to the senate
14 and house appropriations subcommittees on the department budget,
15 the senate and house fiscal agencies, the senate and house policy
16 offices, and the state budget office within 30 days of completion
17 of that pilot project or demonstration model detailing their
18 experience, lessons learned, efficiencies and savings revealed,
19 increases in investment on behavioral health services, and
20 recommendations for extending pilot projects to full implementation
21 or discontinuation.

22 Sec. 299. (1) No state department or agency shall issue a
23 request for proposal (RFP) for a contract in excess of
24 \$5,000,000.00, unless the department or agency has first considered
25 issuing a request for information (RFI) or a request for
26 qualification (RFQ) relative to that contract to better enable the
27 department or agency to learn more about the market for the

1 products or services that are the subject of the RFP. The
2 department or agency shall notify the department of technology,
3 management, and budget of the evaluation process used to determine
4 if an RFI or RFQ was not necessary prior to issuing the RFP.

5 (2) From funds appropriated in part 1, for all RFPs issued
6 during the current fiscal year where an existing service received
7 proposals by multiple vendors, the department shall notify all
8 vendors within 30 days of the RFP decision. The notification to
9 vendors shall include details on the RFP process, including the
10 respective RFP scores and the respective cost for each vendor. If
11 the highest scored RFP or lowest cost RFP does not receive the
12 contract for an existing service offered by the department, the
13 notification shall issue an explanation for the reasons that the
14 highest scored RFP or lowest cost RFP did not receive the contract
15 and detail the incremental cost target amount or service level
16 required that was required to migrate the service to a new vendor.
17 Additionally, the department shall include in the notification
18 details as to why a cost or service difference is justifiable if
19 the highest scored or lowest cost vendor does not receive the
20 contract.

21 (3) The department shall submit to the senate and house
22 appropriations subcommittees on the department budget, the senate
23 and house fiscal agencies, the senate and house policy offices, and
24 the state budget office by September 30 of the current fiscal year,
25 a report that includes the following:

26 (a) A summary of all RFPs issued for a contract in excess of
27 \$5,000,000.00 including whether an RFI or RFQ was considered, and

1 whether an RFI or RFQ was issued before issuing the RFP or whether
2 the issuance of an RFI or RFQ was determined not to be necessary.

3 (b) A summary of all RFPs during the current fiscal year if an
4 existing service received proposals by multiple vendors.

5 (c) A list of all finalized RFPs if there was a divergence
6 from awarding the contract to the lowest-cost or highest-scoring
7 vendor, and details as to why a divergence is justifiable as
8 provided in the notification to vendors under subsection (2).

9 (d) The cost or service threshold required by department
10 policy that must be satisfied in order for an existing contract to
11 be received by a new vendor.

12 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

13 Sec. 307. (1) From the funds appropriated in part 1 for
14 demonstration projects, \$950,000.00 shall be distributed as
15 provided in subsection (2). The amount distributed under this
16 subsection shall not exceed 50% of the total operating expenses of
17 the program described in subsection (2), with the remaining 50%
18 paid by local United Way organizations and other nonprofit
19 organizations and foundations.

20 (2) Funds distributed under subsection (1) shall be
21 distributed to Michigan 2-1-1, a nonprofit corporation organized
22 under the laws of this state that is exempt from federal income tax
23 under section 501(c)(3) of the internal revenue code of 1986, 26
24 USC 501, and whose mission is to coordinate and support a statewide
25 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill
26 the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in

1 January 2005.

2 (3) Michigan 2-1-1 shall refer to the department any calls
3 received reporting fraud, waste, or abuse of state-administered
4 public assistance.

5 (4) Michigan 2-1-1 shall report annually to the department and
6 the house and senate standing committees with primary jurisdiction
7 over matters relating to human services and telecommunications on
8 2-1-1 system performance, the senate and house appropriations
9 subcommittees on the department budget, and the senate and house
10 fiscal agencies, including, but not limited to, call volume by
11 health and human service needs and unmet needs identified through
12 caller data and number and percentage of callers referred to public
13 or private provider types.

14 Sec. 316. From the funds appropriated in part 1 for terminal
15 leave payments, the department shall not spend in excess of its
16 annual gross appropriation unless it identifies and requests a
17 legislative transfer from another budgetary line item supporting
18 administrative costs, as provided by section 393(2) of the
19 management and budget act, 1984 PA 431, MCL 18.1393.

20 **CHILD SUPPORT ENFORCEMENT**

21 Sec. 401. (1) The appropriations in part 1 assume a total
22 federal child support incentive payment of \$26,000,000.00.

23 (2) From the federal money received for child support
24 incentive payments, \$11,500,000.00 shall be retained by the state
25 and expended for child support program expenses.

26 (3) From the federal money received for child support

1 incentive payments, \$14,500,000.00 shall be paid to the counties
2 based on each county's performance level for each of the federal
3 performance measures as established in 45 CFR 305.2.

4 (4) If the child support incentive payment to the state from
5 the federal government is greater than \$26,000,000.00, then 100% of
6 the excess shall be retained by the state and is appropriated until
7 the total retained by the state reaches \$15,397,400.00.

8 (5) If the child support incentive payment to the state from
9 the federal government is greater than the amount needed to satisfy
10 the provisions identified in subsections (1), (2), (3), and (4),
11 the additional funds shall be subject to appropriation by the
12 legislature.

13 (6) If the child support incentive payment to the state from
14 the federal government is less than \$26,000,000.00, then the state
15 and county share shall each be reduced by 50% of the shortfall.

16 Sec. 409. (1) If statewide retained child support collections
17 exceed \$38,300,000.00, 75% of the amount in excess of
18 \$38,300,000.00 is appropriated to legal support contracts. This
19 excess appropriation may be distributed to eligible counties to
20 supplement and not supplant county title IV-D funding.

21 (2) Each county whose retained child support collections in
22 the current fiscal year exceed its fiscal year 2004-2005 retained
23 child support collections, excluding tax offset and financial
24 institution data match collections in both the current fiscal year
25 and fiscal year 2004-2005, shall receive its proportional share of
26 the 75% excess.

27 Sec. 410. (1) If title IV-D-related child support collections

1 are escheated, the state budget director is authorized to adjust
2 the sources of financing for the funds appropriated in part 1 for
3 legal support contracts to reduce federal authorization by 66% of
4 the escheated amount and increase general fund/general purpose
5 authorization by the same amount. This budget adjustment is
6 required to offset the loss of federal revenue due to the escheated
7 amount being counted as title IV-D program income in accordance
8 with federal regulations at 45 CFR 304.50.

9 (2) The department shall notify the chairs of the house and
10 senate appropriations subcommittees on the department budget and
11 the house and senate fiscal agencies within 15 days of the
12 authorization adjustment in subsection (1).

13 **COMMUNITY SERVICES AND OUTREACH**

14 Sec. 450. (1) From the funds appropriated in part 1 for school
15 success partnership program, the department shall allocate
16 \$525,000.00 by December 1 of the current fiscal year to support the
17 Northeast Michigan Community Service Agency programming. The
18 department shall require the following performance objectives be
19 measured and reported for the duration of the state funding for the
20 school success partnership program:

21 (a) Increasing school attendance and decreasing chronic
22 absenteeism.

23 (b) Increasing academic performance based on grades with
24 emphasis on math and reading.

25 (c) Identifying barriers to attendance and success and
26 connecting families with resources to reduce these barriers.

1 (d) Increasing parent involvement with the parent's child's
2 school and community.

3 (2) By July 15 of the current fiscal year, the Northeast
4 Michigan Community Service Agency shall provide reports to the
5 department on the number of children and families served and the
6 services that were provided to families to meet the performance
7 objectives identified in this section. The department shall
8 distribute the reports within 1 week after receipt to the senate
9 and house appropriations subcommittees on the department budget,
10 the senate and house fiscal agencies, the senate and house policy
11 offices, and the state budget office.

12 Sec. 452. From the funds appropriated in part 1 for crime
13 victim justice assistance grants, the department shall continue to
14 support forensic nurse examiner programs to facilitate training for
15 improved evidence collection for the prosecution of sexual assault.
16 The funds shall be used for program coordination and training.

17 Sec. 453. (1) From the funds appropriated in part 1 for
18 homeless programs, the department shall maintain emergency shelter
19 program per diem rates at \$18.00 per bed night to support efforts
20 of shelter providers to move homeless individuals and households
21 into permanent housing as quickly as possible. Expected outcomes
22 are increased shelter discharges to stable housing destinations,
23 decreased recidivism rates for shelter clients, and a reduction in
24 the average length of stay in emergency shelters.

25 (2) By March 1 of the current fiscal year, the department
26 shall submit to the house and senate appropriations subcommittees
27 on the department budget, the house and senate fiscal agencies, the

1 house and senate policy offices, and the state budget office a
2 report on the total amount expended for the program in the previous
3 year, as well as the total number of shelter nights provided and
4 the average length of stay in an emergency shelter.

5 Sec. 454. The department shall allocate the full amount of
6 funds appropriated in part 1 for homeless programs to provide
7 services for homeless individuals and families, including, but not
8 limited to, third-party contracts for emergency shelter services.

9 Sec. 455. As a condition of receipt of federal TANF funds,
10 homeless shelters and human services agencies shall collaborate
11 with the department to obtain necessary TANF eligibility
12 information on families as soon as possible after admitting a
13 family to the homeless shelter. From the funds appropriated in part
14 1 for homeless programs, the department is authorized to make
15 allocations of TANF funds only to the homeless shelters and human
16 services agencies that report necessary data to the department for
17 the purpose of meeting TANF eligibility reporting requirements.
18 Homeless shelters or human services agencies that do not report
19 necessary data to the department for the purpose of meeting TANF
20 eligibility reporting requirements will not receive reimbursements
21 that exceed the per diem amount they received in fiscal year 2000.
22 The use of TANF funds under this section is not an ongoing
23 commitment of funding.

24 Sec. 456. From the funds appropriated in part 1 for homeless
25 programs, the department shall allocate \$90,000.00 to reimburse
26 public service agencies that provide documentation of paying birth
27 certificate fees on behalf of category 1 homeless clients at county

1 clerk's offices. Public service agencies shall be reimbursed for
2 the cost of the birth certificate fees quarterly until this
3 allocation is fully spent.

4 Sec. 457. (1) From the funds appropriated in part 1 for the
5 uniform statewide sexual assault evidence kit tracking system, in
6 accordance with the final report of the Michigan sexual assault
7 evidence kit tracking and reporting commission, \$800,000.00 is
8 allocated from the sexual assault evidence tracking fund to
9 contract for the administration of a uniform statewide sexual
10 assault evidence kit tracking system. The system shall include the
11 following:

12 (a) A uniform statewide system to track the submission and
13 status of sexual assault evidence kits.

14 (b) A uniform statewide system to audit untested kits that
15 were collected on or before March 1, 2015 and were released by
16 victims to law enforcement.

17 (c) Secure electronic access for victims.

18 (d) The ability to accommodate concurrent data entry with kit
19 collection through various mechanisms, including web entry through
20 computer or smartphone, and through scanning devices.

21 (2) By March 30 of the current fiscal year, the department
22 shall submit to the senate and house appropriations subcommittees
23 on the department budget, the senate and house fiscal agencies, the
24 senate and house policy offices, and the state budget office a
25 status report on the administration of the uniform statewide sexual
26 assault evidence kit tracking system, including operational status
27 and any known issues regarding implementation.

1 (3) The sexual assault evidence tracking fund established in
2 section 1451 of 2017 PA 158 shall continue to be maintained in the
3 department of treasury. Money in the sexual assault evidence
4 tracking fund at the close of a fiscal year shall remain in the
5 sexual assault evidence tracking fund and shall not revert to the
6 general fund and shall be appropriated as provided by law for the
7 development and implementation of a uniform statewide sexual
8 assault evidence kit tracking system as described in subsection
9 (1).

10 (4) By September 30 of the current fiscal year, the department
11 shall submit to the senate and house appropriations subcommittees
12 on the department budget, the senate and house fiscal agencies, the
13 senate and house policy offices, and the state budget office a
14 report on the findings of the annual audit of the proper submission
15 of sexual assault evidence kits as required by the sexual assault
16 kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935.
17 The report must include, but is not limited to, a detailed county-
18 by-county compilation of the number of sexual assault evidence kits
19 that were properly submitted and the number that met or did not
20 meet deadlines established in the sexual assault kit evidence
21 submission act, 2014 PA 227, MCL 752.931 to 752.935, the number of
22 sexual assault evidence kits retrieved by law enforcement after
23 analysis, and the physical location of all released sexual assault
24 evidence kits collected by health care providers in that year, as
25 of the date of the annual draft report for each reporting agency.

26 Sec. 458. From the funds appropriated in part 1 for crime
27 victim rights services grants, the department shall allocate

1 \$2,000,000.00 of crime victim's rights fund to maintain increased
2 grant funding to support the further use of crime victim advocates
3 in the criminal justice system. The purpose of the additional
4 funding is to increase available grant funding for crime victim
5 advocates to ensure that the advocates have the resources,
6 training, and funding needed to respond to the physical and
7 emotional needs of crime victims and to provide victims with the
8 necessary services, information, and assistance in order to help
9 them understand and participate in the criminal justice system and
10 experience a measure of safety and security throughout the legal
11 process.

12 Sec. 459. From the funds appropriated in part 1 for child
13 advocacy centers, \$1,000,000.00 shall be allocated to provide
14 additional funding to child advocacy centers to support the general
15 operations of child advocacy centers. The purpose of this
16 additional funding is to increase the amount of services provided
17 to children and their families who are victims of abuse over the
18 amount provided in the previous fiscal year. None of the additional
19 funding directed in this section shall be used for purposes other
20 than those described under section 4 of the children's advocacy
21 center act, 2008 PA 544, MCL 722.1044.

22 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

23 Sec. 501. (1) A goal is established that not more than 25% of
24 all children in foster care at any given time during the current
25 fiscal year, if in the best interest of the child, will have been
26 in foster care for 24 months or more.

1 (2) By March 1 of the current fiscal year, the department
2 shall provide to the senate and house appropriations subcommittees
3 on the department budget, the senate and house fiscal agencies, the
4 senate and house policy offices, and the state budget office a
5 report describing the steps that will be taken to achieve the
6 specific goal established in this section and on the percentage of
7 children who currently are in foster care and who have been in
8 foster care a total of 24 or more months.

9 Sec. 502. From the funds appropriated in part 1 for foster
10 care, the department shall provide 50% reimbursement to Indian
11 tribal governments for foster care expenditures for children who
12 are under the jurisdiction of Indian tribal courts and who are not
13 otherwise eligible for federal foster care cost sharing.

14 Sec. 503. (1) In accordance with the final report of the
15 Michigan child welfare performance-based funding task force issued
16 in response to section 503 of article X of 2013 PA 59, the
17 department shall continue to review, update, or develop actuarially
18 sound case rates for necessary child welfare foster care case
19 management services that achieve permanency by the department and
20 private child placing agencies in a prospective payment system
21 under a performance-based funding model.

22 (2) By March 1 of the current fiscal year, the department
23 shall provide to the senate and house appropriations committees on
24 the department budget, the senate and house fiscal agencies and
25 policy offices, and the state budget office a report on the full
26 cost analysis of the performance-based funding model. The report
27 shall include background information on the project and give

1 details about the contractual costs covered through the case rate.

2 (3) In accordance with the final report of the Michigan child
3 welfare performance-based funding task force issued in response to
4 section 503 of article X of 2013 PA 59, the department shall
5 continue an independent, third-party evaluation of the performance-
6 based funding model.

7 (4) The department shall only implement the performance-based
8 funding model into additional counties where the department,
9 private child welfare agencies, the county, and the court operating
10 within that county have signed a memorandum of understanding that
11 incorporates the intentions of the concerned parties in order to
12 implement the performance-based funding model.

13 (5) The department, in conjunction with members from both the
14 house of representatives and senate, private child placing
15 agencies, the courts, and counties shall continue to implement the
16 recommendations that are described in the workgroup report that was
17 provided in section 503 of article X of 2013 PA 59 to establish a
18 performance-based funding for public and private child welfare
19 services providers. The department shall provide quarterly reports
20 on the status of the performance-based contracting model to the
21 senate and house appropriations subcommittees on the department
22 budget, the senate and house standing committees on families and
23 human services, and the senate and house fiscal agencies and policy
24 offices.

25 (6) From the funds appropriated in part 1 for the performance-
26 based funding model pilot, the department shall continue to work
27 with the West Michigan Partnership for Children Consortium on the

1 implementation of the performance-based funding model pilot. The
2 consortium shall accept and comprehensively assess referred youth,
3 assign cases to members of its continuum or leverage services from
4 other entities, and make appropriate case management decisions
5 during the duration of a case. The consortium shall operate an
6 integrated continuum of care structure, with services provided by
7 both private and public agencies, based on individual case needs.
8 The consortium shall demonstrate significant organizational
9 capacity and competencies, including experience with managing risk-
10 based contracts, financial strength, experienced staff and
11 leadership, and appropriate governance structure.

12 Sec. 504. (1) The department may continue a master agreement
13 with the West Michigan Partnership for Children Consortium for a
14 performance-based child welfare contracting pilot program. The
15 consortium shall consist of a network of affiliated child welfare
16 service providers that will accept and comprehensively assess
17 referred youth, assign cases to members of its continuum or
18 leverage services from other entities, and make appropriate case
19 management decisions during the duration of a case.

20 (2) The consortium shall operate an integrated continuum of
21 care structure, with services provided by private or public
22 agencies, based on individual case needs.

23 (3) By March 1 of the current fiscal year, the consortium
24 shall provide to the department and the house and senate
25 appropriations subcommittees on the department budget a report on
26 the consortium, including, but not limited to, actual expenditures,
27 number of children placed by agencies in the consortium, fund

1 balance of the consortium, and the status of the consortium
2 evaluation.

3 Sec. 505. By March 1 of the current fiscal year, the
4 department and Wayne County shall provide to the senate and house
5 appropriations subcommittees on the department budget, the senate
6 and house fiscal agencies and policy offices, and the state budget
7 office a report for youth referred or committed to the department
8 for care or supervision in the previous fiscal year and in the
9 first quarter of the current fiscal year outlining the number of
10 youth served by the department within the juvenile justice system,
11 the type of setting for each youth, performance outcomes, and
12 financial costs or savings.

13 Sec. 507. The department's ability to satisfy appropriation
14 deducts in part 1 for foster care private collections shall not be
15 limited to collections and accruals pertaining to services provided
16 only in the current fiscal year but may include revenues collected
17 during the current fiscal year for services provided in prior
18 fiscal years.

19 Sec. 508. (1) In addition to the amount appropriated in part 1
20 for children's trust fund grants, money granted or money received
21 as gifts or donations to the children's trust fund created by 1982
22 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

23 (2) The department and the child abuse and neglect prevention
24 board shall collaborate to ensure that administrative delays are
25 avoided and the local grant recipients and direct service providers
26 receive money in an expeditious manner. The department and board
27 shall make available the children's trust fund contract funds to

1 grantees within 31 days of the start date of the funded project.

2 Sec. 511. The department shall provide reports on a semiannual
3 basis to the senate and house appropriations subcommittees on the
4 department budget, the senate and house standing committees on
5 families and human services, and the senate and house fiscal
6 agencies and policy offices on the number and percentage of
7 children who received timely physical and mental health
8 examinations after entry into foster care. The goal of the program
9 is that at least 85% of children shall have an initial medical and
10 mental health examination within 30 days after entry into foster
11 care.

12 Sec. 512. (1) As required by the settlement, by March 1 of the
13 current fiscal year, the department shall report to the senate and
14 house appropriations subcommittees on the department budget, the
15 senate and house fiscal agencies, the senate and house policy
16 offices, and the state budget office on the following information
17 for cases of child abuse or child neglect from the previous fiscal
18 year:

19 (a) The total number of relative care placements.

20 (b) The total number of relatives with a placement who became
21 licensed.

22 (c) The number of waivers of foster care licensure granted to
23 relative care providers.

24 (d) The number of waivers of foster care denied to relative
25 care providers.

26 (e) A list of the reasons from a sample of cases the
27 department denied granting a waiver of foster care licensure for a

1 relative care provider.

2 (f) A list of the reasons from a sample of cases where
3 relatives were declined foster care licensure as documented by the
4 department.

5 (2) The caseworker shall request a waiver of foster care
6 licensure if both of the following apply:

7 (a) The caseworker has fully informed the relative of the
8 benefits of licensure and the option of a licensure waiver.

9 (b) The caseworker has assessed the relative and the
10 relative's home using the department's initial relative safety
11 screen and the department's relative home assessment and has
12 determined that the relative's home is safe and placement there is
13 in the child's best interest.

14 Sec. 513. (1) The department shall not expend funds
15 appropriated in part 1 to pay for the direct placement by the
16 department of a child in an out-of-state facility unless all of the
17 following conditions are met:

18 (a) There is no appropriate placement available in this state
19 as determined by the department interstate compact office.

20 (b) An out-of-state placement exists that is nearer to the
21 child's home than the closest appropriate in-state placement as
22 determined by the department interstate compact office.

23 (c) The out-of-state facility meets all of the licensing
24 standards of this state for a comparable facility.

25 (d) The out-of-state facility meets all of the applicable
26 licensing standards of the state in which it is located.

27 (e) The department has done an on-site visit to the out-of-

1 state facility, reviewed the facility records, reviewed licensing
2 records and reports on the facility, and believes that the facility
3 is an appropriate placement for the child.

4 (2) The department shall not expend money for a child placed
5 in an out-of-state facility without approval of the executive
6 director of the children's services agency.

7 (3) The department shall submit an annual report by March 1 of
8 the current fiscal year to the state court administrative office,
9 the house and senate appropriations subcommittees on the department
10 budget, the house and senate fiscal agencies, the house and senate
11 policy offices, and the state budget office on the number of
12 Michigan children residing in out-of-state facilities in the
13 previous fiscal year and shall include the total cost and average
14 per diem cost of these out-of-state placements to this state, and a
15 list of each such placement arranged by the Michigan county of
16 residence for each child.

17 Sec. 514. The department shall make a comprehensive report
18 concerning children's protective services (CPS) to the legislature,
19 including the senate and house policy offices and the state budget
20 director, by March 1 of the current fiscal year, that shall include
21 all of the following:

22 (a) Statistical information including, but not limited to, all
23 of the following:

24 (i) The total number of reports of child abuse or child
25 neglect investigated under the child protection law, 1975 PA 238,
26 MCL 722.621 to 722.638, and the number of cases classified under
27 category I or category II and the number of cases classified under

1 category III, category IV, or category V.

2 (ii) Characteristics of perpetrators of child abuse or child
3 neglect and the child victims, such as age, relationship, race, and
4 ethnicity and whether the perpetrator exposed the child victim to
5 drug activity, including the manufacture of illicit drugs, that
6 exposed the child victim to substance abuse, a drug house, or
7 methamphetamine.

8 (iii) The mandatory reporter category in which the individual
9 who made the report fits, or other categorization if the individual
10 is not within a group required to report under the child protection
11 law, 1975 PA 238, MCL 722.621 to 722.638.

12 (iv) The number of cases that resulted in the separation of
13 the child from the parent or guardian and the period of time of
14 that separation, up to and including termination of parental
15 rights.

16 (v) For the reported complaints of child abuse or child
17 neglect by teachers, school administrators, and school counselors,
18 the number of cases classified under category I or category II and
19 the number of cases classified under category III, category IV, or
20 category V.

21 (vi) For the reported complaints of child abuse or child
22 neglect by teachers, school administrators, and school counselors,
23 the number of cases that resulted in separation of the child from
24 the parent or guardian and the period of time of that separation,
25 up to and including termination of parental rights.

26 (b) New policies related to children's protective services
27 including, but not limited to, major policy changes and court

1 decisions affecting the children's protective services system
2 during the immediately preceding 12-month period. The report shall
3 also include a summary of the actions undertaken and applicable
4 expenditures to achieve compliance with the office of the auditor
5 general audit number 431-1285-16.

6 (c) Statistical information regarding families that were
7 classified in category III, including, but not limited to, all of
8 the following:

9 (i) The total number of cases classified in category III.

10 (ii) The number of cases in category III referred to voluntary
11 community services and closed with no additional monitoring.

12 (iii) The number of cases in category III referred to
13 voluntary community services and monitored for up to 90 days.

14 (iv) The number of cases in category III for which the
15 department entered more than 1 determination that there was
16 evidence of child abuse or child neglect.

17 (v) The number of cases in category III that the department
18 reclassified from category III to category II.

19 (vi) The number of cases in category III that the department
20 reclassified from category III to category I.

21 (vii) The number of cases in category III that the department
22 reclassified from category III to category I that resulted in a
23 removal.

24 (d) The department policy, or changes to the department
25 policy, regarding children who have been exposed to the production
26 or manufacture of methamphetamines.

27 Sec. 515. If a child protection services caseworker requests

1 approval for another child protection services caseworker or other
2 department employee to accompany them on a home visit because the
3 caseworker believes it would be unsafe to conduct the home visit
4 alone, the department shall not deny the request.

5 Sec. 516. From funds appropriated in part 1 for child care
6 fund, the administrative or indirect cost payment equal to 10% of a
7 county's total monthly gross expenditures shall be distributed to
8 the county on a monthly basis and a county is not required to
9 submit documentation to the department for any of the expenditures
10 that are covered under the 10% payment as described in section
11 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL
12 400.117a.

13 Sec. 517. The department shall retain the same title IV-E
14 appeals policy in place as of the fiscal year ending September 30,
15 2017.

16 Sec. 518. Supervisors must make an initial read of a
17 caseworker's report on a child abuse or child neglect investigation
18 and note any corrections required, or approve the report, within 5
19 business days. The caseworker must resubmit a report that needs
20 corrections within 3 business days.

21 Sec. 519. The department shall permit any private agency that
22 has an existing contract with this state to provide foster care
23 services to be also eligible to provide treatment foster care
24 services.

25 Sec. 520. The department shall submit a report to the house
26 and senate appropriations subcommittees on the department budget,
27 the house and senate fiscal agencies, the house and senate policy

1 offices, and the state budget office by February 15 of the current
2 fiscal year on the number of days of care and expenditures by
3 funding source for the previous fiscal year for out-of-home
4 placements by specific placement programs for child abuse or child
5 neglect and juvenile justice, including, but not limited to, paid
6 relative placement, department direct family foster care, private
7 agency supervised foster care, private child caring institutions,
8 county-supervised facilities, court-supervised facilities, and
9 independent living. The report shall also include the number of
10 days of care for department-operated residential juvenile justice
11 facilities by security classification.

12 Sec. 521. (1) From the funds appropriated in part 1 for child
13 care fund - indirect cost allotment, the department shall allocate
14 \$4,211,400.00 to counties and tribal governments that receive
15 reimbursements in part 1 from child care fund.

16 (2) The amount described in subsection (1) shall be
17 distributed to each county or tribal government in the same
18 proportion as indirect cost allotments are provided to counties in
19 the manner described in section 117a of the social welfare act,
20 1939 PA 280, MCL 400.117a.

21 Sec. 522. (1) From the funds appropriated in part 1 for youth
22 in transition, the department shall allocate \$750,000.00 for
23 scholarships through the fostering futures scholarship program in
24 the Michigan education trust to youths who were in foster care
25 because of child abuse or child neglect and are attending a college
26 or a career technical educational institution located in this
27 state. Of the funds appropriated, 100% shall be used to fund

1 scholarships for the youths described in this section.

2 (2) On a semiannual basis, the department shall provide a
3 report to the senate and house appropriations subcommittees on the
4 department budget, the senate and house fiscal agencies, the senate
5 and house policy offices, and the state budget office that includes
6 the number of youths who received scholarships and the amount of
7 each scholarship, and the total amount of funds spent or encumbered
8 in the current fiscal year.

9 Sec. 523. (1) By February 15 of the current fiscal year, the
10 department shall submit to the senate and house appropriations
11 subcommittees on the department budget, the senate and house fiscal
12 agencies, the senate and house policy offices, and the state budget
13 office a report on the families first, family reunification, and
14 families together building solutions family preservation programs.
15 The report shall provide population and outcome data based on
16 contractually required follow-up evaluations for families who
17 received family preservation services and shall include information
18 for each program on any innovations that may increase child safety
19 and risk reduction.

20 (2) From the funds appropriated in part 1 for youth in
21 transition and domestic violence prevention and treatment, the
22 department is authorized to make allocations of TANF funds only to
23 agencies that report necessary data to the department for the
24 purpose of meeting TANF eligibility reporting requirements.

25 (3) By October 1 of the current fiscal year, from the funds
26 appropriated in part 1 for family preservation services, the
27 department shall allocate \$1,000,000.00 of state general

1 fund/general purpose revenue and \$1,075,000.00 of TANF and any
2 eligible federal matching funds to increase rates paid to family
3 preservation service providers by at least 5.5% for the families
4 first, family reunification, and families together building
5 solutions programs.

6 Sec. 524. As a condition of receiving funds appropriated in
7 part 1 for strong families/safe children, counties must submit the
8 service spending plan to the department by October 1 of the current
9 fiscal year for approval. The department shall approve the service
10 spending plan within 30 calendar days after receipt of a properly
11 completed service spending plan.

12 Sec. 525. The department shall implement the same on-site
13 evaluation processes for privately operated child welfare and
14 juvenile justice residential facilities as is used to evaluate
15 state-operated facilities. Penalties for noncompliance shall be the
16 same for privately operated child welfare and juvenile justice
17 residential facilities and state-operated facilities.

18 Sec. 527. With the approval of the settlement monitor, for the
19 purposes of calculating adoption worker caseloads for private child
20 placing agencies, the department shall exclude the following case
21 types:

22 (a) Cases in which there are multiple applicants as that term
23 is defined in section 22(e) of chapter X of the probate code of
24 1939, 1939 PA 288, MCL 710.22, also known as a competing party
25 case, in which the case has a consent motion pending from
26 Michigan's children's institute or the court for more than 30 days.

27 (b) Cases in which a birth parent has an order or motion for a

1 rehearing or an appeal as of right that has been pending for more
2 than 15 days.

3 Sec. 530. (1) All master contracts relating to foster care and
4 adoption services as funded by the appropriations in section 105 of
5 part 1 shall be performance-based contracts that employ a client-
6 centered results-oriented process that is based on measurable
7 performance indicators and desired outcomes and includes the annual
8 assessment of the quality of services provided.

9 (2) By February 1 of the current fiscal year, the department
10 shall provide the senate and house appropriations subcommittees on
11 the department budget, the senate and house fiscal agencies and
12 policy offices, and the state budget office a report detailing
13 measurable performance indicators, desired outcomes, and an
14 assessment of the quality of services provided by the department
15 during the previous fiscal year.

16 Sec. 531. The department shall notify the house and senate
17 appropriations subcommittees on the department budget, the house
18 and senate fiscal agencies, and the house and senate policy offices
19 of any changes to a child welfare master contract template,
20 including the adoption master contract template, the independent
21 living plus master contract template, the child placing agency
22 foster care master contract template, and the residential foster
23 care juvenile justice master contract template, not less than 30
24 days before the change takes effect.

25 Sec. 532. The department, in collaboration with
26 representatives of private child and family agencies, shall revise
27 and improve the annual licensing review process and the annual

1 contract compliance review process for child placing agencies and
2 child caring institutions. The improvement goals shall be safety
3 and care for children. Improvements to the review process shall be
4 directed toward alleviating administrative burdens so that agency
5 resources may be focused on children. The revision shall include
6 identification of duplicative staff activities and information
7 sought from child placing agencies and child caring institutions in
8 the annual review process. The department shall report to the
9 senate and house appropriations subcommittees on the department
10 budget, the senate and house fiscal agencies and policy offices,
11 and the state budget director on or before January 15 of the
12 current fiscal year on the findings of the annual licensing review
13 and include summaries of actions undertaken to revise, improve, and
14 identify weaknesses in the current annual licensing process and
15 annual contract compliance.

16 Sec. 533. The department shall make payments to child placing
17 facilities for in-home and out-of-home care services and adoption
18 services within 30 days of receiving all necessary documentation
19 from those agencies. It is the intent of the legislature that the
20 burden of ensuring that these payments are made in a timely manner
21 and no payments are in arrears is upon the department.

22 Sec. 534. The department shall submit to the senate and house
23 appropriations subcommittees on the department budget, the senate
24 and house fiscal agencies, the senate and house policy offices, and
25 the state budget office by March 1 of the current fiscal year a
26 report on the adoption subsidies expenditures from the previous
27 fiscal year. The report shall include, but is not limited to, the

1 range of annual adoption support subsidy amounts, for both title
2 IV-E eligible cases and state-funded cases, paid to adoptive
3 families, the number of title IV-E and state-funded cases, the
4 number of cases in which the adoption support subsidy request of
5 adoptive parents for assistance was denied by the department, and
6 the number of adoptive parents who requested a redetermination of
7 adoption support subsidy.

8 Sec. 535. (1) By December 1 of the current fiscal year, the
9 department shall create a process in which unlicensed relatives are
10 reviewed and approved as meeting the standards established for
11 state licensing for foster care. For any placements approved as
12 meeting the standards established for state licensing for foster
13 care, the department shall seek title IV-E claims for foster care
14 maintenance payments and foster care administrative payments.

15 (2) By March 1 of the current fiscal year, the department
16 shall submit to the senate and house appropriations subcommittees
17 on the department budget, the senate and house fiscal agencies, and
18 the senate and house policy offices a report on the number of
19 unlicensed relative placements not approved as meeting the
20 standards established for state licensing and the status of title
21 IV-E claims described in subsection (1).

22 Sec. 536. By March 1 of the current fiscal year, the
23 department shall submit to the senate and house appropriations
24 subcommittees on the department budget, the senate and house fiscal
25 agencies, and the policy offices a report on the status of the
26 department's planned and achieved implementation of the federal
27 family first prevention services act, Public Law 115-123. The

1 report shall include, but not be limited to, an estimate of the 5-
2 year spending plan for administrative and compliance costs,
3 information regarding compliance with title IV-E prevention
4 requirements, the status of statewide compliance with the qualified
5 residential treatment program requirements, the department's
6 conformity with federal model licensing standards, the department's
7 plan for tracking and preventing child maltreatment deaths, and the
8 department's plan for extending John H. Chaffee foster care
9 independence programs up to age 23.

10 Sec. 537. The department, in collaboration with child placing
11 agencies, shall implement section 1150 of the social welfare act,
12 1939 PA 280, MCL 400.1150. Department caseworkers responsible for
13 preparing a recommendation to a court concerning a juvenile
14 placement shall provide, as part of the recommendation, information
15 regarding the requirements of section 1150 of the social welfare
16 act, 1939 PA 280, MCL 400.1150.

17 Sec. 538. By October 1 of the current fiscal year, the
18 department shall submit to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies, and the policy offices a report on the status of the
21 department's program improvement plan associated with round 3 of
22 the child and family services review (CFSR). The report shall also
23 include, but not be limited to, a specific and detailed plan to
24 address the areas of substantial nonconformity identified in the
25 CFSR such as the inadequacy of caseworker training provided by the
26 department, the estimated costs necessary to reduce travel time for
27 service delivery to rural areas, plans to improve caseworker

1 engagement to reduce maltreatment in care, and steps undertaken by
2 the department to emphasize permanency in case planning.

3 Sec. 540. If a physician or psychiatrist who is providing
4 services to state or court wards placed in a residential facility
5 submits a formal request to the department to change the
6 psychotropic medication of a ward, the department shall, if the
7 ward is a state ward, make a determination on the proposed change
8 within 7 business days after the request or, if the ward is a
9 temporary court ward, seek parental consent within 7 business days
10 after the request. If parental consent is not provided within 7
11 business days, the department shall petition the court on the
12 eighth business day.

13 Sec. 546. (1) From the funds appropriated in part 1 for foster
14 care payments and from child care fund, the department shall pay
15 providers of general foster care, independent living, and trial
16 reunification services not less than a \$46.20 administrative rate.

17 (2) From the funds appropriated in part 1, the department
18 shall pay providers of independent living plus services statewide
19 per diem rates for staff-supported housing and host-home housing
20 based on proposals submitted in response to a solicitation for
21 pricing. The independent living plus program provides staff-
22 supported housing and services for foster youth ages 16 through 19
23 who, because of their individual needs and assessments, are not
24 initially appropriate for general independent living foster care.

25 (3) If required by the federal government to meet title IV-E
26 requirements, providers of foster care services shall submit
27 quarterly reports on expenditures to the department to identify

1 actual costs of providing foster care services.

2 (4) From the funds appropriated in part 1, the department
3 shall maintain the rates in place on March 20, 2019 provided to
4 each private provider of residential services.

5 Sec. 547. (1) From the funds appropriated in part 1 for the
6 guardianship assistance program, the department shall pay a minimum
7 rate that is not less than the approved age-appropriate payment
8 rates for youth placed in family foster care.

9 (2) The department shall report quarterly to the state budget
10 office, the senate and house appropriations subcommittees on the
11 department budget, the senate and house fiscal agencies, and the
12 senate and house policy offices on the number of children enrolled
13 in the guardianship assistance and foster care - children with
14 serious emotional disturbance waiver programs.

15 Sec. 550. (1) The department shall not offset against
16 reimbursement payments to counties or seek reimbursement from
17 counties for charges that were received by the department more than
18 12 months before the department seeks to offset against
19 reimbursement. A county shall not request reimbursement for and
20 reimbursement payments shall not be paid for a charge that is more
21 than 12 months after the date of service or original status
22 determination when initially submitted by the county.

23 (2) All service providers shall submit a request for payment
24 within 12 months after the date of service. Any request for payment
25 submitted 12 months or more after the date of service requires the
26 provider to submit an exception request to the county or the
27 department for approval or denial.

1 (3) The county is not subject to any offset, chargeback, or
2 reimbursement liability for prior expenditures resulting from an
3 error in foster care fund source determinations.

4 Sec. 551. The department shall respond to counties within 30
5 days regarding any request for a clarification requested through
6 the department's child care fund management unit electronic mail
7 address.

8 Sec. 552. Sixty days after a county's child care fund on-site
9 review is completed, the department shall provide the results of
10 the review to the county. The department shall not evaluate the
11 relevancy, quality, effectiveness, efficiency, or impact of the
12 services provided to youth of the county's child care fund programs
13 in the review. Pursuant to state law, the department shall not
14 release the results of the review to a third-party without the
15 permission of the county being reviewed.

16 Sec. 558. From the funds appropriated in part 1 for child
17 welfare institute, by January 1 of the current fiscal year, the
18 department shall provide all the necessary training and materials
19 to designated private child placing agency staff in order for all
20 pre-service training requirements specified by the settlement to be
21 completed by private child placing agency staff at agency
22 facilities. It shall be department policy that the designated
23 private child placing agency staff trained by the department to
24 deliver training are authorized to deliver pre-service training to
25 any private child placing agency staff, regardless of agency. This
26 section does not modify or amend current licensing, certification,
27 or subject matter standards required by federal law, state law, or

1 the settlement.

2 Sec. 559. (1) From the funds appropriated in part 1 for
3 adoption support services, the department shall allocate
4 \$250,000.00 to the Adoptive Family Support Network by December 1 of
5 the current fiscal year to operate and expand its adoptive parent
6 mentor program to provide a listening ear, knowledgeable guidance,
7 and community connections to adoptive parents and children who were
8 adopted in this state or another state.

9 (2) The Adoptive Family Support Network shall submit to the
10 senate and house appropriations subcommittees on the department
11 budget, the senate and house fiscal agencies, the senate and house
12 policy offices, and the state budget office by March 1 of the
13 current fiscal year a report on the program described in subsection
14 (1), including, but not limited to, the number of cases served and
15 the number of cases in which the program prevented an out-of-home
16 placement.

17 Sec. 562. The department shall provide time and travel
18 reimbursements for foster parents who transport a foster child to
19 parent-child visitations. As part of the foster care parent
20 contract, the department shall provide written confirmation to
21 foster parents that states that the foster parents have the right
22 to request these reimbursements for all parent-child visitations.
23 The department shall provide these reimbursements within 60 days of
24 receiving a request for eligible reimbursements from a foster
25 parent.

26 Sec. 564. (1) The department shall develop a clear policy for
27 parent-child visitations. The local county offices, caseworkers,

1 and supervisors shall meet an 85% success rate, after accounting
2 for factors outside of the caseworkers' control.

3 (2) Per the court-ordered number of required meetings between
4 caseworkers and a parent, the caseworkers shall achieve a success
5 rate of 85%, after accounting for factors outside of the
6 caseworkers' control.

7 (3) By March 1 of the current fiscal year, the department
8 shall provide to the senate and house appropriations subcommittees
9 on the department budget, the senate and house fiscal agencies, the
10 senate and house policy offices, and the state budget office a
11 report on the following:

12 (a) The percentage of success rate for parent-child
13 visitations and court-ordered required meetings between caseworkers
14 referenced in subsections (1) and (2) for the previous year.

15 (b) The barriers to achieve the success rates in subsections
16 (1) and (2) and how this information is tracked.

17 Sec. 567. The department shall submit to the senate and house
18 appropriations subcommittees on the department budget, the senate
19 and house fiscal agencies, the senate and house policy offices, and
20 the state budget office by March 1 of the current fiscal year a
21 report on transfer of medical passports for children in foster
22 care, including the following:

23 (a) From the total medical passports transferred, the
24 percentage that transferred within 2 weeks from the date of
25 placement or return to the home.

26 (b) From the total school records, the percentage that
27 transferred within 2 weeks from the date of placement or return to

1 the home.

2 (c) The implementation steps that have been taken to improve
3 the outcomes for the measures in subdivision (a).

4 Sec. 569. The department shall reimburse private child placing
5 agencies that complete adoptions at the rate according to the date
6 on which the petition for adoption and required support
7 documentation was accepted by the court and not according to the
8 date the court's order placing for adoption was entered.

9 Sec. 573. (1) From the funds appropriated in part 1 for foster
10 care payments and child care fund, the department shall, if funds
11 become available, pay providers of foster care services a per diem
12 daily administrative rate for every case on a caseworker's caseload
13 for the duration of a case from referral acceptance to the
14 discharge of wardship.

15 (2) The department shall complete an actuarial study to review
16 case rates paid to private child placing agencies every even-
17 numbered year.

18 (3) The department shall submit a request to the settlement
19 monitor to define caseload ratios in the settlement to only include
20 active cases or to designate a zero case weight for cases that are
21 routed for case closure but remain open to complete administrative
22 activities.

23 Sec. 574. (1) From the funds appropriated in part 1 for foster
24 care payments, \$2,000,000.00 is allocated to support performance-
25 based contracts with child placing agencies to facilitate the
26 licensure of relative caregivers as foster parents. Agencies shall
27 receive \$4,500.00 for each facilitated licensure if completed

1 within 180 days after case acceptance, or, if a waiver was
2 previously approved, 180 days from the referral date. If the
3 facilitated licensure, or approved waiver, is completed after 180
4 days, the agency shall receive up to \$3,500.00. The agency
5 facilitating the licensure would retain the placement and continue
6 to provide case management services for the newly licensed cases
7 for which the placement was appropriate to the agency. The 180-day
8 period shall not include any delay due to actions solely in the
9 control of the department as accounted for by the child placing
10 agency assisting with licensure.

11 (2) By March 1 of the current fiscal year, the department
12 shall submit to the house and senate appropriations subcommittees
13 on the department budget, the house and senate fiscal agencies, the
14 house and senate policy offices, and the state budget office a
15 report on the total amount expended in the previous year for
16 payments to child placing agencies for completed licensures of
17 relative caregivers as foster parents as referenced in subsection
18 (1) and the number of newly licensed caregivers for which the child
19 placing agencies received these payments.

20 (3) From the funds appropriated for foster care payments,
21 \$375,000.00 is allocated to support family incentive grants to
22 private and community-based foster care service providers to assist
23 with home improvements or payment for physical exams for applicants
24 needed by foster families to accommodate foster children.

25 (4) By March 1 of the current fiscal year, the department
26 shall submit to the house and senate appropriations subcommittees
27 on the department budget, the house and senate fiscal agencies, the

1 house and senate policy offices, and the state budget office a
2 report on the total amount expended in the previous year for grants
3 to private and community-based foster care service providers for
4 home improvements or physical exams as referenced in subsection (3)
5 and the number of grants issued.

6 Sec. 583. By March 1 of the current fiscal year, the
7 department shall provide to the senate and house appropriations
8 subcommittees on the department budget, the senate and house
9 standing committees on families and human services, the senate and
10 house fiscal agencies and policy offices, and the state budget
11 office a report that includes:

12 (a) The number and percentage of foster parents that dropped
13 out of the program in the previous fiscal year and the reasons the
14 foster parents left the program and how those figures compare to
15 prior fiscal years.

16 (b) The number and percentage of foster parents successfully
17 retained in the previous fiscal year and how those figures compare
18 to prior fiscal years.

19 Sec. 585. The department shall make available at least 1 pre-
20 service training class each month in which new caseworkers for
21 private foster care and adoption agencies can enroll.

22 Sec. 588. (1) Concurrently with public release, the department
23 shall transmit all reports from the court-appointed settlement
24 monitor, including, but not limited to, the needs assessment and
25 period outcome reporting, to the state budget office, the senate
26 and house appropriations subcommittees on the department budget,
27 and the senate and house fiscal agencies and policy offices,

1 without revision.

2 (2) By October 1 of the current fiscal year, the department
3 shall submit to the senate and house appropriations subcommittees
4 on the department budget, the senate and house fiscal agencies, and
5 the policy offices a detailed plan that will terminate and dismiss
6 with prejudice the settlement by September 30 of the current fiscal
7 year.

8 Sec. 589. (1) From the funds appropriated in part 1 for child
9 care fund, the department shall pay 100% of the administrative rate
10 for all new cases referred to providers of foster care services.

11 (2) On a quarterly basis, the department shall report on the
12 monthly number of all foster care cases administered by the
13 department and all foster care cases administered by private
14 providers.

15 Sec. 594. From the funds appropriated in part 1 for foster
16 care payments, the department shall support regional resource teams
17 to provide for the recruitment, retention, and training of foster
18 and adoptive parents and shall expand the Michigan youth
19 opportunities initiative to all Michigan counties. The purpose of
20 this funding is to increase the number of annual inquiries from
21 prospective foster parents, increase the number of nonrelative
22 foster homes that achieve licensure each year, increase the annual
23 retention rate of nonrelative foster homes, reduce the number of
24 older foster youth placed outside of family settings, and provide
25 older youth with enhanced support in transitioning to adulthood.

26 Sec. 595. (1) Due to the exigent circumstances found in the
27 department's children's protective services (CPS) program by the

1 office of the auditor general (OAG) audit number 431-1285-16, from
2 the funds appropriated in part 1, the department shall expend
3 \$162,849,600.00 for children's protective services - caseload staff
4 in order to dedicate resources to CPS investigations. The
5 department shall hire staff from the funds appropriated in part 1
6 for children's protective services - caseload staff for the
7 department to come into compliance and sustain measured corrective
8 action as determined by the OAG for OAG audit number 431-1285-16.

9 (2) From the funds appropriated in part 1 for foster care
10 services - caseload staff, the department shall not expend any
11 funds on hiring foster care workers or licensing workers and shall
12 not assume any direct supervisory responsibility of foster care
13 cases unless 1 of the following conditions is met:

14 (a) An initial review of the case indicated that the case is
15 not eligible for title IV-E reimbursement.

16 (b) The department is already providing direct foster care
17 service to 1 or more siblings of the child ordered into a
18 placement, and a department direct service provision can provide
19 placement to the entire sibling group.

20 (c) The court has ordered placement for only some of the
21 children in the family, requiring the department to monitor the
22 children remaining at home.

23 (3) From the funds appropriated in part 1 for foster care
24 payments, all new foster care cases coming into care shall be
25 placed with a private child placing agency supervision unless any
26 of the conditions in subsection (1) are met or until the statewide
27 ratio of foster care cases is 55% for private child placing agency

1 supervision to 45% department case management supervision
2 respectively.

3 (4) This section does not require an individual county to meet
4 the case ratio described in subsection (3).

5 (5) This section does not modify or amend caseload ratios
6 required under the settlement.

7 Sec. 596. (1) From the funds appropriated in part 1 for youth
8 in transition, the department shall maintain the recent \$500,000.00
9 state general fund/general purpose revenue increase to funding to
10 support the runaway and homeless youth services program. The
11 purpose of the additional funding is to support current programs
12 for contracted providers that provide emergency shelter and
13 services to homeless and runaway youth.

14 (2) From the funds appropriated in part 1 for runaway and
15 homeless youth services program, the department shall allocate
16 \$300,000.00 state general fund/general purpose revenue and
17 \$500,000.00 TANF revenue to increase funding to support runaway and
18 homeless youth services programs. The purpose of the additional
19 funding is to support current programs for contracted providers
20 that provide emergency shelter and services to homeless and runaway
21 youth.

22 (3) By March 1 of the current fiscal year, the department
23 shall submit to the house and senate appropriations subcommittees
24 on the department budget, the house and senate fiscal agencies, the
25 house and senate policy offices, and the state budget office a
26 report on the total amount expended for runaway and homeless youth
27 services programs in the previous year, as well as the total number

1 of shelter nights for youth provided.

2 Sec. 598. Partial child care fund reimbursements to counties
3 for undisputed charges shall be made within 45 business days after
4 the receipt of the required forms and documentation. The department
5 shall notify a county within 15 business days after a disputed
6 reimbursement request. The department shall reimburse for corrected
7 charges within 45 business days after a properly corrected
8 submission by the county.

9 **PUBLIC ASSISTANCE**

10 Sec. 601. Whenever a client agrees to the release of his or
11 her name and address to the local housing authority, the department
12 shall request from the local housing authority information
13 regarding whether the housing unit for which vendoring has been
14 requested meets applicable local housing codes. Vendoring shall be
15 terminated for those units that the local authority indicates in
16 writing do not meet local housing codes until such time as the
17 local authority indicates in writing that local housing codes have
18 been met.

19 Sec. 602. The department shall conduct a full evaluation of an
20 individual's assistance needs if the individual has applied for
21 disability more than 1 time within a 1-year period.

22 Sec. 603. For any change in the income of a recipient of the
23 food assistance program, the family independence program, or state
24 disability assistance that results in a benefit decrease, the
25 department must notify the affected recipient of the decrease in
26 benefits amount no later than 15 work days for the food assistance

1 program, the family independence program, and state disability
2 assistance before the first day of the month in which the change
3 takes effect.

4 Sec. 604. (1) The department shall operate a state disability
5 assistance program. Except as provided in subsection (3), persons
6 eligible for this program shall include needy citizens of the
7 United States or aliens exempted from the supplemental security
8 income citizenship requirement who are at least 18 years of age or
9 emancipated minors meeting 1 or more of the following requirements:

10 (a) A recipient of supplemental security income, social
11 security, or medical assistance due to disability or 65 years of
12 age or older.

13 (b) A person with a physical or mental impairment that meets
14 federal supplemental security income disability standards, except
15 that the minimum duration of the disability shall be 90 days.
16 Substance use disorder alone is not defined as a basis for
17 eligibility.

18 (c) A resident of an adult foster care facility, a home for
19 the aged, a county infirmary, or a substance use disorder treatment
20 center.

21 (d) A person receiving 30-day postresidential substance use
22 disorder treatment.

23 (e) A person diagnosed as having acquired immunodeficiency
24 syndrome.

25 (f) A person receiving special education services through the
26 local intermediate school district.

27 (g) A caretaker of a disabled person who meets the

1 requirements specified in subdivision (a), (b), (e), or (f).

2 (2) Applicants for and recipients of the state disability
3 assistance program shall be considered needy if they:

4 (a) Meet the same asset test as is applied for the family
5 independence program.

6 (b) Have a monthly budgetable income that is less than the
7 payment standards.

8 (3) Except for a person described in subsection (1)(c) or (d),
9 a person is not disabled for purposes of this section if his or her
10 drug addiction or alcoholism is a contributing factor material to
11 the determination of disability. "Material to the determination of
12 disability" means that, if the person stopped using drugs or
13 alcohol, his or her remaining physical or mental limitations would
14 not be disabling. If his or her remaining physical or mental
15 limitations would be disabling, then the drug addiction or
16 alcoholism is not material to the determination of disability and
17 the person may receive state disability assistance. Such a person
18 must actively participate in a substance abuse treatment program,
19 and the assistance must be paid to a third party or through vendor
20 payments. For purposes of this section, substance abuse treatment
21 includes receipt of inpatient or outpatient services or
22 participation in alcoholics anonymous or a similar program.

23 Sec. 605. The level of reimbursement provided to state
24 disability assistance recipients in licensed adult foster care
25 facilities shall be the same as the prevailing supplemental
26 security income rate under the personal care category.

27 Sec. 606. County department offices shall require each

1 recipient of family independence program and state disability
2 assistance who has applied with the social security administration
3 for supplemental security income to sign a contract to repay any
4 assistance rendered through the family independence program or
5 state disability assistance program upon receipt of retroactive
6 supplemental security income benefits.

7 Sec. 607. (1) The department's ability to satisfy
8 appropriation deductions in part 1 for state disability
9 assistance/supplemental security income recoveries and public
10 assistance recoupment revenues shall not be limited to recoveries
11 and accruals pertaining to state disability assistance, or family
12 independence assistance grant payments provided only in the current
13 fiscal year, but may include revenues collected during the current
14 year that are prior year related and not a part of the department's
15 accrued entries.

16 (2) The department may use supplemental security income
17 recoveries to satisfy the deduct in any line in which the revenues
18 are appropriated, regardless of the source from which the revenue
19 is recovered.

20 Sec. 608. Adult foster care facilities providing domiciliary
21 care or personal care to residents receiving supplemental security
22 income or homes for the aged serving residents receiving
23 supplemental security income shall not require those residents to
24 reimburse the home or facility for care at rates in excess of those
25 legislatively authorized. To the extent permitted by federal law,
26 adult foster care facilities and homes for the aged serving
27 residents receiving supplemental security income shall not be

1 prohibited from accepting third-party payments in addition to
2 supplemental security income if the payments are not for food,
3 clothing, shelter, or result in a reduction in the recipient's
4 supplemental security income payment.

5 Sec. 609. The state supplementation level under the
6 supplemental security income program for the personal care/adult
7 foster care and home for the aged categories shall not be reduced
8 during the current fiscal year. The legislature shall be notified
9 not less than 30 days before any proposed reduction in the state
10 supplementation level.

11 Sec. 610. (1) In developing good cause criteria for the state
12 emergency relief program, the department shall grant exemptions if
13 the emergency resulted from unexpected expenses related to
14 maintaining or securing employment.

15 (2) For purposes of determining housing affordability
16 eligibility for state emergency relief, a group is considered to
17 have sufficient income to meet ongoing housing expenses if their
18 total housing obligation does not exceed 75% of their total net
19 income.

20 (3) State emergency relief payments shall not be made to
21 individuals who have been found guilty of fraud in regard to
22 obtaining public assistance.

23 (4) State emergency relief payments shall not be made
24 available to persons who are out-of-state residents or illegal
25 immigrants.

26 (5) State emergency relief payments for rent assistance shall
27 be distributed directly to landlords and shall not be added to

1 Michigan bridge cards.

2 Sec. 611. The state supplementation level under the
3 supplemental security income program for the living independently
4 or living in the household of another categories shall not exceed
5 the minimum state supplementation level as required under federal
6 law or regulations.

7 Sec. 613. (1) The department shall provide reimbursements for
8 the final disposition of indigent persons. The reimbursements shall
9 include the following:

10 (a) The maximum allowable reimbursement for the final
11 disposition is \$800.00.

12 (b) The adult burial with services allowance is \$725.00.

13 (c) The adult burial without services allowance is \$490.00.

14 (d) The infant burial allowance is \$170.00.

15 (2) Reimbursement for a cremation permit fee of up to \$75.00
16 and for mileage at the standard rate will be made available for an
17 eligible cremation. The reimbursements under this section shall
18 take into consideration religious preferences that prohibit
19 cremation.

20 Sec. 614. The department shall report to the senate and house
21 of representatives appropriations subcommittees on the department
22 budget, the senate and house fiscal agencies, and the senate and
23 house policy offices by January 15 of the current fiscal year on
24 the number and percentage of state disability assistance recipients
25 who were determined to be eligible for federal supplemental
26 security income benefits in the previous fiscal year.

27 Sec. 615. Except as required by federal law or regulations,

1 funds appropriated in part 1 shall not be used to provide public
2 assistance to a person who is an illegal alien. This section shall
3 not prohibit the department from entering into contracts with food
4 banks, emergency shelter providers, or other human services
5 agencies who may, as a normal part of doing business, provide food
6 or emergency shelter.

7 Sec. 616. The department shall require retailers that
8 participate in the electronic benefits transfer program to charge
9 no more than \$2.50 in fees for cash back as a condition of
10 participation.

11 Sec. 618. By March 1 of the current fiscal year, the
12 department shall report to the senate and house appropriations
13 subcommittees on the department budget, the senate and house fiscal
14 agencies, the senate and house policy offices, and the state budget
15 office the quarterly number of supervised individuals who have
16 absconded from supervision and whom a law enforcement agency, the
17 department of corrections, or the department is actively seeking
18 according to section 84 of the corrections code of 1953, 1953 PA
19 232, MCL 791.284.

20 Sec. 619. (1) Subject to subsection (2), the department shall
21 not deny title IV-A assistance and food assistance benefits under
22 21 USC 862a to any individual who has been convicted of a single
23 felony that included the possession, use, or distribution of a
24 controlled substance, for which the act that resulted in the
25 conviction occurred after August 22, 1996, if the individual is not
26 in violation of his or her probation or parole requirements.
27 Benefits shall be provided to an individual, if the individual is

1 the grantee (head of household), as follows:

2 (a) Family independence program benefits must be paid in the
3 form of restricted payments when the grantee has been convicted,
4 for conduct occurring after August 22, 1996, of a felony for the
5 use, possession, or distribution of a controlled substance.

6 (b) An authorized representative shall be required for food
7 assistance receipt. If the individual with the conviction is not
8 the grantee, the food assistance shall be provided to the grantee.

9 (2) Subject to federal approval, an individual is not entitled
10 to the exemption in this section if the individual was convicted of
11 2 or more separate felony acts that included the possession, use,
12 or distribution of a controlled substance and both acts occurred
13 after August 22, 1996.

14 Sec. 620. (1) The department shall make a determination of
15 Medicaid eligibility not later than 90 days if disability is an
16 eligibility factor. For all other Medicaid applicants, including
17 patients of a nursing home, the department shall make a
18 determination of Medicaid eligibility within 45 days of
19 application.

20 (2) The department shall provide quarterly reports to the
21 senate and house appropriations subcommittees on the department
22 budget, the senate and house standing committees on families and
23 human services, the senate and house fiscal agencies, the senate
24 and house policy offices, and the state budget office on the
25 average Medicaid eligibility standard of promptness for each of the
26 required standards of promptness under subsection (1) and for
27 medical review team reviews achieved statewide and at each local

1 office.

2 Sec. 625. From the funds appropriated in part 1 for SSI
3 advocacy legal services grant, the department shall allocate
4 \$175,000.00 as a grant to the Legal Services Association of
5 Michigan (LSAM). The purpose of the grant is to assist current or
6 potential recipients of state disability assistance who have
7 applied for or wish to apply for SSI or other federal disability
8 benefits. LSAM shall provide a list of new recipients to the
9 department to verify services provided to department referrals. The
10 department shall distribute informational materials or literature
11 provided by LSAM to clients who have been referred to LSAM for
12 assistance under this section. LSAM and the department shall
13 develop release forms to share information in appropriate cases.
14 LSAM shall provide quarterly reports indicating cases opened, cases
15 closed, level of services provided on closed cases, and case
16 outcomes on closed cases.

17 Sec. 645. An individual or family is considered homeless, for
18 purposes of eligibility for state emergency relief, if living
19 temporarily with others in order to escape domestic violence. For
20 purposes of this section, domestic violence is defined and verified
21 in the same manner as in the department's policies on good cause
22 for not cooperating with child support and paternity requirements.

23 Sec. 653. From the funds appropriated in part 1 for food
24 assistance, an individual who is the victim of domestic violence
25 and does not qualify for any other exemption may be exempt from the
26 3-month in 36-month limit on receiving food assistance under 7 USC
27 2015. This exemption can be extended an additional 3 months upon

1 demonstration of continuing need.

2 Sec. 654. The department shall notify recipients of food
3 assistance program benefits that their benefits can be spent with
4 their bridge cards at many farmers' markets in the state. The
5 department shall also notify recipients about the Double Up Food
6 Bucks program that is administered by the Fair Food Network.
7 Recipients shall receive information about the Double Up Food Bucks
8 program, including information that when the recipient spends
9 \$20.00 at participating farmers' markets through the program, the
10 recipient can receive an additional \$20.00 to buy Michigan produce.

11 Sec. 655. Within 14 days after the spending plan for low-
12 income home energy assistance program is approved by the state
13 budget office, the department shall provide the spending plan,
14 including itemized projected expenditures, to the chairpersons of
15 the senate and house appropriations subcommittees on the department
16 budget, the senate and house fiscal agencies, the senate and house
17 policy offices, and the state budget office.

18 Sec. 660. From the funds appropriated in part 1 for Food Bank
19 Council of Michigan, the department is authorized to make
20 allocations of TANF funds only to the agencies that report
21 necessary data to the department for the purpose of meeting TANF
22 eligibility reporting requirements. The agencies that do not report
23 necessary data to the department for the purpose of meeting TANF
24 eligibility reporting requirements will not receive allocations in
25 excess of those received in fiscal year 2000. The use of TANF funds
26 under this section is not an ongoing commitment of funding.

27 Sec. 669. From the funds appropriated in part 1 for family

1 independence program, the department shall allocate \$7,230,000.00
2 for the annual clothing allowance. The allowance shall be granted
3 to all eligible children in a family independence program group.

4 Sec. 672. (1) The department's office of inspector general
5 shall report to the senate and house of representatives
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, and the senate and house policy offices
8 by February 15 of the current fiscal year on department efforts to
9 reduce inappropriate use of Michigan bridge cards. The department
10 shall provide information on the number of recipients of services
11 who used their electronic benefit transfer card inappropriately and
12 the current status of each case, the number of recipients whose
13 benefits were revoked, whether permanently or temporarily, as a
14 result of inappropriate use, and the number of retailers that were
15 fined or removed from the electronic benefit transfer program for
16 permitting inappropriate use of the cards. The report shall
17 distinguish between savings and cost avoidance. Savings include
18 receivables established from instances of fraud committed. Cost
19 avoidance includes expenditures avoided due to front-end
20 eligibility investigations and other preemptive actions undertaken
21 in the prevention of fraud.

22 (2) It shall be the policy of the department that the
23 department shall require an explanation from a recipient if a
24 bridge card is replaced more than 2 times over any 3-month period.

25 (3) As used in this section, "inappropriate use" means not
26 used to meet a family's ongoing basic needs, including food,
27 clothing, shelter, utilities, household goods, personal care items,

1 and general incidentals.

2 Sec. 677. (1) The department shall establish a state goal for
3 the percentage of family independence program cases involved in
4 employment activities. The percentage established shall not be less
5 than 50%. The goal for long-term employment shall be 15% of cases
6 for 6 months or more.

7 (2) The department shall provide quarterly reports to the
8 senate and house appropriations subcommittees on the department
9 budget, the senate and house fiscal agencies and policy offices,
10 and the state budget director on the number of cases referred to
11 Partnership. Accountability. Training. Hope. (PATH), the current
12 percentage of family independence program cases involved in PATH
13 employment activities, an estimate of the current percentage of
14 family independence program cases that meet federal work
15 participation requirements on the whole, and an estimate of the
16 current percentage of the family independence program cases that
17 meet federal work participation requirements for those cases
18 referred to PATH.

19 (3) The department shall submit to the senate and house
20 appropriations subcommittees on the department budget, the senate
21 and house fiscal agencies, the senate and house policy offices, and
22 the state budget office quarterly reports that include all of the
23 following:

24 (a) The number and percentage of nonexempt family independence
25 program recipients who are employed.

26 (b) The average and range of wages of employed family
27 independence program recipients.

1 (c) The number and percentage of employed family independence
2 program recipients who remain employed for 6 months or more.

3 Sec. 686. (1) The department shall ensure that program policy
4 requires caseworkers to confirm that individuals presenting
5 personal identification issued by another state seeking assistance
6 through the family independence program, food assistance program,
7 state disability assistance program, or medical assistance program
8 are not receiving benefits from any other state.

9 (2) The department shall require caseworkers to confirm the
10 address provided by any individual seeking family independence
11 program benefits or state disability assistance benefits.

12 (3) The department shall prohibit individuals with property
13 assets assessed at a value higher than \$200,000.00 from accessing
14 assistance through department-administered programs, unless such a
15 prohibition would violate federal rules and guidelines.

16 (4) The department shall require caseworkers to obtain an up-
17 to-date telephone number during the eligibility determination or
18 redetermination process for individuals seeking medical assistance
19 benefits.

20 Sec. 687. (1) The department shall, in quarterly reports,
21 compile and make available on its website all of the following
22 information about the family independence program, state disability
23 assistance, the food assistance program, Medicaid, and state
24 emergency relief:

25 (a) The number of applications received.

26 (b) The number of applications approved.

27 (c) The number of applications denied.

1 (d) The number of applications pending and neither approved
2 nor denied.

3 (e) The number of cases opened.

4 (f) The number of cases closed.

5 (g) The number of cases at the beginning of the quarter and
6 the number of cases at the end of the quarter.

7 (2) The information provided under subsection (1) shall be
8 compiled and made available for the state as a whole and for each
9 county and reported separately for each program listed in
10 subsection (1).

11 (3) The department shall, in quarterly reports, compile and
12 make available on its website the family independence program
13 information listed as follows:

14 (a) The number of new applicants who successfully met the
15 requirements of the 21-day assessment period for PATH.

16 (b) The number of new applicants who did not meet the
17 requirements of the 21-day assessment period for PATH.

18 (c) The number of cases sanctioned because of the school
19 truancy policy.

20 (d) The number of cases closed because of the 48-month and 60-
21 month lifetime limits.

22 (e) The number of first-, second-, and third-time sanctions.

23 (f) The number of children ages 0-5 living in FIP-sanctioned
24 households.

25 Sec. 688. From the funds appropriated in part 1 for the low-
26 income home energy assistance program, the department shall make an
27 additional \$20.01 payment to each food assistance program case that

1 is not currently eligible for the standard utility allowance to
2 enable each case to receive expanded food assistance benefits
3 through the program commonly known as the heat and eat program.

4 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

5 Sec. 701. Unless required from changes to federal or state law
6 or at the request of a provider, the department shall not alter the
7 terms of any signed contract with a private residential facility
8 serving children under state or court supervision without written
9 consent from a representative of the private residential facility.

10 Sec. 706. Counties shall be subject to 50% chargeback for the
11 use of alternative regional detention services, if those detention
12 services do not fall under the basic provision of section 117e of
13 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
14 operates those detention services programs primarily with
15 professional rather than volunteer staff.

16 Sec. 707. In order to be reimbursed for child care fund
17 expenditures, counties are required to submit department-developed
18 reports to enable the department to document potential federally
19 claimable expenditures. This requirement is in accordance with the
20 reporting requirements specified in section 117a(11) of the social
21 welfare act, 1939 PA 280, MCL 400.117a.

22 Sec. 708. (1) As a condition of receiving funds appropriated
23 in part 1 for the child care fund line item, by October 15 of the
24 current fiscal year, counties shall have an approved service
25 spending plan for the current fiscal year. Counties must submit the
26 service spending plan for the following fiscal year to the

1 department by August 15 of the current fiscal year for approval.
2 Upon submission of the county service spending plan, the department
3 shall approve within 30 calendar days after receipt of a properly
4 completed service plan that complies with the requirements of the
5 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The
6 department shall notify and submit county service spending plan
7 revisions to any county whose county service spending plan is not
8 accepted upon initial submission. The department shall not request
9 any additional revisions to a county service spending plan outside
10 of the requested revision notification submitted to the county by
11 the department. The department shall notify a county within 30 days
12 after approval that its service plan was approved.

13 (2) Counties must submit amendments to current fiscal year
14 county service plans no later than August 30. Counties must submit
15 current fiscal year payable estimates to the department no later
16 than September 15.

17 (3) The department shall submit a report to the house and
18 senate appropriations subcommittees on the department budget, the
19 house and senate fiscal agencies, the house and senate policy
20 offices, and the state budget office by February 15 of the current
21 fiscal year on the number of counties that fail to submit a service
22 spending plan by August 15 of the previous fiscal year and the
23 number of service spending plans not approved by October 15. The
24 report shall include the number of county service spending plans
25 that were not approved as first submitted by the counties, as well
26 as the number of plans that were not approved by the department
27 after being resubmitted by the county with the first revisions that

1 were requested by the department.

2 Sec. 709. The department's master contract for juvenile
3 justice residential foster care services shall prohibit contractors
4 from denying a referral for placement of a youth, or terminating a
5 youth's placement, if the youth's assessed treatment needs are in
6 alignment with the facility's residential program type, as
7 identified by the court or the department. In addition, the master
8 contract shall require that youth placed in juvenile justice
9 residential foster care facilities must have regularly scheduled
10 treatment sessions with a licensed psychologist or psychiatrist, or
11 both, and access to the licensed psychologist or psychiatrist as
12 needed.

13 **FIELD OPERATIONS AND SUPPORT SERVICES**

14 Sec. 807. From the funds appropriated in part 1 for Elder Law
15 of Michigan MiCAFE contract, the department shall allocate not less
16 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
17 state's elderly population in participating in the food assistance
18 program. Of the \$350,000.00 allocated under this section, the
19 department shall use \$175,000.00, which are general fund/general
20 purpose funds, as state matching funds for not less than
21 \$175,000.00 in United States Department of Agriculture funding to
22 provide outreach program activities, such as eligibility screening
23 and information services, as part of a statewide food assistance
24 hotline.

25 Sec. 808. By March 1 of the current fiscal year, the
26 department shall provide a report to the senate and house

1 appropriations subcommittees on the department budget, the senate
2 and house fiscal agencies, the senate and house policy offices, and
3 the state budget office on the nutrition education program. The
4 report shall include requirements made by the agriculture
5 improvement act of 2018, Public Law 115-334, such as how the
6 department shall use an electronic reporting system to evaluate
7 projects and an accounting of allowable state agency administrative
8 costs. The report shall also include documentation of the steps the
9 department shall take to ensure that projects and subgrantee
10 programs are evidence-based, appropriated for, and meet the
11 criteria for eligible individuals as defined in section 2036a(a) of
12 the food and nutrition act, 7 USC 2036, and quantitative evidence
13 that the programs contribute to a reduction in obesity or an
14 increase in the consumption of healthy foods. Additionally, the
15 report shall include planned allocation and actual expenditures for
16 the supplemental nutrition assistance program education funding,
17 planned and actual grant amounts for the supplemental nutrition
18 assistance program education funding, the total amount of expected
19 carryforward balance at the end of the current fiscal year for the
20 supplemental nutrition assistance program education funding and for
21 each subgrantee program, a list of all supplemental nutrition
22 assistance program education funding programs by implementing
23 agency, and the stated purpose of each of the programs and each of
24 the subgrantee programs.

25 Sec. 809. (1) The purpose of the pathways to potential program
26 is to reduce chronic absenteeism and decrease the number of
27 students who repeat grades for schools that are current or future

1 participants in the pathways to potential program. Before any
2 deployment of resources into a participant school, the department
3 and the participant school shall establish performance objectives
4 for each participant school based on a 2-year baseline prior to
5 pathways to potential being established in the participant school
6 and shall evaluate the progress made in the above categories from
7 the established baseline. By March 1 of the current fiscal year,
8 the department shall provide to the senate and house appropriations
9 subcommittees on the department budget, the senate and house fiscal
10 agencies, and the senate and house policy offices a report listing
11 all participant schools, the number of staff assigned to each
12 school by participant school, and the percentage of participating
13 schools that achieved improved performance in each of the 2
14 outcomes listed above compared to the previous year, by each
15 individual outcome. It is the intent of the legislature that after
16 a 2-year period without attaining an increase in success in meeting
17 the 2 listed outcomes from the established baseline, the department
18 shall work with the participant school to examine the cause of the
19 lack of progress and shall seek to implement a plan to increase
20 success in meeting the identified outcomes. It is the intent of the
21 legislature that progress or the lack of progress made in meeting
22 the performance objectives shall be used as a determinant in future
23 pathways to potential resource allocation decisions.

24 (2) As used in this section, "baseline" means the initial set
25 of data from the center for educational performance and information
26 in the department of technology, management, and budget of the 2
27 measured outcomes as described in subsection (1).

1 Sec. 825. From the funds appropriated in part 1, the
2 department shall provide individuals not more than \$500.00 for
3 vehicle repairs, including any repairs done in the previous 12
4 months. However, the department may in its discretion pay for
5 repairs up to \$900.00. Payments under this section shall include
6 the combined total of payments made by the department and work
7 participation program.

8 Sec. 850. (1) The department shall maintain out-stationed
9 eligibility specialists in community-based organizations, community
10 mental health agencies, nursing homes, adult placement and
11 independent living settings, federally qualified health centers,
12 and hospitals unless a community-based organization, community
13 mental health agency, nursing home, adult placement and independent
14 living setting, federally qualified health centers, or hospital
15 requests that the program be discontinued at its facility.

16 (2) From the funds appropriated in part 1 for donated funds
17 positions, the department shall enter into contracts with agencies
18 that are able and eligible under federal law to provide the
19 required matching funds for federal funding, as determined by
20 federal statute and regulations.

21 (3) A contract for an assistance payments donated funds
22 position must include, but not be limited to, the following
23 performance metrics:

24 (a) Meeting a standard of promptness for processing
25 applications for Medicaid and other public assistance programs
26 under state law.

27 (b) Meeting required standards for error rates in determining

1 programmatic eligibility as determined by the department.

2 (4) The department shall only fill additional donated funds
3 positions after a new contract has been signed. That position shall
4 also be abolished when the contract expires or is terminated.

5 (5) The department shall classify as limited-term FTEs any new
6 employees who are hired to fulfill the donated funds position
7 contracts or are hired to fill any vacancies from employees who
8 transferred to a donated funds position.

9 (6) By March 1 of the current fiscal year, the department
10 shall submit a report to the senate and house appropriations
11 subcommittees on the department budget, the senate and house fiscal
12 agencies and policy offices, and the state budget office detailing
13 information on the donated funds positions, including the total
14 number of occupied positions, the total private contribution of the
15 positions, and the total cost to the state for any nonsalary
16 expenditure for the donated funds position employees.

17 Sec. 851. (1) From the funds appropriated in part 1 for adult
18 services field staff, the department shall seek to reduce the
19 number of older adults who are victims of crime and fraud by
20 increasing the standard of promptness in every county, as measured
21 by commencing an investigation within 24 hours after a report is
22 made to the department, establishing face-to-face contact with the
23 client within 72 hours after a report is made to the department,
24 and completing the investigation within 30 days after a report is
25 made to the department.

26 (2) The department shall report no later than March 1 of the
27 current fiscal year to the house and senate appropriations

1 subcommittees on the department budget, the house and senate fiscal
2 agencies, and the house and senate policy offices on the services
3 provided to older adults who were victims of crime or fraud in the
4 previous fiscal year. The report shall include, but is not limited
5 to, the following by county: the percentage of investigations
6 commenced within 24 hours after a report is made to the department,
7 the number of face-to-face contacts established with the client
8 within 72 hours after a report is made to the department, the
9 number of investigations completed within 30 days after a report is
10 made to the department, and the total number of older adults that
11 were victims of crime or fraud in the previous fiscal year and were
12 provided services by the department as a result of being victims of
13 crime or fraud.

14 **DISABILITY DETERMINATION SERVICES**

15 Sec. 890. From the funds appropriated in part 1 for disability
16 determination services, the department shall maintain the unit
17 rates in effect on September 30, 2019 for medical consultants
18 performing disability determination services, including physicians,
19 psychologists, and speech-language pathologists.

20 **BEHAVIORAL HEALTH SERVICES ADMINISTRATION AND SPECIAL PROJECTS**

21 Sec. 901. Except for the pilot projects and demonstration
22 models described in section 298 of this part, the funds
23 appropriated in part 1 are intended to support a system of
24 comprehensive community mental health services under the full
25 authority and responsibility of local CMHSPs or PIHPs in accordance

1 with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106,
2 the Medicaid provider manual, federal Medicaid waivers, and all
3 other applicable federal and state laws.

4 Sec. 902. (1) Except for the pilot projects and demonstration
5 models described in section 298 of this part, from the funds
6 appropriated in part 1, final authorizations to CMHSPs or PIHPs
7 shall be made upon the execution of contracts between the
8 department and CMHSPs or PIHPs. The contracts shall contain an
9 approved plan and budget as well as policies and procedures
10 governing the obligations and responsibilities of both parties to
11 the contracts. Each contract with a CMHSP or PIHP that the
12 department is authorized to enter into under this subsection shall
13 include a provision that the contract is not valid unless the total
14 dollar obligation for all of the contracts between the department
15 and the CMHSPs or PIHPs entered into under this subsection for the
16 current fiscal year does not exceed the amount of money
17 appropriated in part 1 for the contracts authorized under this
18 subsection.

19 (2) The department shall immediately report to the senate and
20 house appropriations subcommittees on the department budget, the
21 senate and house fiscal agencies, and the state budget director if
22 either of the following occurs:

23 (a) Any new contracts the department has entered into with
24 CMHSPs or PIHPs that would affect rates or expenditures.

25 (b) Any amendments to contracts the department has entered
26 into with CMHSPs or PIHPs that would affect rates or expenditures.

27 (3) The report required by subsection (2) shall include

1 information about the changes and their effects on rates and
2 expenditures.

3 Sec. 904. (1) By May 31 of the current fiscal year, the
4 department shall provide a report on the CMHSPs, PIHPs, and
5 designated regional entities for substance use disorder prevention
6 and treatment to the members of the house and senate appropriations
7 subcommittees on the department budget, the house and senate fiscal
8 agencies, and the state budget director that includes the
9 information required by this section.

10 (2) The report shall contain information for each CMHSP, PIHP,
11 and designated regional entity for substance use disorder
12 prevention and treatment, and a statewide summary, each of which
13 shall include at least the following information:

14 (a) A demographic description of service recipients that,
15 minimally, shall include reimbursement eligibility, client
16 population, age, ethnicity, housing arrangements, and diagnosis.

17 (b) Per capita expenditures in total and by client population
18 group and cultural and ethnic groups of the services area,
19 including the deaf and hard of hearing population.

20 (c) Financial information that, minimally, includes a
21 description of funding authorized; expenditures by diagnosis group,
22 service category, and reimbursement eligibility; and cost
23 information by Medicaid, Healthy Michigan plan, state appropriated
24 non-Medicaid mental health services, local funding, and other fund
25 sources, including administration and funds specified for all
26 outside contracts for services and products. Financial information
27 must include the amount of funding, from each fund source, used to

1 cover clinical services and supports. Service category includes all
2 department-approved services.

3 (d) Data describing service outcomes that include, but are not
4 limited to, an evaluation of consumer satisfaction, consumer
5 choice, and quality of life concerns including, but not limited to,
6 housing and employment.

7 (e) Information about access to CMHSPs and designated regional
8 entities for substance use disorder prevention and treatment that
9 includes, but is not limited to, the following:

10 (i) The number of people receiving requested services.

11 (ii) The number of people who requested services but did not
12 receive services.

13 (f) The number of second opinions requested under the mental
14 health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the
15 determination of any appeals.

16 (g) Lapses and carryforwards during the previous fiscal year
17 for CMHSPs, PIHPs, and designated regional entities for substance
18 use disorder prevention and treatment.

19 (h) Performance indicator information required to be submitted
20 to the department in the contracts with CMHSPs, PIHPs, and
21 designated regional entities for substance use disorder prevention
22 and treatment.

23 (i) Administrative expenditures of each CMHSP, PIHP, and
24 designated regional entity for substance use disorder prevention
25 and treatment that include a breakout of the salary, benefits, and
26 pension of each executive-level staff and shall include the
27 director, chief executive, and chief operating officers and other

1 members identified as executive staff.

2 (3) The report shall contain the following information from
3 the previous fiscal year on substance use disorder prevention,
4 education, and treatment programs:

5 (a) Expenditures stratified by department-designated community
6 mental health entity, by central diagnosis and referral agency, by
7 fund source, by subcontractor, by population served, and by service
8 type.

9 (b) Expenditures per state client, with data on the
10 distribution of expenditures reported using a histogram approach.

11 (c) Number of services provided by central diagnosis and
12 referral agency, by subcontractor, and by service type.

13 Additionally, data on length of stay, referral source, and
14 participation in other state programs.

15 (d) Collections from other first- or third-party payers,
16 private donations, or other state or local programs, by department-
17 designated community mental health entity, by subcontractor, by
18 population served, and by service type.

19 (4) The department shall include data reporting requirements
20 listed in subsections (2) and (3) in the annual contract with each
21 individual CMHSP, PIHP, and designated regional entity for
22 substance use disorder treatment and prevention.

23 (5) The department shall take all reasonable actions to ensure
24 that the data required are complete and consistent among all
25 CMHSPs, PIHPs, and designated regional entities for substance use
26 disorder prevention and treatment.

27 Sec. 905. (1) From the funds appropriated in part 1 for

1 behavioral health program administration, the department shall
2 maintain a psychiatric transitional unit and children's transition
3 support team. These services will augment the continuum of
4 behavioral health services for high-need youth and provide
5 additional continuity of care and transition into supportive
6 community-based services.

7 (2) Outcomes and performance measures for this initiative
8 include, but are not limited to, the following:

9 (a) The rate of rehospitalization for youth served through the
10 program at 30 and 180 days.

11 (b) Measured change in the Child and Adolescent Functional
12 Assessment Scale for children served through the program.

13 Sec. 907. (1) The amount appropriated in part 1 for community
14 substance use disorder prevention, education, and treatment shall
15 be expended to coordinate care and services provided to individuals
16 with severe and persistent mental illness and substance use
17 disorder diagnoses.

18 (2) The department shall approve managing entity fee schedules
19 for providing substance use disorder services and charge
20 participants in accordance with their ability to pay.

21 (3) The managing entity shall continue current efforts to
22 collaborate on the delivery of services to those clients with
23 mental illness and substance use disorder diagnoses with the goal
24 of providing services in an administratively efficient manner.

25 Sec. 909. From the funds appropriated in part 1 for community
26 substance use disorder prevention, education, and treatment, the
27 department shall use available revenue from the marihuana

1 regulatory fund established in section 604 of the medical marihuana
2 facilities licensing act, 2016 PA 281, MCL 333.27604, to improve
3 physical health; expand access to substance use disorder prevention
4 and treatment services; and strengthen the existing prevention,
5 treatment, and recovery systems.

6 Sec. 910. The department shall ensure that substance use
7 disorder treatment is provided to applicants and recipients of
8 public assistance through the department who are required to obtain
9 substance use disorder treatment as a condition of eligibility for
10 public assistance.

11 Sec. 911. (1) The department shall ensure that each contract
12 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
13 programs to encourage diversion of individuals with serious mental
14 illness, serious emotional disturbance, or developmental disability
15 from possible jail incarceration when appropriate.

16 (2) Each CMHSP or PIHP shall have jail diversion services and
17 shall work toward establishing working relationships with
18 representative staff of local law enforcement agencies, including
19 county prosecutors' offices, county sheriffs' offices, county
20 jails, municipal police agencies, municipal detention facilities,
21 and the courts. Written interagency agreements describing what
22 services each participating agency is prepared to commit to the
23 local jail diversion effort and the procedures to be used by local
24 law enforcement agencies to access mental health jail diversion
25 services are strongly encouraged.

26 Sec. 912. The department shall contract directly with the
27 Salvation Army Harbor Light program to provide non-Medicaid

1 substance use disorder services if the local coordinating agency or
2 the department confirms the Salvation Army Harbor Light program
3 meets the standard of care. The standard of care shall include, but
4 is not limited to, utilization of the medication assisted treatment
5 option.

6 Sec. 915. (1) By March 1 of the current fiscal year, the
7 department shall report the following information on the mental
8 health and wellness commission to the house and senate
9 appropriations subcommittees on the department budget, the house
10 and senate fiscal agencies, the house and senate policy offices,
11 and the state budget office:

12 (a) Previous fiscal year expenditures by actionable
13 recommendation of the mental health and wellness commission.

14 (b) Programs utilized during the previous fiscal year to
15 address each actionable recommendation of the mental health and
16 wellness commission.

17 (c) Outcomes and performance measures achieved during the
18 previous fiscal year by actionable recommendation of the mental
19 health and wellness commission.

20 (d) Current fiscal year funding by actionable recommendation
21 of the mental health and wellness commission.

22 (e) Current fiscal year funding by program utilized to address
23 each actionable recommendation of the mental health and wellness
24 commission.

25 (2) By April 1 of the current fiscal year, the department
26 shall report on funding within the executive budget proposal for
27 the fiscal year ending September 30, 2021, by actionable

1 recommendation of the mental health and wellness commission to the
2 same report recipients listed in subsection (1).

3 Sec. 918. On or before the twenty-fifth of each month, the
4 department shall report to the senate and house appropriations
5 subcommittees on the department budget, the senate and house fiscal
6 agencies, and the state budget director on the amount of funding
7 paid to PIHPs to support the Medicaid managed mental health care
8 program in the preceding month. The information shall include the
9 total paid to each PIHP, per capita rate paid for each eligibility
10 group for each PIHP, and number of cases in each eligibility group
11 for each PIHP, and year-to-date summary of eligibles and
12 expenditures for the Medicaid managed mental health care program.

13 Sec. 920. (1) As part of the Medicaid rate-setting process for
14 behavioral health services, the department shall work with PIHP
15 network providers and actuaries to include any state and federal
16 wage and compensation increases that directly impact staff who
17 provide Medicaid-funded community living supports, personal care
18 services, respite services, skill-building services, and other
19 similar supports and services as part of the Medicaid rate.

20 (2) It is the intent of the legislature that any increased
21 Medicaid rate related to state minimum wage increases shall also be
22 distributed to direct care employees.

23 Sec. 924. From the funds appropriated in part 1 for autism
24 services, for the purposes of actuarially sound rate certification
25 and approval for Medicaid behavioral health managed care programs,
26 the department shall maintain a fee schedule for autism services
27 reimbursement rates for direct services. Expenditures used for rate

1 setting shall not exceed those identified in the fee schedule. The
2 rates for behavioral technicians shall not be more than \$55.00 per
3 hour.

4 Sec. 926. (1) From the funds appropriated in part 1 for
5 community substance use disorder prevention, education, and
6 treatment, \$500,000.00 is allocated for a specialized substance use
7 disorder detoxification pilot project administered by a 9-1-1
8 service district in conjunction with a substance use and case
9 management provider and at a hospital in a city with a population
10 between 95,000 and 97,000 according to the most recent decennial
11 census within a county with a population of at least 1,500,000
12 according to the most recent decennial census. The hospital must
13 have a wing with at least 10 beds dedicated to stabilizing patients
14 suffering from addiction by providing a specialized trauma
15 therapist as well as a peer support specialist to assist with
16 treatment and counseling.

17 (2) From the funds appropriated in part 1 for community
18 substance use disorder prevention, education, and treatment,
19 \$500,000.00 is allocated for a specialized substance use disorder
20 detoxification pilot project administered by a nonprofit hospital
21 in a city with a population between 185,000 and 190,000 according
22 to the most recent decennial census within a county with a
23 population between 600,000 and 605,000 according to the most recent
24 decennial census. The hospital must have a wing with at least 3
25 beds dedicated to stabilizing patients suffering from addiction by
26 providing a specialized trauma therapist as well as a peer support
27 specialist to assist with treatment and counseling.

1 (3) The substance use and case management providers receiving
2 funds under this section shall collect and submit to the department
3 data on the outcomes of the pilot project throughout the duration
4 of the pilot project and shall provide a report on the pilot
5 project's outcomes to the house and senate appropriations
6 subcommittees on the department budget, the house and senate fiscal
7 agencies, and the state budget office.

8 Sec. 927. The department shall determine what steps are
9 necessary to allow a behavioral health services provider operating
10 in multiple counties to utilize a single audit or consolidate
11 audits, in whole or in part, in order to reduce the administrative
12 and financial burden on both the service provider and the
13 department. The department shall submit a report identifying
14 potential barriers and solutions to the senate and house
15 appropriations subcommittees on the department budget, the senate
16 and house fiscal agencies, the senate and house policy offices, and
17 the state budget office by December 31 of the current fiscal year.

18 Sec. 928. (1) Each PIHP shall provide, from internal
19 resources, local funds to be used as a part of the state match
20 required under the Medicaid program in order to increase capitation
21 rates for PIHPs. These funds shall not include either state funds
22 received by a CMHSP for services provided to non-Medicaid
23 recipients or the state matching portion of the Medicaid capitation
24 payments made to a PIHP.

25 (2) It is the intent of the legislature that any funds that
26 lapse from the funds appropriated in part 1 for Medicaid mental
27 health services shall be redistributed to individual CMHSPs as a

1 reimbursement of local funds on a proportional basis to those
2 CMHSPs whose local funds were used as state Medicaid match. By
3 April 1 of the current fiscal year, the department shall report to
4 the senate and house appropriations subcommittees on the department
5 budget, the senate and house fiscal agencies, the senate and house
6 policy offices, and the state budget office on the lapse by PIHP
7 from the previous fiscal year and the projected lapse by PIHP in
8 the current fiscal year.

9 (3) It is the intent of the legislature that the amount of
10 local funds used in subsection (1) be phased out and offset with
11 state general fund/general purpose revenue in equal amounts over a
12 5-year period.

13 (4) Until the local funds are phased out as described in
14 subsection (3), each PIHP shall not be required to provide local
15 funds, used as part of the state match required under the Medicaid
16 program in order to increase capitation rates for PIHPs, at an
17 amount greater than what each PIHP received from local units of
18 government during the fiscal year ending September 30, 2018 for
19 this purpose.

20 Sec. 935. A county required under the provisions of the mental
21 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
22 matching funds to a CMHSP for mental health services rendered to
23 residents in its jurisdiction shall pay the matching funds in equal
24 installments on not less than a quarterly basis throughout the
25 fiscal year, with the first payment being made by October 1 of the
26 current fiscal year.

27 Sec. 940. (1) According to section 236 of the mental health

1 code, 1974 PA 258, MCL 330.1236, the department shall do both of
2 the following:

3 (a) Review expenditures for each CMHSP to identify CMHSPs with
4 projected allocation surpluses and to identify CMHSPs with
5 projected allocation shortfalls. The department shall encourage the
6 board of a CMHSP with a projected allocation surplus to concur with
7 the department's recommendation to reallocate those funds to CMHSPs
8 with projected allocation shortfalls.

9 (b) Withdraw unspent funds that have been allocated to a CMHSP
10 if other reallocated funds were expended in a manner not provided
11 for in the approved contract, including expending funds on services
12 and programs provided to individuals residing outside of the
13 CMHSP's geographic region.

14 (2) A CMHSP that has its funding allocation transferred out or
15 withdrawn during the current fiscal year as described in subsection
16 (1) is not eligible for any additional funding reallocations during
17 the remainder of the current fiscal year, unless that CMHSP is
18 responding to a public health emergency as determined by the
19 department.

20 (3) CMHSPs shall report to the department on any proposed
21 reallocations described in this section at least 30 days before any
22 reallocations take effect.

23 (4) The department shall notify the chairs of the
24 appropriation subcommittees on the department budget when a request
25 is made and when the department grants approval for reallocation or
26 withdraw as described in subsection (1). By September 30 of the
27 current fiscal year, the department shall provide a report on the

1 amount of funding reallocated or withdrawn to the senate and house
2 appropriations subcommittees on the department budget, the senate
3 and house fiscal agencies, the senate and house policy offices, and
4 the state budget office.

5 Sec. 942. A CMHSP shall provide at least 30 days' notice
6 before reducing, terminating, or suspending services provided by a
7 CMHSP to CMHSP clients, with the exception of services authorized
8 by a physician that no longer meet established criteria for medical
9 necessity.

10 Sec. 950. From the funds appropriated in part 1 for court-
11 appointed guardian reimbursements, the department shall allocate
12 not more than \$2,700,000.00 to reimburse court-appointed public
13 guardians for recipients who also receive CMHSP services at a
14 reimbursement of \$50.00 per month. It is the intent of the
15 legislature that these funds be used in addition to any other funds
16 currently paid to court-appointed public guardians, but a court-
17 appointed public guardian shall not be compensated more than \$83.00
18 per month for any CMHSP eligible recipients regardless of funding
19 source. By September 15 of the current fiscal year, the department
20 shall provide a report to the house and senate appropriations
21 subcommittees on the department budget, the house and senate fiscal
22 agencies, the house and senate policy offices, and the state budget
23 office on the number of court-appointed public guardians who
24 received these funds, the number of court-appointed public
25 guardians who were also reimbursed by the counties, and the per-
26 month reimbursement rates provided by the counties.

27 Sec. 959. (1) The department shall continue to convene a

1 workgroup in collaboration with the chairs of the house and senate
2 appropriations subcommittees on the department budget or their
3 designees, CMHSP members, autism services provider clinical and
4 administrative staff, community members, Medicaid autism services
5 clients, and family members of Medicaid autism services clients to
6 make recommendations to ensure appropriate cost and service
7 provision, including, but not limited to, the following:

8 (a) Ways to prevent fraud and overdiagnosis.

9 (b) Comparison of Medicaid rates for autism services to
10 commercial insurance rates.

11 (c) Comparison of diagnosis process between Medicaid, Tricare,
12 and commercial insurance.

13 (d) Comparison of the state's Medicaid autism benefit to
14 current best practices in autism treatment.

15 (e) Comparison of the state's autism applied behavior analysis
16 (ABA) outcomes with other states. Outcomes to be compared must
17 include, but are not limited to, the following:

18 (i) Number of children enrolled in ABA therapy.

19 (ii) Number of children enrolled in non-ABA interventions.

20 (iii) ABA benefit utilization and cost per child.

21 (iv) Average length of time children enrolled in ABA therapy
22 receive ABA therapy.

23 (v) Short- and long-term outcomes for children enrolled in
24 both ABA therapy and non-ABA interventions.

25 (f) Evaluation of the diagnostic and outcome factors cited by
26 the autism diagnostic and therapy recommendation pilot project
27 described in section 458 of 2018 PA 618.

1 (2) By March 1 of the current fiscal year, the department
2 shall provide an update on the workgroup's recommendations to the
3 senate and house appropriations subcommittees on the department
4 budget, the senate and house fiscal agencies, and the state budget
5 office.

6 Sec. 960. (1) From the funds appropriated in part 1 for autism
7 services, the department shall continue to cover all Medicaid
8 autism services to Medicaid enrollees eligible for the services
9 that were covered on January 1, 2019.

10 (2) To restrain cost increases in the autism services line
11 item, the department shall do all of the following:

12 (a) Develop and implement specific written guidance for
13 standardization of Medicaid PIHPs and CMHSPs autism spectrum
14 disorder administrative services, including, but not limited to,
15 reporting requirements, coding, and reciprocity of credentialing
16 and training between PIHPs and CMHSPs to reduce administrative
17 duplication at the PIHP, CMHSP, and service provider levels.

18 (b) Develop and implement recommended autism diagnosis
19 improvements as determined by the study required under section 458
20 of 2018 PA 618 to provide for fidelity reviews and secondary
21 approvals of diagnostic and therapy recommendations for children
22 receiving Medicaid who are evaluated for autism services. The
23 department must consider the following when developing their
24 recommendations:

25 (i) Requiring consultation with the client's diagnostician and
26 CMHSP to approve the client's ongoing therapy every 6 months if the
27 initial treatment would cost more than a monthly threshold amount

1 to be specified by the department.

2 (ii) Limiting the authority to perform a diagnostic evaluation
3 for Medicaid autism services to qualified licensed practitioners.

4 Qualified licensed practitioners are limited to the following:

5 (A) A physician with a specialty in psychiatry or neurology.

6 (B) A physician with a subspecialty in developmental
7 pediatrics, development-behavioral pediatrics, or a related
8 discipline.

9 (C) A physician with a specialty in pediatrics or other
10 appropriate specialty with training, experience, or expertise in
11 autism spectrum disorders or behavioral health.

12 (D) A psychologist with a specialty in clinical child
13 psychology, behavioral and cognitive psychology, or clinical
14 neuropsychology, or other appropriate specialty with training,
15 experience, or expertise in autism spectrum disorders or behavioral
16 health.

17 (E) A clinical social worker working within his or her scope
18 of practice who is qualified and experienced in diagnosing autism
19 spectrum disorders.

20 (F) An advanced practice registered nurse with training,
21 experience, or expertise in autism spectrum disorders or behavioral
22 health.

23 (G) A physician assistant with training, experience, or
24 expertise in autism spectrum disorders or behavioral health.

25 (iii) Requiring that diagnoses made by a clinical social
26 worker must be approved by another qualified licensed practitioner
27 who is not a clinical social worker.

1 (iv) Requiring that a client whose initial diagnosis was
2 performed by a nurse practitioner or a clinical social worker and
3 who requires at least 20 hours a week of therapy must go through a
4 rediagnosis by a multidisciplinary team.

5 (v) Prohibiting CMHSPs from allowing specific providers to
6 provide both diagnosis and treatment services to individual
7 clients.

8 (c) Coordinate with the department of insurance and financial
9 services oversight for compliance with the Paul Wellstone and Pete
10 Domenici mental health parity and addiction equity act of 2008,
11 Public Law 110-343, as it relates to autism spectrum disorder
12 services, to ensure appropriate cost sharing between public and
13 private payers.

14 (3) By March 1 of the current fiscal year, the department
15 shall identify a definition of administrative costs for the
16 Medicaid autism benefit and report to the senate and house
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, the senate and house policy offices, and
19 the state budget office on what the definition of administrative
20 costs for the Medicaid autism benefit is; total autism services
21 spending broken down by PIHP, and CMHSP for the previous fiscal
22 year and current fiscal year; and total administrative costs broken
23 down by PIHP, CMHSP, and type of administrative cost for the
24 previous fiscal year and current fiscal year.

25 Sec. 961. From the funds appropriated in part 1 for behavioral
26 health program administration, the department shall allocate
27 \$150,000.00 to administer an electronic inpatient psychiatric bed

1 registry consistent with the requirements in section 151 of the
2 mental health code, 1974 PA 258, MCL 330.1151.

3 Sec. 962. For the purposes of special projects involving high-
4 need children or adults, including the not guilty by reason of
5 insanity population, the department may contract directly with
6 providers of services to these identified populations.

7 Sec. 963. From the funds appropriated in part 1 for court-
8 ordered assisted outpatient treatment, up to \$1,000,000.00 shall be
9 allocated to address the implementation of court-ordered assisted
10 outpatient treatment as provided under chapter 4 of the mental
11 health code, 1974 PA 258, MCL 330.1400 to 330.1490.

12 Sec. 964. The department shall develop and implement a
13 standardized fee schedule for all required Medicaid behavioral
14 health services by January 1 of the current fiscal year. The
15 department shall also develop and implement necessary adequacy
16 standards for use in all contracts with PIHPs and CMHSPs.

17 Sec. 965. The department shall explore requiring that CMHSPs
18 reimburse medication assisted treatment providers no less than
19 \$12.00 per dose, and reimburse drug screen collection at no less
20 than \$12.00 per manual screen.

21 Sec. 970. The department shall maintain the policies in effect
22 on October 1, 2018 for the federal home and community-based
23 services rule as it relates to skill building assistance services.
24 The skill building assistance services shall remain eligible for
25 federal match until March 17, 2022 as stated in the CMS
26 informational bulletin dated May 9, 2017. From the funds
27 appropriated in part 1, the department shall continue to seek

1 federal matching funds for skill building assistance services.

2 Sec. 972. From the funds appropriated in part 1 for behavioral
3 health program administration, the department shall allocate
4 \$2,000,000.00 general fund/general purpose revenue and any
5 associated federal revenue to contract for the development,
6 operation, and maintenance of a Michigan community, access,
7 resources, education, and safety (CARES) hotline consistent with
8 the requirements in section 165 of the mental health code, 1974 PA
9 258, MCL 330.1165. It is the intent of the legislature that this
10 hotline would be available to all residents of this state,
11 including those residing in rural communities.

12 Sec. 973. By May 1 of the current fiscal year, the department
13 shall provide a report to the house and senate appropriations
14 subcommittees on the department budget, the house and senate fiscal
15 agencies, the house and senate policy offices, and the state budget
16 office on evidence-based medically supported protocols for
17 initiation and withdrawal or detoxification from all treatments
18 medically approved by the United States Food and Drug
19 Administration for substance use disorders. The report shall
20 include, but is not limited to, the following:

21 (a) The percentage of patients on treatments medically
22 approved by the United State Food and Drug Administration for
23 substance use disorders that are transitioned to a comprehensive
24 relapse prevention program that includes a monthly extended-release
25 injectable medication assisted treatment.

26 (b) Outcomes of different types of comprehensive management
27 programs utilized for all treatments medically approved by the

1 United States Food and Drug Administration for substance use
2 disorders.

3 (c) Outcomes of different types of evidence-based medically
4 supported protocols for withdrawal or detoxification for all
5 treatments medically approved by the United States Food and Drug
6 Administration, including a monthly extended-release injectable
7 medication-assisted treatment, including instances of patient
8 deaths from overdose that occur within 1 year after the completion
9 of evidence-based medically supported protocols for withdrawal or
10 detoxification.

11 (d) Whether the department recommends changes in how the
12 department administers, whether directly or through the PIHPs,
13 comprehensive evidence-based treatment protocols for all treatments
14 medically approved by the United States Food and Drug
15 Administration for substance use disorders.

16 Sec. 974. The department and PIHPs may allow an individual
17 with an intellectual or developmental disability who receives
18 supports and services from a CMHSP to instead receive supports and
19 services from another provider if the individual shows that he or
20 she is eligible and qualified to receive supports and services from
21 another provider. Other providers may include, but are not limited
22 to, MIChoice and program of all-inclusive care for the elderly
23 (PACE).

24 Sec. 977. From the funds appropriated in part 1 for community
25 substance use disorder prevention, education, and treatment,
26 \$600,000.00 of federal state response to the opioid crisis grant
27 revenue is allocated as grants to high schools specifically

1 designated for students recovering from a substance use disorder to
2 support the costs of counselors, therapeutic staff, and recovery
3 coaching staff, with a priority placed on the cost of substance use
4 disorder counselors. Each grant shall not exceed \$150,000.00 per
5 high school.

6 Sec. 978. From the funds appropriated in part 1 for community
7 substance use disorder prevention, education, and treatment, the
8 department shall allocate \$600,000.00 of federal state response to
9 the opioid crisis grant revenue to create a competitive grant for
10 recovery community organizations to offer or expand recovery
11 support center services or recovery community center services to
12 individuals seeking long-term recovery from substance use
13 disorders. An organization may not receive a grant in excess of
14 \$150,000.00. In awarding grants, priority shall be placed on
15 recovery community organizations that do the following:

16 (a) Provide recovery support navigation that includes the
17 following:

18 (i) Multiple recovery pathways.

19 (ii) Assisting individuals navigate recovery resources such as
20 detoxification, treatment, recovery housing, support groups, peer
21 support, and family support.

22 (iii) The promotion of community wellness and engagement.

23 (iv) Recovery advocacy that provides hope and encourages
24 recovery.

25 (v) A peer-led, peer-driven organization that offers recovery
26 to any individual seeking recovery from addiction.

27 (b) Provide recovery outreach education that includes the

1 following:

2 (i) On-site recovery education in the workplace.

3 (ii) All staff employee meetings.

4 (iii) On-site support for employees and family members.

5 (iv) Connections for employees and family members of employees
6 suffering from addiction to local recovery resources such as
7 treatment, recovery housing, and support groups.

8 (v) Connections with employers to provide recovery advocacy.

9 (c) Provide recovery activities and events that include the
10 following:

11 (i) Safe, ongoing recovery activities and events.

12 (ii) Opportunities to volunteer and participate in activities
13 and events.

14 (iii) Opportunities for family members and supporters of
15 recovery to be involved.

16 (iv) Meetings and activities on nutrition, health, and
17 wellness.

18 (v) Meetings and activities on mindfulness, meditation, and
19 yoga.

20 Sec. 979. The department shall review the feasibility of
21 utilizing Medicaid funding for services provided at adult
22 psychiatric residential treatment facilities. By March 1 of the
23 current fiscal year, the department shall report its findings to
24 the house and senate appropriations subcommittees on the department
25 budget, the house and senate fiscal agencies, the house and senate
26 policy offices, and the state budget office.

27 Sec. 994. (1) By January 1 of the current fiscal year, the

1 department shall seek, if necessary, federal approval through
2 either a waiver request or state plan amendment to allow a CMHSP,
3 PIHP, or subcontracting provider agency that is reviewed and
4 accredited by a national accrediting entity for behavioral health
5 care services to be considered in compliance with state program
6 review and audit requirements that are addressed and reviewed by
7 that national accrediting entity.

8 (2) By April 1 of the current fiscal year, the department
9 shall report to the house and senate appropriations subcommittees
10 on the department budget, the house and senate fiscal agencies, and
11 the state budget office all of the following:

12 (a) The status of the federal approval process required in
13 subsection (1).

14 (b) A list of each CMHSP, PIHP, and subcontracting provider
15 agency that is considered to be in compliance with state program
16 review and audit requirements under subsection (1).

17 (c) For each CMHSP, PIHP, or subcontracting provider agency
18 described in subdivision (b), both of the following:

19 (i) The state program review and audit requirements that the
20 CMHSP, PIHP, or subcontracting provider agency is considered to be
21 in compliance with.

22 (ii) The national accrediting entity that reviewed and
23 accredited the CMHSP, PIHP, or subcontracting provider agency.

24 (3) The department shall continue to comply with state and
25 federal law and shall not initiate an action that negatively
26 impacts beneficiary safety. Any cost savings attributed to this
27 action shall be reinvested back into services.

1 (4) As used in this section, "national accrediting entity"
2 means the Joint Commission, formerly known as the Joint Commission
3 on Accreditation of Healthcare Organizations, the Commission on
4 Accreditation of Rehabilitation Facilities, the Council on
5 Accreditation, the URAC, formerly known as the Utilization Review
6 Accreditation Commission, the National Committee for Quality
7 Assurance, or another appropriate entity, as approved by the
8 department.

9 Sec. 995. From the funds appropriated in part 1 for mental
10 health diversion council, \$4,350,000.00 is intended to address the
11 recommendations of the mental health diversion council.

12 Sec. 996. From the funds appropriated in part 1 for family
13 support subsidy, the department shall make monthly payments of
14 \$229.31 to the parents or legal guardians of children approved for
15 the family support subsidy by a CMHSP.

16 Sec. 997. The population data used in determining the
17 distribution of substance use disorder block grant funds shall be
18 from the most recent federal census.

19 Sec. 998. For distribution of state general funds to CMHSPs,
20 if the department decides to use census data, the department shall
21 use the most recent federal census data available.

22 Sec. 999. Within 30 days after the completion of a statewide
23 PIHP reimbursement audit, the department shall provide the audit
24 report to the house and senate appropriations subcommittees on the
25 department budget, the house and senate fiscal agencies, the house
26 and senate policy offices, and the state budget office.

1 **BEHAVIORAL HEALTH SERVICES**

2 Sec. 1001. By December 31 of the current fiscal year, each
3 CMHSP shall submit a report to the department that identifies
4 populations being served by the CMHSP broken down by program
5 eligibility category. The report shall also include the percentage
6 of the operational budget that is related to program eligibility
7 enrollment. By February 15 of the current fiscal year, the
8 department shall submit the report described in this section to the
9 senate and house appropriations subcommittees on the department
10 budget, the senate and house fiscal agencies, the senate and house
11 policy offices, and the state budget office.

12 Sec. 1003. The department shall notify the Community Mental
13 Health Association of Michigan when developing policies and
14 procedures that will impact PIHPs or CMHSPs.

15 Sec. 1004. The department shall provide the senate and house
16 appropriations subcommittees on the department budget, the senate
17 and house fiscal agencies, and the state budget office any rebased
18 formula changes to either Medicaid behavioral health services or
19 non-Medicaid mental health services 90 days before implementation.
20 The notification shall include a table showing the changes in
21 funding allocation by PIHP for Medicaid behavioral health services
22 or by CMHSP for non-Medicaid mental health services.

23 Sec. 1008. PIHPs and CMHSPs shall do all of the following:

24 (a) Work to reduce administration costs by ensuring that PIHP
25 and CMHSP responsible functions are efficient in allowing optimal
26 transition of dollars to those direct services considered most
27 effective in assisting individuals served. Any consolidation of

1 administrative functions must demonstrate, by independent analysis,
2 a reduction in dollars spent on administration resulting in greater
3 dollars spent on direct services. Savings resulting from increased
4 efficiencies shall not be applied to PIHP and CMHSP net assets,
5 internal service fund increases, building costs, increases in the
6 number of PIHP and CMHSP personnel, or other areas not directly
7 related to the delivery of improved services.

8 (b) Take an active role in managing mental health care by
9 ensuring consistent and high-quality service delivery throughout
10 its network and promote a conflict-free care management
11 environment.

12 (c) Ensure that direct service rate variances are related to
13 the level of need or other quantifiable measures to ensure that the
14 most money possible reaches direct services.

15 (d) Whenever possible, promote fair and adequate direct care
16 reimbursement, including fair wages for direct service workers.

17 Sec. 1009. (1) From the funds appropriated in part 1 for
18 Medicaid mental health services and Healthy Michigan plan -
19 behavioral health, the department shall maintain the hourly wage
20 for direct care workers from the previous fiscal year. Funds
21 provided in this section must be utilized by a PIHP to maintain the
22 wage increase for direct care worker wages, for the employer's
23 share of federal insurance contributions act costs, purchasing
24 worker's compensation insurance, or the employer's share of
25 unemployment costs.

26 (2) Each PIHP shall report to the department by February 1 of
27 the current fiscal year the range of wages paid to direct care

workers, including information on the number of direct care workers at each wage level.

(3) The department shall report the information required to be reported according to subsection (2) to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year.

Sec. 1010. The funds appropriated in part 1 for behavioral health community supports and services must be used to expand assertive community treatment (ACT), forensic assertive community treatment (FACT), and supportive housing and residential programs for the purpose of reducing waiting lists at state-operated hospitals and centers through cost-effective community-based services.

STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Sec. 1051. The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are inactive. A portion of revenues collected through project efforts may be used for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.

Sec. 1052. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be

1 consistent with the stipulation of the donor. The expected
2 completion date for the use of gifts and bequests donations is
3 within 3 years unless otherwise stipulated by the donor.

4 Sec. 1053. The funds appropriated in part 1 for behavioral
5 health facility contingency are not available for expenditure until
6 they have been transferred to another line item in part 1 under
7 section 393(2) of the management and budget act, 1984 PA 431, MCL
8 18.1393.

9 Sec. 1055. (1) The department shall not implement any closures
10 or consolidations of state hospitals, centers, or agencies until
11 CMHSPs or PIHPs have programs and services in place for those
12 individuals currently in those facilities and a plan for service
13 provision for those individuals who would have been admitted to
14 those facilities.

15 (2) All closures or consolidations are dependent upon adequate
16 department-approved CMHSP and PIHP plans that include a discharge
17 and aftercare plan for each individual currently in the facility. A
18 discharge and aftercare plan shall address the individual's housing
19 needs. A homeless shelter or similar temporary shelter arrangements
20 are inadequate to meet the individual's housing needs.

21 (3) Four months after the certification of closure required in
22 section 19(6) of the state employees' retirement act, 1943 PA 240,
23 MCL 38.19, the department shall provide a closure plan to the house
24 and senate appropriations subcommittees on the department budget
25 and the state budget director.

26 (4) Upon the closure of state-run operations and after
27 transitional costs have been paid, the remaining balances of funds

1 appropriated for that operation shall be transferred to CMHSPs or
2 PIHPs responsible for providing services for individuals previously
3 served by the operations.

4 Sec. 1056. The department may collect revenue for patient
5 reimbursement from first- and third-party payers, including
6 Medicaid and local county CMHSP payers, to cover the cost of
7 placement in state hospitals and centers. The department is
8 authorized to adjust financing sources for patient reimbursement
9 based on actual revenues earned. If the revenue collected exceeds
10 current year expenditures, the revenue may be carried forward with
11 approval of the state budget director. The revenue carried forward
12 shall be used as a first source of funds in the subsequent year.

13 Sec. 1057. From the funds appropriated in part 1 for Kalamazoo
14 Psychiatric Hospital, the department shall appropriate
15 \$1,000,000.00 to hire additional staff at the Kalamazoo Psychiatric
16 Hospital.

17 Sec. 1058. Effective October 1 of the current fiscal year, the
18 department, in consultation with the department of technology,
19 management, and budget, may maintain a bid process to identify 1 or
20 more private contractors to provide food service and custodial
21 services for the administrative areas at any state hospital
22 identified by the department as capable of generating savings
23 through the outsourcing of such services.

24 Sec. 1059. (1) The department shall identify specific outcomes
25 and performance measures for state-operated hospitals and centers,
26 including, but not limited to, the following:

27 (a) The average wait time for persons determined incompetent

1 to stand trial before admission to the center for forensic
2 psychiatry.

3 (b) The average wait time for persons determined incompetent
4 to stand trial before admission to other state-operated psychiatric
5 facilities.

6 (c) The number of persons waiting to receive services at the
7 center for forensic psychiatry.

8 (d) The number of persons waiting to receive services at other
9 state-operated hospitals and centers.

10 (e) The number of persons determined not guilty by reason of
11 insanity or incompetent to stand trial by an order of a probate
12 court that have been determined to be ready for discharge to the
13 community, and the average wait time between being determined to be
14 ready for discharge to the community and actual community
15 placement.

16 (f) The number of persons denied services at the center for
17 forensic psychiatry.

18 (g) The number of person denied services at other state-
19 operated hospitals and centers.

20 (2) By March 1 of the current fiscal year, the department
21 shall report to the house and senate appropriations subcommittees
22 on the department budget, the house and senate fiscal agencies, the
23 house and senate policy offices, and the state budget office on the
24 outcomes and performance measures in subsection (1).

25 Sec. 1060. (1) The department shall continue to convene a
26 workgroup that meets at least quarterly in collaboration with the
27 chairs of the house and senate appropriations subcommittees on the

1 department budget or their designees, labor union representation,
2 civil service, and any other appropriate parties to recommend
3 solutions to address mandatory overtime, staff turnover, and staff
4 retention at the state psychiatric hospitals and centers,
5 including, but not limited to, permitting retired workers to
6 return, permitting 12-hour shifts, and permitting hiring of part-
7 time workers.

8 (2) By March 1 of the current fiscal year, the department
9 shall provide a status update on the department's implementation of
10 the workgroup's recommendations to the senate and house
11 appropriations subcommittees on the department budget, the senate
12 and house fiscal agencies, and the state budget office. The report
13 shall include, but is not limited to, the following:

14 (a) Descriptions of the measures being implemented.

15 (b) Descriptions of the measures not being implemented and
16 barriers preventing implementation.

17 (c) The number of direct care and clinical staff positions
18 that are currently vacant by hospital.

19 (d) A breakdown of voluntary and mandatory overtime hours
20 worked by position and by hospital.

21 (e) The ranges of wages paid by position and by hospital.

22 Sec. 1061. The funds appropriated in part 1 for Caro Regional
23 Mental Health Center shall only be utilized to support a
24 psychiatric hospital located at its current location. It is the
25 intent of the legislature that the Caro Regional Mental Health
26 Center shall remain open and operational at its current location on
27 an ongoing basis. Capital outlay funding shall be utilized for

1 planning and construction of a new or updated facility at the
2 current location instead of at a new location.

3 **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

4 Sec. 1140. From the funds appropriated in part 1 for primary
5 care services, \$400,000.00 shall be allocated to free health
6 clinics operating in the state. The department shall distribute the
7 funds equally to each free health clinic. For the purpose of this
8 appropriation, "free health clinics" means nonprofit organizations
9 that use volunteer health professionals to provide care to
10 uninsured individuals.

11 Sec. 1141. From the funds appropriated in part 1 for Michigan
12 essential health provider, \$1,000,000.00 of general fund/general
13 purpose revenue shall be appropriated to assist in the repayment of
14 a medical education loan for a participating physician who enters
15 into a contract to work with an employer for no less than 2 years
16 in a federally designated health provider shortage area with a
17 population no greater than 40,000 according to the most recent
18 decennial census.

19 Sec. 1142. The department shall continue to seek means to
20 increase retention of Michigan medical school students for
21 completion of their primary care residency requirements within this
22 state and ultimately, for some period of time, to remain in this
23 state and serve as primary care physicians. The department is
24 encouraged to work with Michigan institutions of higher education.

25 Sec. 1143. From the funds appropriated in part 1 for primary
26 care services, the department shall allocate no less than

1 \$675,000.00 for island primary health care access and services
2 including island clinics, in the following amounts:

3 (a) Beaver Island, \$250,000.00.

4 (b) Mackinac Island, \$250,000.00.

5 (c) Drummond Island, \$150,000.00.

6 (d) Bois Blanc Island, \$25,000.00.

7 Sec. 1144. (1) From the funds appropriated in part 1 for
8 health policy administration, the department shall allocate the
9 federal state innovation model grant funding that supports
10 implementation of the health delivery system innovations detailed
11 in this state's "Reinventing Michigan's Health Care System:
12 Blueprint for Health Innovation" document. This initiative will
13 test new payment methodologies, support improved population health
14 outcomes, and support improved infrastructure for technology and
15 data sharing and reporting. The funds will be used to provide
16 financial support directly to regions participating in the model
17 test and to support statewide stakeholder guidance and technical
18 support.

19 (2) Outcomes and performance measures for the initiative under
20 subsection (1) include, but are not limited to, the following:

21 (a) Increasing the number of physician practices fulfilling
22 patient-centered medical home functions.

23 (b) Reducing inappropriate health utilization, specifically
24 reducing preventable emergency department visits, reducing the
25 proportion of hospitalizations for ambulatory sensitive conditions,
26 and reducing this state's 30-day hospital readmission rate.

27 (3) On a semiannual basis, the department shall submit a

1 written report to the house and senate appropriations subcommittees
2 on the department budget, the house and senate fiscal agencies, and
3 the state budget office on the status of the program and progress
4 made since the prior report.

5 (4) From the funds appropriated in part 1 for health policy
6 administration, any data aggregator created as part of the
7 allocation of the federal state innovation model grant funds must
8 meet the following standards:

9 (a) The primary purpose of the data aggregator must be to
10 increase the quality of health care delivered in this state, while
11 reducing costs.

12 (b) The data aggregator must be governed by a nonprofit
13 entity.

14 (c) All decisions regarding the establishment, administration,
15 and modification of the database must be made by an advisory board.
16 The membership of the advisory board must include the director of
17 the department or a designee of the director and representatives of
18 health carriers, consumers, and purchasers.

19 (d) The Michigan Data Collaborative shall be the data
20 aggregator to receive health care claims information from, without
21 limitation, commercial health carriers, nonprofit health care
22 corporations, health maintenance organizations, and third party
23 administrators that process claims under a service contract.

24 (e) The data aggregator must use existing data sources and
25 technological infrastructure, to the extent possible.

26 Sec. 1145. The department will take steps necessary to work
27 with Indian Health Service, tribal health program facilities, or

1 Urban Indian Health Program facilities that provide services under
2 a contract with a Medicaid managed care entity to ensure that those
3 facilities receive the maximum amount allowable under federal law
4 for Medicaid services.

5 Sec. 1150. The department shall coordinate with the department
6 of licensing and regulatory affairs, the department of the attorney
7 general, all appropriate law enforcement agencies, and the Medicaid
8 health plans to reduce fraud related to opioid prescribing within
9 Medicaid, and to address other appropriate recommendations of the
10 prescription drug and opioid abuse task force outlined in its
11 report of October 2015. By October 1 of the current fiscal year,
12 the department shall submit a report to the senate and house
13 appropriations subcommittees on the department budget, the senate
14 and house fiscal agencies, the senate and house policy offices, and
15 the state budget office on steps the department has taken to
16 coordinate with the entities listed in this section and other
17 stakeholders to reduce fraud related to opioid prescribing, and to
18 address other appropriate recommendations of the task force.

19 Sec. 1151. The department shall coordinate with the department
20 of licensing and regulatory affairs, the department of the attorney
21 general, all appropriate law enforcement agencies, and the Medicaid
22 health plans to work with local substance use disorder agencies and
23 addiction treatment providers to help inform Medicaid beneficiaries
24 of all medically appropriate treatment options for opioid addiction
25 when their treating physician stops prescribing prescription opioid
26 medication for pain, and to address other appropriate
27 recommendations of the prescription drug and opioid abuse task

1 force outlined in its report of October 2015. By October 1 of the
2 current fiscal year, the department shall submit a report to the
3 senate and house appropriations subcommittees on the department
4 budget, the senate and house fiscal agencies, the senate and house
5 policy offices, and the state budget office on how the department
6 is working with local substance use disorder agencies and addiction
7 treatment providers to ensure that Medicaid beneficiaries are
8 informed of all available and medically appropriate treatment
9 options for opioid addiction when their treating physician stops
10 prescribing prescription opioid medication for pain, and to address
11 other appropriate recommendations of the task force. The report
12 shall include any potential barriers to medication-assisted
13 treatment, as recommended by the Michigan medication-assisted
14 treatment guidelines, for Medicaid beneficiaries in both office-
15 based opioid treatment and opioid treatment program facility
16 settings.

17 Sec. 1152. The Michigan rehabilitation services shall work
18 collaboratively with the bureau of services for blind persons,
19 service organizations, and government entities to identify
20 qualified match dollars to maximize use of available federal
21 vocational rehabilitation funds.

22 Sec. 1153. The department shall provide an annual report by
23 February 1 to the house and senate appropriations subcommittees on
24 the department budget, the house and senate fiscal agencies, the
25 house and senate policy offices, and the state budget office on
26 efforts taken to improve the Michigan rehabilitation services. The
27 report shall include all of the following items:

1 (a) Reductions and changes in administration costs and
2 staffing.

3 (b) Service delivery plans and implementation steps achieved.

4 (c) Reorganization plans and implementation steps achieved.

5 (d) Plans to integrate Michigan rehabilitative services
6 programs into other services provided by the department.

7 (e) Quarterly expenditures by major spending category.

8 (f) Employment and job retention rates from both Michigan
9 rehabilitation services and its nonprofit partners.

10 (g) Success rate of each district in achieving the program
11 goals.

12 Sec. 1154. (1) From the funds appropriated in part 1 for
13 Michigan rehabilitation services, the department shall allocate
14 \$50,000.00 along with available federal match to support the
15 provision of vocational rehabilitation services to eligible
16 agricultural workers with disabilities. Authorized services shall
17 assist agricultural workers with disabilities in acquiring or
18 maintaining quality employment and independence.

19 (2) By March 1 of the current fiscal year, the department
20 shall report to the senate and house appropriations subcommittees
21 on the department budget, the senate and house fiscal agencies, the
22 senate and house policy offices, and the state budget office on the
23 total number of clients served and the total amount of federal
24 matching funds obtained throughout the duration of the program.

25 Sec. 1155. (1) It is the intent of the legislature that
26 Michigan rehabilitation services shall not implement an order of
27 selection for vocational and rehabilitative services. If the

1 department is at risk of entering into an order of selection for
2 services, the department shall notify the chairs of the senate and
3 house appropriations subcommittees on the department budget and the
4 senate and house fiscal agencies and policy offices within 2 weeks
5 of receiving notification.

6 (2) It is the intent of the legislature that the department
7 coordinate with Michigan rehabilitation services, Michigan Works!,
8 local technological and trade schools and programs, local community
9 mental health offices, and other local entities, public and
10 private, in order to fully utilize open Michigan rehabilitation
11 services programming space, regardless of eligibility criteria.

12 Sec. 1156. From the funds appropriated in part 1 for Michigan
13 rehabilitation services, the department shall allocate
14 \$6,100,300.00, including federal matching funds, to service
15 authorizations with community-based rehabilitation organizations
16 for an array of needed services throughout the rehabilitation
17 process.

18 Sec. 1158. (1) Funds appropriated in part 1 for independent
19 living shall be used to support the general operations of centers
20 for independent living in delivering mandated independent living
21 services in compliance with federal rules and regulations for the
22 centers, by existing centers for independent living to serve
23 underserved areas, and for projects to build the capacity of
24 centers for independent living to deliver independent living
25 services. Applications for the funds shall be reviewed in
26 accordance with criteria and procedures established by the
27 department. The funds appropriated in part 1 may be used to

1 leverage federal vocational rehabilitation funds up to
2 \$5,543,000.00, if available. If the possibility of matching federal
3 funds exists, the centers for independent living network will
4 negotiate a mutually beneficial cooperative agreement with Michigan
5 rehabilitation services. Funds shall be used in a manner consistent
6 with the state plan for independent living. Services provided
7 should assist people with disabilities to move toward self-
8 sufficiency, including support for accessing transportation and
9 health care, obtaining employment, community living, nursing home
10 transition, information and referral services, education, youth
11 transition services, veterans, and stigma reduction activities and
12 community education. This includes the independent living guide
13 services that specifically focus on economic self-sufficiency.

14 (2) The Michigan centers for independent living shall provide
15 a report by March 1 of the current fiscal year to the house and
16 senate appropriations subcommittees on the department budget, the
17 house and senate fiscal agencies, the house and senate policy
18 offices, and the state budget office on direct customer and system
19 outcomes and performance measures.

20 **EPIDEMIOLOGY AND POPULATION HEALTH**

21 Sec. 1180. From the funds appropriated in part 1 for
22 epidemiology administration and for childhood lead program, the
23 department shall maintain a public health drinking water unit and
24 maintain enhanced efforts to monitor child blood lead levels. The
25 public health drinking water unit shall ensure that appropriate
26 investigations of potential health hazards occur for all community

1 and noncommunity drinking water supplies where chemical exceedances
2 of action levels, health advisory levels, or maximum contaminant
3 limits are identified. The goals of the childhood lead program
4 shall include improving the identification of affected children,
5 the timeliness of case follow-up, and attainment of nurse care
6 management for children with lead exposure, and to achieve a long-
7 term reduction in the percentage of children in this state with
8 elevated blood lead levels.

9 Sec. 1181. From the funds appropriated in part 1 for
10 epidemiology administration, the department shall maintain a vapor
11 intrusion response unit. The vapor intrusion response unit shall
12 assess risks to public health at vapor intrusion sites and respond
13 to vapor intrusion risks where appropriate. The goals of the vapor
14 intrusion response unit shall include reducing the number of
15 residents of this state exposed to toxic substances through vapor
16 intrusion and improving health outcomes for individuals that are
17 identified as having been exposed to vapor intrusion.

18 Sec. 1182. (1) From the funds appropriated in part 1 for the
19 healthy homes program, no less than \$4,607,400.00 of general
20 fund/general purpose funds and \$20,942,600.00 of federal funds
21 shall be allocated for lead abatement of homes.

22 (2) By January 1 of the current fiscal year, the department
23 shall provide a report to the house and senate appropriations
24 subcommittees on the department budget, the house and senate fiscal
25 agencies, and the state budget office on the expenditures and
26 activities undertaken by the lead abatement program in the previous
27 fiscal year from the funds appropriated in part 1 for the healthy

1 homes program. The report shall include, but is not limited to, a
2 funding allocation schedule, expenditures by category of
3 expenditure and by subcontractor, revenues received, description of
4 program elements, and description of program accomplishments and
5 progress.

6 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

7 Sec. 1220. The amount appropriated in part 1 for
8 implementation of the 1993 additions of or amendments to sections
9 9161, 16221, 16226, 17014, 17015, and 17515 of the public health
10 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
11 333.17015, and 333.17515, shall be used to reimburse local health
12 departments for costs incurred related to implementation of section
13 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

14 Sec. 1221. If a county that has participated in a district
15 health department or an associated arrangement with other local
16 health departments takes action to cease to participate in such an
17 arrangement after October 1 of the current fiscal year, the
18 department shall have the authority to assess a penalty from the
19 local health department's operational accounts in an amount equal
20 to no more than 6.25% of the local health department's essential
21 local public health services funding. This penalty shall only be
22 assessed to the local county that requests the dissolution of the
23 health department.

24 Sec. 1222. (1) Funds appropriated in part 1 for essential
25 local public health services shall be prospectively allocated to
26 local health departments to support immunizations, infectious

1 disease control, sexually transmitted disease control and
2 prevention, hearing screening, vision services, food protection,
3 public water supply, private groundwater supply, and on-site sewage
4 management. Food protection shall be provided in consultation with
5 the department of agriculture and rural development. Public water
6 supply, private groundwater supply, and on-site sewage management
7 shall be provided in consultation with the department of
8 environment, Great Lakes, and energy.

9 (2) Local public health departments shall be held to
10 contractual standards for the services in subsection (1).

11 (3) Distributions in subsection (1) shall be made only to
12 counties that maintain local spending in the current fiscal year of
13 at least the amount expended in fiscal year 1992-1993 for the
14 services described in subsection (1).

15 (4) By December 1 of the current fiscal year, the department
16 shall provide a report to the house and senate appropriations
17 subcommittees on the department budget, the house and senate fiscal
18 agencies, and the state budget director on the planned allocation
19 of the funds appropriated for essential local public health
20 services.

21 Sec. 1225. The department shall work with the Michigan health
22 endowment fund corporation established under section 653 of the
23 nonprofit health care corporation reform act, 1980 PA 350, MCL
24 550.1653, to explore ways to fund and evaluate current and future
25 policies and programs.

26 Sec. 1226. From the funds appropriated in part 1 for chronic
27 disease control and health promotion administration, \$1,000,000.00

1 shall be allocated for a school children's healthy exercise program
2 to promote and advance physical health for school children in
3 kindergarten through grade 8. The department shall recommend model
4 programs for sites to implement that incorporate evidence-based
5 best practices. The department shall grant no less than 1/2 of the
6 funds appropriated in part 1 for before- and after-school programs.
7 The department shall establish guidelines for program sites, which
8 may include schools, community-based organizations, private
9 facilities, recreation centers, or other similar sites. The program
10 format shall encourage local determination of site activities and
11 shall encourage local inclusion of youth in the decision-making
12 regarding site activities. Program goals shall include children
13 experiencing improved physical health and access to physical
14 activity opportunities, the reduction of obesity, providing a safe
15 place to play and exercise, and nutrition education. To be eligible
16 to participate, program sites shall provide a 20% match to the
17 state funding, which may be provided in full, or in part, by a
18 corporation, foundation, or private partner. The department shall
19 seek financial support from corporate, foundation, or other private
20 partners for the program or for individual program sites.

21 Sec. 1227. The department shall establish criteria for all
22 funds allocated for health and wellness initiatives. The criteria
23 must include a requirement that all programs funded be evidence-
24 based and supported by research, include interventions that have
25 been shown to demonstrate outcomes that lower cost and improve
26 quality, and be designed for statewide impact. Preference must be
27 given to programs that utilize the funding as match for additional

1 resources, including, but not limited to, federal sources.

2 Sec. 1228. (1) From the funds appropriated in part 1 for
3 injury control intervention project, \$1,500,000.00 shall be
4 allocated for implementation of evidence-based, real-time, quality
5 assurance decision support software in the treatment of traumatic
6 brain injury and for protocols that are to be available to all
7 hospitals providing those trauma services. The funds shall be used
8 to purchase statewide licenses for traumatic brain injury treatment
9 software and related software services and to offset hospital
10 software integration costs. The department shall seek federal
11 matching funds that may be available for implementation of this
12 section.

13 (2) By March 1 of the current fiscal year, the department
14 shall report to the senate and house appropriations subcommittees
15 on the department budget, the senate and house fiscal agencies, the
16 senate and house policy offices, and the state budget office on
17 both of the following:

18 (a) Expenditures broken down by purpose of expenditure.

19 (b) Expenditures broken down by hospital.

20 Sec. 1231. (1) From the funds appropriated for local health
21 services, up to \$4,750,000.00 shall be allocated for grants to
22 local public health departments to support PFAS response and
23 emerging public health threat activities. A portion of the funding
24 shall be allocated by the department in a collaborative fashion
25 with local public health departments in jurisdictions experiencing
26 PFAS contamination. The remainder of the funding shall be allocated
27 to address infectious and vector-borne disease threats, and other

1 environmental contamination issues such as vapor intrusion,
2 drinking water contamination, and lead exposure. The funding shall
3 be allocated to address issues including, but not limited to,
4 staffing, planning and response, and creation and dissemination of
5 materials related to PFAS contamination issues and other emerging
6 public health issues and threats.

7 (2) By February 1 of the current fiscal year, the department
8 shall provide a report to the house and senate appropriations
9 subcommittees on the department budget, the house and senate fiscal
10 agencies, and the state budget office on actual expenditures in the
11 previous fiscal year and planned spending in the current fiscal
12 year of the funds described in subsection (1), including recipient
13 entities, amount of allocation, general category of allocation, and
14 detailed uses.

15 Sec. 1232. It is the intent of the legislature that the United
16 States Department of Defense shall reimburse the state for costs
17 associated with PFAS and environmental contamination response at
18 military training sites and support facilities.

19 Sec. 1233. General fund and state restricted fund
20 appropriations in part 1 shall not be expended for PFAS and
21 environmental contamination response where federal funding or
22 private grant funding is available for the same expenditures.

23 Sec. 1234. (1) By October 1 of the current fiscal year, the
24 department shall implement the distribution formula for the
25 allocation of essential local public health services funding to
26 local health departments as specified by section 1234 of article X
27 of 2018 PA 207.

1 (2) From the funds appropriated in part 1 for essential local
2 public health services, each local public health department is
3 allocated not less than the amount allocated to that local public
4 health department during the previous fiscal year.

5 Sec. 1238. The department shall establish a workgroup to
6 determine the cost of establishing lead elimination and response.
7 By March 1 of the current fiscal year, the department shall provide
8 a report on the findings of the workgroup to the house and senate
9 appropriations subcommittees on the department budget, the house
10 and senate fiscal agencies, the house and senate policy offices,
11 and the state budget director.

12 Sec. 1239. The department shall participate in and give
13 necessary assistance to the Michigan PFAS action response team
14 (MPART) pursuant to Executive Order No. 2019-03. The department
15 shall collaborate with MPART and other departments to carry out
16 appropriate activities, actions, and recommendations as coordinated
17 by MPART. Efforts shall be continuous to ensure that the
18 department's activities are not duplicative with activities of
19 another department or agency.

20 **FAMILY HEALTH SERVICES**

21 Sec. 1301. (1) Before April 1 of the current fiscal year, the
22 department shall submit a report to the house and senate fiscal
23 agencies and the state budget director on planned allocations from
24 the amounts appropriated in part 1 for local MCH services, prenatal
25 care outreach and service delivery support, family planning local
26 agreements, and pregnancy prevention programs. Using applicable

1 federal definitions, the report shall include information on all of
2 the following:

3 (a) Funding allocations.

4 (b) Actual number of women, children, and adolescents served
5 and amounts expended for each group for the immediately preceding
6 fiscal year.

7 (c) A breakdown of the expenditure of these funds between
8 urban and rural communities.

9 (2) The department shall ensure that the distribution of funds
10 through the programs described in subsection (1) takes into account
11 the needs of rural communities.

12 (3) For the purposes of this section, "rural" means a county,
13 city, village, or township with a population of 30,000 or less,
14 including those entities if located within a metropolitan
15 statistical area.

16 Sec. 1302. Each family planning program receiving federal
17 title X family planning funds under 42 USC 300 to 300a-8 shall be
18 in compliance with all performance and quality assurance indicators
19 that the office of population affairs within the United States
20 Department of Health and Human Services specifies in the program
21 guidelines for project grants for family planning services. An
22 agency not in compliance with the indicators shall not receive
23 supplemental or reallocated funds.

24 Sec. 1303. The department shall not contract with an
25 organization that provides elective abortions, abortion counseling,
26 or abortion referrals, for services that are to be funded with
27 state restricted or state general fund/general purpose funds

1 appropriated in part 1 for family planning local agreements. An
2 organization under contract with the department shall not
3 subcontract with an organization that provides elective abortions,
4 abortion counseling, or abortion referrals, for services that are
5 to be funded with state restricted or state general fund/general
6 purpose funds appropriated in part 1 for family planning local
7 agreements.

8 Sec. 1304. The department shall not use state restricted funds
9 or state general funds, or allow grantees or subcontractors to use
10 those funds, appropriated in part 1 in the pregnancy prevention
11 program or family planning local agreements appropriation line
12 items for abortion counseling, referrals, or services.

13 Sec. 1305. (1) From the funds appropriated in part 1 for
14 family planning local agreements and the pregnancy prevention
15 program, the department shall not contract with or award grants to
16 an entity that engages in 1 or more of the activities described in
17 section 1(2) of 2002 PA 360, MCL 333.1091, if the entity is located
18 in a county or health district where family planning or pregnancy
19 prevention services are provided by the county, the health
20 district, or a qualified entity that does not engage in any of the
21 activities described in section 1(2) of 2002 PA 360, MCL 333.1091.

22 (2) The department shall give priority to counties or health
23 districts where no contracts or grants currently exist for family
24 planning or pregnancy prevention services before contracting with
25 or awarding grants to an entity that engages in 1 or more of the
26 activities described in section 1(2) of 2002 PA 360, MCL 333.1091,
27 if that entity is located in a county where family planning and

1 pregnancy prevention services are provided by the county, the
2 health district, or another qualified entity that does not engage
3 in the activities described in section 1(2) of 2002 PA 360, MCL
4 333.1091.

5 Sec. 1307. From the funds appropriated in part 1 for prenatal
6 care outreach and service delivery support, \$700,000.00 of TANF
7 revenue shall be allocated for a pregnancy and parenting support
8 services program, which must promote childbirth, alternatives to
9 abortion, and grief counseling. The department shall establish a
10 program with a qualified contractor that will contract with
11 qualified service providers to provide free counseling, support,
12 and referral services to eligible women during pregnancy through 12
13 months after birth. As appropriate, the goals for client outcomes
14 shall include an increase in client support, an increase in
15 childbirth choice, an increase in adoption knowledge, an
16 improvement in parenting skills, and improved reproductive health
17 through abstinence education. The contractor of the program shall
18 provide for program training, client educational material, program
19 marketing, and annual service provider site monitoring. The
20 department shall submit a report to the house and senate
21 appropriations subcommittees on the department budget and the house
22 and senate fiscal agencies by April 1 of the current fiscal year on
23 the number of clients served.

24 Sec. 1308. From the funds appropriated in part 1 for prenatal
25 care outreach and service delivery support, not less than
26 \$500,000.00 of funding shall be allocated for evidence-based
27 programs to reduce infant mortality including nurse family

1 partnership programs. The funds shall be used for enhanced support
2 and education to nursing teams or other teams of qualified health
3 professionals, client recruitment in areas designated as
4 underserved for obstetrical and gynecological services and other
5 high-need communities, strategic planning to expand and sustain
6 programs, and marketing and communications of programs to raise
7 awareness, engage stakeholders, and recruit nurses.

8 Sec. 1309. The department shall allocate funds appropriated in
9 section 117 of part 1 for family, maternal, and child health
10 according to section 1 of 2002 PA 360, MCL 333.1091.

11 Sec. 1310. Each family planning program receiving federal
12 title X family planning funds under 42 USC 300 to 300a-8 must be in
13 compliance with all title X rules established by the Office of
14 Population Affairs within the United States Department of Health
15 and Human Services. The department shall monitor all title X family
16 planning programs to ensure compliance with all federal title X
17 rules. An agency not in compliance with the rules shall not receive
18 supplemental or reallocated funds.

19 Sec. 1311. From the funds appropriated in part 1 for prenatal
20 care outreach and service delivery support, not less than
21 \$2,750,000.00 state general fund/general purpose funds shall be
22 allocated for a rural home visit program. Equal consideration shall
23 be given to all eligible evidence-based providers in all regions in
24 contracting for rural home visitation services.

25 Sec. 1312. From the funds appropriated in part 1 for prenatal
26 care and premature birth avoidance grant, the department shall
27 allocate \$1,000,000.00 as a grant to help fulfill contract

1 obligations between the department and a federal Healthy Start
2 Program located in a county with a population between 600,000 and
3 610,000 according to the most recent decennial census. To be
4 eligible to receive funding, the organization must be a partnership
5 between various health agencies, and utilize a social impact
6 bonding strategy approved by the department to enhance support to
7 underserved populations for prenatal care and premature birth
8 avoidance.

9 Sec. 1313. (1) The department shall continue developing an
10 outreach program on fetal alcohol syndrome services, targeting
11 health promotion, prevention, and intervention as described in the
12 Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

13 (2) The department shall explore federal grant funding to
14 address prevention services for fetal alcohol syndrome and reduce
15 alcohol consumption among pregnant women.

16 (3) By February 1 of the current fiscal year, the department
17 shall provide a report to the house and senate appropriations
18 subcommittees on the department budget, the house and senate fiscal
19 agencies, and the state budget office on planned spending of
20 appropriations within the department budget for fetal alcohol
21 syndrome projects and services, including appropriation line item,
22 agency or recipient entities, amount and purpose of allocation, and
23 detailed uses.

24 Sec. 1314. The department shall seek to enhance education and
25 outreach efforts that encourage women of childbearing age to seek
26 confirmation at the earliest indication of possible pregnancy and
27 initiate continuous and routine prenatal care upon confirmation of

1 pregnancy. The department shall seek to ensure that department
2 programs, policies, and practices promote prenatal and obstetrical
3 care by doing the following:

4 (a) Supporting access to care.

5 (b) Reducing and eliminating barriers to care.

6 (c) Supporting recommendations for best practices.

7 (d) Encouraging optimal prenatal habits such as prenatal
8 medical visits, use of prenatal vitamins, and cessation of use of
9 tobacco, alcohol, or drugs.

10 (e) Tracking of birth outcomes to study improvements in
11 prevalence of fetal drug addiction, fetal alcohol syndrome, and
12 other preventable neonatal disease.

13 (f) Tracking of maternal increase in healthy behaviors
14 following childbirth.

15 Sec. 1315. (1) From the funds appropriated in part 1 for
16 dental programs, \$150,000.00 shall be allocated to the Michigan
17 Dental Association for the administration of a volunteer dental
18 program that provides dental services to the uninsured.

19 (2) By December 1 of the current fiscal year, the department
20 shall report to the senate and house appropriations subcommittees
21 on the department budget, the senate and house standing committees
22 on health policy, the senate and house fiscal agencies, and the
23 state budget office the number of individual patients treated,
24 number of procedures performed, and approximate total market value
25 of those procedures from the previous fiscal year.

26 Sec. 1316. The department shall use revenue from mobile
27 dentistry facility permit fees received under section 21605 of the

1 public health code, 1978 PA 368, MCL 333.21605, to offset the cost
2 of the permit program.

3 Sec. 1317. (1) From the funds appropriated in part 1 for
4 dental programs, \$1,550,000.00 of general fund/general purpose
5 revenue and any associated federal match shall be distributed to
6 local health departments who partner with a qualified nonprofit
7 provider of dental services for the purpose of providing high-
8 quality dental homes for seniors, children, and adults enrolled in
9 Medicaid, and low-income uninsured.

10 (2) In order to be considered a qualified nonprofit provider
11 of dental services, the provider must demonstrate the following:

12 (a) An effective health insurance enrollment process for
13 uninsured patients.

14 (b) An effective process of charging patients on a sliding
15 scale based on the patient's ability to pay.

16 (c) Utilization of additional fund sources including, but not
17 limited to, federal Medicaid matching funds.

18 (3) Providers shall report to the department by September 30
19 of the current fiscal year on outcomes and performance measures for
20 the program under this section including, but not limited to, the
21 following:

22 (a) The number of uninsured patients who visited a
23 participating dentist over the previous year, broken down between
24 adults and children.

25 (b) The number of patients assisted with health insurance
26 enrollment, broken down between adults and children.

27 (c) A 5-year trend of the number of uninsured patients being

1 served, broken down between adults and children.

2 (d) The number of unique patient visits by center.

3 (e) The number of unique Medicaid or Healthy Michigan plan
4 patients served broken down by center.

5 (f) The number of children, seniors, and veterans served
6 broken down by center.

7 (g) The total value of services rendered by the organization
8 broken down by center.

9 (4) Within 15 days after receipt of the report required in
10 subsection (3), the department shall provide a copy of the report
11 to the senate and house appropriations subcommittees on the
12 department budget, the senate and house fiscal agencies, the senate
13 and house policy offices, and the state budget office.

14 Sec. 1319. From the funds appropriated in part 1 for dental
15 programs, \$2,000,000.00 shall be allocated for an oral health
16 assessment program for children entering public school
17 kindergarten. The program shall provide assessments free of charge
18 to children who do not have dental coverage. The department shall
19 consider cost-effectiveness and quality of services when awarding
20 contracts to administer and provide services under this program.
21 The department shall not mandate that local health departments
22 provide assessments. It is the intent of the legislature that, if
23 needed, non-state matching funding shall be procured in an
24 equivalent amount to support the costs of the program.

25 Sec. 1320. It is the intent of the legislature that funds
26 appropriated in part 1 that may be expended for a public media
27 campaign regarding publicly funded family planning or pregnancy

1 prevention services shall not be used to communicate in that media
2 campaign any message that implies, states, or can be interpreted to
3 mean that abortion is a method of family planning or pregnancy
4 prevention.

5 Sec. 1340. The department shall include national brand options
6 on the list of approved women, infants, and children special
7 supplemental nutrition program basket items for all categories.

8 Sec. 1341. The department shall utilize income eligibility and
9 verification guidelines established by the Food and Nutrition
10 Service agency of the United States Department of Agriculture in
11 determining eligibility of individuals for the special supplemental
12 nutrition program for women, infants, and children (WIC) as stated
13 in current WIC policy.

14 **EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS**

15 Sec. 1350. The department shall not require a life support
16 agency that does not charge for its services to submit data to the
17 Michigan emergency medical services information system or any other
18 quality improvement program.

19 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

20 Sec. 1360. The department may do 1 or more of the following:

21 (a) Provide special formula for eligible clients with
22 specified metabolic and allergic disorders.

23 (b) Provide medical care and treatment to eligible patients
24 with cystic fibrosis who are 21 years of age or older.

25 (c) Provide medical care and treatment to eligible patients

1 with hereditary coagulation defects, commonly known as hemophilia,
2 who are 21 years of age or older.

3 (d) Provide human growth hormone to eligible patients.

4 Sec. 1361. From the funds appropriated in part 1 for medical
5 care and treatment, the department may spend those funds for the
6 continued development and expansion of telemedicine capacity to
7 allow families with children in the children's special health care
8 services program to access specialty providers more readily and in
9 a more timely manner. The department may spend funds to support
10 chronic complex care management of children enrolled in the
11 children's special health care services program to minimize
12 hospitalizations and reduce costs to the program while improving
13 outcomes and quality of life.

14 **AGING AND ADULT SERVICES AGENCY**

15 Sec. 1402. The department may encourage the Food Bank Council
16 of Michigan to collaborate directly with each area agency on aging
17 and any other organizations that provide senior nutrition services
18 to secure the food access of vulnerable seniors.

19 Sec. 1403. (1) By February 1 of the current fiscal year, the
20 aging and adult services agency shall require each region to report
21 to the aging and adult services agency and to the legislature home-
22 delivered meals waiting lists based upon standard criteria.
23 Determining criteria shall include all of the following:

24 (a) The recipient's degree of frailty.

25 (b) The recipient's inability to prepare his or her own meals
26 safely.

1 (c) Whether the recipient has another care provider available.

2 (d) Any other qualifications normally necessary for the
3 recipient to receive home-delivered meals.

4 (2) Data required in subsection (1) shall be recorded only for
5 individuals who have applied for participation in the home-
6 delivered meals program and who are initially determined as likely
7 to be eligible for home-delivered meals.

8 Sec. 1417. The department shall provide to the senate and
9 house appropriations subcommittees on the department budget, senate
10 and house fiscal agencies, and state budget director a report by
11 March 30 of the current fiscal year that contains all of the
12 following:

13 (a) The total allocation of state resources made to each area
14 agency on aging by individual program and administration.

15 (b) Detail expenditure by each area agency on aging by
16 individual program and administration including both state-funded
17 resources and locally funded resources.

18 Sec. 1421. From the funds appropriated in part 1 for community
19 services, \$1,100,000.00 shall be allocated to area agencies on
20 aging for locally determined needs.

21 Sec. 1422. (1) From the funds appropriated in part 1 for aging
22 and adult services administration, not less than \$300,000.00 shall
23 be allocated for the department to contract with the Prosecuting
24 Attorneys Association of Michigan to provide the support and
25 services necessary to increase the capability of the state's
26 prosecutors, adult protective service system, and criminal justice
27 system to effectively identify, investigate, and prosecute elder

1 abuse and financial exploitation.

2 (2) By March 1 of the current fiscal year, the Prosecuting
3 Attorneys Association of Michigan shall provide a report on the
4 efficacy of the contract to the state budget office, the house and
5 senate appropriations subcommittees on the department budget, the
6 house and senate fiscal agencies, and the house and senate policy
7 offices.

8 Sec. 1425. The department shall coordinate with the department
9 of licensing and regulatory affairs to ensure that, upon receipt of
10 the order of suspension of a licensed adult foster care home, home
11 for the aged, or nursing home, the department of licensing and
12 regulatory affairs shall provide notice to the department, to the
13 house and senate appropriations subcommittees on the department
14 budget, and to the members of the house and senate that represent
15 the legislative districts of the county in which the facility lies.

16 **MEDICAL SERVICES ADMINISTRATION**

17 Sec. 1501. The unexpended funds appropriated in part 1 for the
18 electronic health records incentive program are designated as a
19 work project appropriation, and any unencumbered or unallotted
20 funds shall not lapse at the end of the fiscal year and shall be
21 available for expenditures for projects under this section until
22 the projects have been completed. The following is in compliance
23 with section 451a(1) of the management and budget act, 1984 PA 431,
24 MCL 18.1451a:

25 (a) The purpose of the work project is to implement the
26 Medicaid electronic health record program that provides financial

1 incentive payments to Medicaid health care providers to encourage
2 the adoption and meaningful use of electronic health records to
3 improve quality, increase efficiency, and promote safety.

4 (b) The projects will be accomplished by utilizing state
5 employees or contracts with service providers, or both, and
6 according to the approved federal advanced planning document.

7 (c) The total estimated cost of the work project is
8 \$37,501,000.00.

9 (d) The tentative completion date is September 30, 2024.

10 Sec. 1502. Except as otherwise provided under state law, if
11 the department issues a new interpretation of existing Medicaid
12 provider policy directly affecting nursing facility Medicaid cost
13 reports, that change in policy must have a prospective effective
14 date. A policy may have a retrospective effective date as part of a
15 state plan amendment approval or waiver approval, or if required by
16 state law, federal law, or judicial ruling.

17 Sec. 1504. (1) From the funds appropriated in part 1 for
18 medical services administration, the department shall allocate
19 \$200,000.00 of general fund/general purpose revenue and any
20 associated federal match toward the existing cloud-based analytics
21 platform for Medicaid claims to focus on behavioral health
22 services. The vendor shall identify areas of best practice, cost
23 reduction, opportunities for quality improvement, and comparative
24 cost analysis among providers, hospitals, and managed care
25 organizations. Through the existing platform, the vendor shall
26 facilitate specific analysis of the unique behavioral health cohort
27 of patients that compares specific episodic metrics combined with

1 substance use disorder data for the same time period. The data
2 analysis shall include the ability to adjust for variations in
3 patient risk and acuity differences when comparing performance
4 across regions and hospitals. Specific analytics for this cohort
5 shall provide data analysis on, but not be limited to, the
6 following:

7 (a) Readmission rates.

8 (b) Mortality rates and complication rates.

9 (c) Total episode costs, including pre- and post-discharge
10 costs, across high-volume episodes of care.

11 (2) Within 30 days after the end of the previous fiscal
12 quarter, the department shall make available state medical
13 assistance program claims data from the previous quarter, without
14 charge, to the vendor in subsection (1).

15 Sec. 1505. By March 1 of the current fiscal year, the
16 department shall submit a report to the senate and house
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, and the state budget office on the
19 actual reimbursement savings and cost offsets that have resulted
20 from the funds appropriated in part 1 for the office of inspector
21 general and third party liability efforts in the previous fiscal
22 year.

23 Sec. 1506. The department shall submit to the senate and house
24 appropriations subcommittees on the department budget, the senate
25 and house fiscal agencies, the senate and house policy offices, and
26 the state budget office quarterly reports on the implementation
27 status of the public assistance call center that include all of the

1 following information:

2 (a) Call volume during the prior quarter.

3 (b) Percentage of calls resolved through the public assistance
4 call center.

5 (c) Percentage of calls transferred to a local department
6 office or other office for resolution.

7 Sec. 1507. From the funds appropriated in part 1 for office of
8 inspector general, the inspector general shall audit and recoup
9 inappropriate or fraudulent payments from Medicaid managed care
10 organizations to health care providers. Unless authorized by
11 federal or state law, the department shall not fine, temporarily
12 halt operations of, disenroll as a Medicaid provider, or terminate
13 a managed care organization or health care provider from providing
14 services due to the discovery of an inappropriate payment found
15 during the course of an audit.

16 Sec. 1508. (1) From the funds appropriated in part 1 for
17 medical services administration, \$700,000.00 is appropriated for
18 the operation and maintenance of the Michigan dental registry in
19 support of the enhanced dental benefit for the Healthy Kids Dental
20 program. Additionally, the department shall explore the expansion
21 of the scope of the Michigan dental registry to enhance the
22 Medicaid adult dental benefit for pregnant women.

23 (2) The department shall monitor childhood caries preventative
24 services delivered to pediatric Medicaid recipients in both medical
25 and dental settings. By March 1 of the current fiscal year, the
26 department shall submit a report to the senate and house
27 appropriations subcommittees on the department budget, the senate

1 and house fiscal agencies, the senate and house policy offices, and
2 the state budget office on the results of the program. The report
3 shall include, but not be limited to, all of the following:

4 (a) Comparative data on completed referral rates from
5 pediatric medical providers to dental providers.

6 (b) The reduction of caries in the Medicaid child population.

7 (c) Any associated long-term or short-term cost savings to the
8 Medicaid program.

9 Sec. 1509. By September 30 of the current fiscal year, the
10 department shall report to the senate and house appropriations
11 subcommittees on the department budget, the senate and house fiscal
12 agencies, the senate and house policy offices, and the state budget
13 office on the implementation of employment-related activity
14 requirements for medical assistance. The report shall include, but
15 is not limited to, the number of recipients who are noncompliant
16 with the required self-sufficiency goals, an explanation of the
17 actions undertaken, and the number of recipients subject to
18 employment-related activity requirements.

19 Sec. 1511. On a monthly basis, the department shall work with
20 the department of labor and economic opportunity to report to the
21 senate and house appropriations subcommittees on the department
22 budget, the senate and house fiscal agencies, the senate and house
23 policy offices, and the state budget office on the utilization of
24 workforce development programs by Healthy Michigan plan recipients
25 through Michigan Works! The report shall include, but not be
26 limited to, all of the following:

27 (a) The number of recipients currently receiving employment

1 supports and services through workforce development programs.

2 (b) The total year-to-date number of recipients who have
3 received employment supports and services through workforce
4 development programs.

5 (c) The number of recipients who secured employment in this
6 state after receiving employment supports and services through
7 workforce development programs.

8 (d) A summary of employment supports and services provided to
9 recipients through workforce development programs.

10 Sec. 1513. (1) The department shall create and participate in
11 a workgroup to determine an equitable and adequate reimbursement
12 methodology for Medicaid inpatient psychiatric hospital care. The
13 workgroup shall include representatives from the department,
14 CMHSPs, PIHPs, the Michigan Association of Health Plans, the
15 Michigan Health and Hospital Association, inpatient psychiatric
16 facilities, Blue Cross Blue Shield of Michigan, the Community
17 Mental Health Association of Michigan, and other individuals or
18 organizations as determined appropriate by the department.

19 (2) By September 30 of the current fiscal year, the workgroup
20 shall report to the senate and house appropriations subcommittees
21 on the department budget, the senate and house fiscal agencies, the
22 senate and house policy offices, and the state budget office on all
23 of the following:

24 (a) Recommended statewide per diem rate covering professional
25 and facility costs.

26 (b) A list of factors, with assigned weights, that impact the
27 provision of care in the inpatient psychiatric hospital care and

1 recommendations for addressing those factors. Factors must include,
2 but are not limited to, the following:

3 (i) Patient severity level, based on APR-DRGs.

4 (ii) Patient acuity level.

5 (iii) Involuntary stay.

6 (iv) Patient violence level.

7 (v) Presence of a developmental disability.

8 (vi) Need for 1-1 care.

9 (vii) State bed transfer for patients awaiting transfer to a
10 state bed.

11 (c) The recommended state funding level for inpatient
12 psychiatric hospital care to ensure inpatient psychiatric hospital
13 reimbursement is equitable across hospitals and adequately covers
14 hospital costs.

15 (d) Recommendations for separate additional reimbursement for
16 the following:

17 (i) High cost capital improvements including nonfunded
18 government mandates.

19 (ii) Costs to bring involuntary patients to court or
20 telecourt.

21 (iii) Costs to cover the required 2 weeks of medications at
22 discharge.

23 (iv) Transitions of care interventions by a hospital social
24 worker when there are additional needs above standard discharge
25 planning.

26 (v) Telehealth services, including pre-admission screening on
27 inpatient units, assessments by a nonphysician provider, and

1 ongoing psychiatric care.

2 (vi) Provide funding support for emergency department stays
3 while patients await appropriate transfer or admission.

4 (vii) Provide reimbursement for mental health evaluation
5 consultations conducted by specialists in the emergency department.

6 (3) The department shall assist in providing data to inform
7 the workgroup discussion, assist in modeling appropriate
8 reimbursement methods, and assist in developing the final report.

9 Sec. 1515. A qualified job placement agency may request
10 contact information from the department for Healthy Michigan plan
11 recipients subject to the workforce engagement requirements program
12 in section 107b of the social welfare act, 1939 PA 280, MCL
13 400.107b, for the geographic region the agency services, who have
14 not verified their employment in the previous quarter and are at
15 risk of losing Medicaid benefits as a result of failure by the
16 recipient to verify employment. This contact information shall not
17 include personal health information or extensive personal
18 identifying information. For the purposes of this section, a
19 "qualified job placement agency" means a regional Michigan Works!
20 agency or another nonprofit, governmental, or quasi-governmental
21 body that provides job placement assistance as designated by the
22 department.

23 MEDICAL SERVICES

24 Sec. 1601. The cost of remedial services incurred by residents
25 of licensed adult foster care homes and licensed homes for the aged
26 shall be used in determining financial eligibility for the

1 medically needy. Remedial services include basic self-care and
2 rehabilitation training for a resident.

3 Sec. 1605. The protected income level for Medicaid coverage
4 determined pursuant to section 106(1)(b) (iii) of the social welfare
5 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
6 assistance standard.

7 Sec. 1606. For the purpose of guardian and conservator
8 charges, the department may deduct up to \$83.00 per month as an
9 allowable expense against a recipient's income when determining
10 medical services eligibility and patient pay amounts.

11 Sec. 1607. (1) An applicant for Medicaid, whose qualifying
12 condition is pregnancy, shall immediately be presumed to be
13 eligible for Medicaid coverage unless the preponderance of evidence
14 in her application indicates otherwise. The applicant who is
15 qualified as described in this subsection shall be allowed to
16 select or remain with the Medicaid participating obstetrician of
17 her choice.

18 (2) All qualifying applicants shall be entitled to receive all
19 medically necessary obstetrical and prenatal care without
20 preauthorization from a health plan. All claims submitted for
21 payment for obstetrical and prenatal care shall be paid at the
22 Medicaid fee-for-service rate in the event a contract does not
23 exist between the Medicaid participating obstetrical or prenatal
24 care provider and the managed care plan. The applicant shall
25 receive a listing of Medicaid physicians and managed care plans in
26 the immediate vicinity of the applicant's residence.

27 (3) In the event that an applicant, presumed to be eligible

1 pursuant to subsection (1), is subsequently found to be ineligible,
2 a Medicaid physician or managed care plan that has been providing
3 pregnancy services to an applicant under this section is entitled
4 to reimbursement for those services until such time as they are
5 notified by the department that the applicant was found to be
6 ineligible for Medicaid.

7 (4) If the preponderance of evidence in an application
8 indicates that the applicant is not eligible for Medicaid, the
9 department shall refer that applicant to the nearest public health
10 clinic or similar entity as a potential source for receiving
11 pregnancy-related services.

12 (5) The department shall develop an enrollment process for
13 pregnant women covered under this section that facilitates the
14 selection of a managed care plan at the time of application.

15 (6) The department shall mandate enrollment of women, whose
16 qualifying condition is pregnancy, into Medicaid managed care
17 plans.

18 (7) The department shall encourage physicians to provide
19 women, whose qualifying condition for Medicaid is pregnancy, with a
20 referral to a Medicaid participating dentist at the first
21 pregnancy-related appointment.

22 Sec. 1611. (1) For care provided to medical services
23 recipients with other third-party sources of payment, medical
24 services reimbursement shall not exceed, in combination with such
25 other resources, including Medicare, those amounts established for
26 medical services-only patients. The medical services payment rate
27 shall be accepted as payment in full. Other than an approved

1 medical services co-payment, no portion of a provider's charge
2 shall be billed to the recipient or any person acting on behalf of
3 the recipient. Nothing in this section shall be considered to
4 affect the level of payment from a third-party source other than
5 the medical services program. The department shall require a
6 nonenrolled provider to accept medical services payments as payment
7 in full.

8 (2) Notwithstanding subsection (1), medical services
9 reimbursement for hospital services provided to dual
10 Medicare/medical services recipients with Medicare part B coverage
11 only shall equal, when combined with payments for Medicare and
12 other third-party resources, if any, those amounts established for
13 medical services-only patients, including capital payments.

14 Sec. 1620. (1) For fee-for-service Medicaid recipients, the
15 professional dispensing fee for drugs indicated as specialty
16 medications on the Michigan pharmaceutical products list is \$20.02
17 or the pharmacy's usual or customary cash charge, whichever is
18 less.

19 (2) For fee-for-service Medicaid recipients, for drugs not
20 indicated as specialty drugs on the Michigan pharmaceutical
21 products list, the professional dispensing fee for medications is
22 as follows:

23 (a) For medications indicated as preferred on the department's
24 preferred drug list, \$10.80 or the pharmacy's usual or customary
25 cash charge, whichever is less.

26 (b) For medications not on the department's preferred drug
27 list, \$10.64 or the pharmacy's usual or customary cash charge,

1 whichever is less.

2 (c) For medications indicated as nonpreferred on the
3 department's preferred drug list, \$9.00 or the pharmacy's usual or
4 customary cash charge, whichever is less.

5 (3) The department shall require a prescription co-payment for
6 Medicaid recipients not enrolled in the Healthy Michigan plan or
7 with an income less than 100% of the federal poverty level of \$1.00
8 for a generic drug indicated as preferred on the department's
9 preferred drug list and \$3.00 for a brand-name drug indicated as
10 nonpreferred on the department's preferred drug list, except as
11 prohibited by federal or state law or regulation.

12 (4) The department shall require a prescription co-payment for
13 Medicaid recipients enrolled in the Healthy Michigan plan with an
14 income of at least 100% of the federal poverty level of \$4.00 for a
15 generic drug indicated as preferred on the department's preferred
16 drug list and \$8.00 for a brand-name drug indicated as nonpreferred
17 on the department's preferred drug list, except as prohibited by
18 federal or state law or regulation.

19 Sec. 1625. (1) Beginning February 1, 2020, the department
20 shall not enter into any contract with a Medicaid managed care
21 organization that relies on a pharmacy benefit manager that does
22 not do all of the following:

23 (a) For pharmacies with not more than 7 retail outlets,
24 utilizes a pharmacy reimbursement methodology of the national
25 average drug acquisition cost plus a professional dispensing fee
26 comparable to the applicable professional dispensing fee provided
27 through section 1620. The pharmacy benefit manager or the involved

1 pharmacy services administrative organization shall not receive any
2 portion of the additional professional dispensing fee. The
3 department shall identify the pharmacies this subdivision applies
4 to and provide the list of applicable pharmacies to the Medicaid
5 managed care organizations.

6 (b) For pharmacies with not more than 7 retail outlets,
7 utilizes a pharmacy reimbursement methodology, when a national
8 average drug acquisition cost price is not available, for brand
9 drugs of the lesser of the wholesale acquisition cost, the average
10 wholesale price less 16.7% plus a professional dispensing fee
11 comparable to the applicable professional dispensing fee provided
12 through section 1620, or the usual and customary charge by the
13 pharmacy. The department shall identify the pharmacies this
14 subdivision applies to and provide the list of applicable
15 pharmacies to the Medicaid managed care organizations.

16 (c) For pharmacies with not more than 7 retail outlets,
17 utilizes a pharmacy reimbursement methodology, when a national
18 average drug acquisition cost price is not available, for generic
19 drugs of the lesser of wholesale acquisition cost plus a
20 professional dispensing fee comparable to the applicable
21 professional dispensing fee provided through section 1620, average
22 wholesale price less 30.0% plus a professional dispensing fee
23 comparable to the applicable professional dispensing fee provided
24 through section 1620, or the usual and customary charge by the
25 pharmacy. The department shall identify the pharmacies this
26 subdivision applies to and provide the list of applicable
27 pharmacies to the Medicaid managed care organizations.

1 (d) Reimburses for a legally valid claim at a rate not less
2 than the rate in effect at the time the original claim adjudication
3 as submitted at the point of sale.

4 (e) Agrees to move to a transparent "pass-through" pricing
5 model, in which the pharmacy benefit manager discloses the
6 administrative fee as a percentage of the professional dispensing
7 costs to the department.

8 (f) Agrees to not create new pharmacy administration fees and
9 to not increase current fees more than the rate of inflation. This
10 subdivision does not apply to any federal rule or action that
11 creates a new fee.

12 (g) Agrees to not terminate an existing contract with a
13 pharmacy with not more than 7 retail outlets for the sole reason of
14 the additional professional dispensing fee authorized under this
15 section.

16 (2) Nothing in this section shall prohibit a Medicaid managed
17 care organization from implementing this section before February 1,
18 2020.

19 Sec. 1629. The department shall utilize maximum allowable cost
20 pricing for generic drugs that is based on wholesaler pricing to
21 providers that is available from at least 2 wholesalers who deliver
22 in this state.

23 Sec. 1631. (1) The department shall require co-payments on
24 dental, podiatric, and vision services provided to Medicaid
25 recipients, except as prohibited by federal or state law or
26 regulation.

27 (2) Except as otherwise prohibited by federal or state law or

1 regulation, the department shall require Medicaid recipients not
2 enrolled in the Healthy Michigan plan or with an income less than
3 100% of the federal poverty level to pay not less than the
4 following co-payments:

5 (a) Two dollars for a physician office visit.

6 (b) Three dollars for a hospital emergency room visit.

7 (c) Fifty dollars for the first day of an inpatient hospital
8 stay.

9 (d) Two dollars for an outpatient hospital visit.

10 (3) Except as otherwise prohibited by federal or state law or
11 regulation, the department shall require Medicaid recipients
12 enrolled in the Healthy Michigan plan with an income of at least
13 100% of the federal poverty level to pay the following co-payments:

14 (a) Four dollars for a physician office visit.

15 (b) Eight dollars for a hospital emergency room visit.

16 (c) One hundred dollars for the first day of an inpatient
17 hospital stay.

18 (d) Four dollars for an outpatient hospital visit or any other
19 medical provider visit to the extent allowed by federal or state
20 law or regulation.

21 Sec. 1641. An institutional provider that is required to
22 submit a cost report under the medical services program shall
23 submit cost reports completed in full within 5 months after the end
24 of its fiscal year.

25 Sec. 1645. (1) For the current fiscal year, the department
26 shall establish the class I nursing facility current asset value
27 bed limit based on the rolling 15-year history of new construction.

1 (2) It is the intent of the legislature that, for the fiscal
2 year beginning October 1, 2020, the department shall modify the
3 class I nursing facility current asset value bed limit based on the
4 rolling 15-year history of new construction. The increase in the
5 current asset value bed limit shall not exceed 4% of the limit for
6 the fiscal year beginning October 1, 2019.

7 Sec. 1646. (1) From the funds appropriated in part 1 for long-
8 term care services, the department shall continue to administer a
9 nursing facility quality measure initiative program. The initiative
10 shall be financed through the quality assurance assessment for
11 nursing homes and hospital long-term care units, and the funds
12 shall be distributed according to the following criteria:

13 (a) The department shall award more dollars to nursing
14 facilities that have a higher CMS 5-star quality measure domain
15 rating, then adjusted to account for both positive and negative
16 aspects of a patient satisfaction survey.

17 (b) A nursing facility with a CMS 5-star quality measure
18 domain star rating of 1 or 2 must file an action plan with the
19 department describing how it intends to use funds appropriated
20 under this section to increase quality outcomes before funding
21 shall be released.

22 (c) The total incentive dollars must reflect the following
23 Medicaid utilization scale:

24 (i) For nursing facilities with a Medicaid participation rate
25 of above 63%, the facility shall receive 100% of the incentive
26 payment.

27 (ii) For nursing facilities with a Medicaid participation rate

1 between 50% and 63%, the facility shall receive 75% of the
2 incentive payment.

3 (iii) For nursing facilities with a Medicaid participation
4 rate of less than 50%, the facility shall receive a payment
5 proportionate to their Medicaid participation rate.

6 (iv) For nursing facilities not enrolled in Medicaid, the
7 facility shall not receive an incentive payment.

8 (d) Facilities designated as special focus facilities are not
9 eligible for any payment under this section.

10 (e) Number of licensed beds.

11 (2) The department and nursing facility representatives shall
12 evaluate the quality measure incentive program's effectiveness on
13 quality, measured by the change in the CMS 5-star quality measure
14 domain rating since the implementation of quality measure incentive
15 program. By March 1 of the current fiscal year, the department
16 shall report to the senate and house appropriations subcommittees
17 on the department budget, the senate and house fiscal agencies, and
18 the senate and house policy offices on the findings of the
19 evaluation.

20 Sec. 1657. (1) Reimbursement for medical services to screen
21 and stabilize a Medicaid recipient, including stabilization of a
22 psychiatric crisis, in a hospital emergency room shall not be made
23 contingent on obtaining prior authorization from the recipient's
24 HMO. If the recipient is discharged from the emergency room, the
25 hospital shall notify the recipient's HMO within 24 hours of the
26 diagnosis and treatment received.

27 (2) If the treating hospital determines that the recipient

1 will require further medical service or hospitalization beyond the
2 point of stabilization, that hospital shall receive authorization
3 from the recipient's HMO prior to admitting the recipient.

4 (3) Subsections (1) and (2) do not require an alteration to an
5 existing agreement between an HMO and its contracting hospitals and
6 do not require an HMO to reimburse for services that are not
7 considered to be medically necessary.

8 Sec. 1659. The following sections of this part are the only
9 ones that shall apply to the following Medicaid managed care
10 programs, including the comprehensive plan, MIChoice long-term care
11 plan, and the mental health, substance use disorder, and
12 developmentally disabled services program: 904, 911, 918, 920, 924,
13 928, 942, 964, 974, 994, 999, 1008, 1009, 1607, 1625, 1657, 1662,
14 1670, 1673, 1677, 1696, 1697, 1700, 1702, 1704, 1757, 1763, 1764,
15 1775, 1790, 1791, 1801, 1806, 1807, 1809, 1820, 1837, 1846, 1850,
16 1859, 1862, 1871, 1874, 1875, 1888, and 1894.

17 Sec. 1662. (1) The department shall ensure that an external
18 quality review of each contracting HMO is performed that results in
19 an analysis and evaluation of aggregated information on quality,
20 timeliness, and access to health care services that the HMO or its
21 contractors furnish to Medicaid beneficiaries.

22 (2) The department shall require Medicaid HMOs to provide
23 EPSDT utilization data through the encounter data system, and HEDIS
24 well child health measures in accordance with the National
25 Committee for Quality Assurance prescribed methodology.

26 (3) The department shall provide a copy of the analysis of the
27 Medicaid HMO annual audited HEDIS reports and the annual external

1 quality review report to the senate and house of representatives
2 appropriations subcommittees on the department budget, the senate
3 and house fiscal agencies, and the state budget director, within 30
4 days of the department's receipt of the final reports from the
5 contractors.

6 Sec. 1670. (1) The appropriation in part 1 for the MICHild
7 program is to be used to provide comprehensive health care to all
8 children under age 19 who reside in families with income at or
9 below 212% of the federal poverty level, who are uninsured and have
10 not had coverage by other comprehensive health insurance within 6
11 months of making application for MICHild benefits, and who are
12 residents of this state. The department shall develop detailed
13 eligibility criteria through the medical services administration
14 public concurrence process, consistent with the provisions of this
15 part and part 1.

16 (2) The department may provide up to 1 year of continuous
17 eligibility to children eligible for the MICHild program unless the
18 family fails to pay the monthly premium, a child reaches age 19, or
19 the status of the children's family changes and its members no
20 longer meet the eligibility criteria as specified in the state
21 plan.

22 (3) The department may make payments on behalf of children
23 enrolled in the MICHild program as described in the MICHild state
24 plan approved by the United States Department of Health and Human
25 Services, or from other medical services.

26 Sec. 1673. The department may establish premiums for MICHild
27 eligible individuals in families with income at or below 212% of

1 the federal poverty level. The monthly premiums shall be \$10.00 per
2 month.

3 Sec. 1677. The MICHild program shall provide, at a minimum,
4 all benefits available under the Michigan benchmark plan that are
5 delivered through contracted providers and consistent with federal
6 law, including, but not limited to, the following medically
7 necessary services:

8 (a) Inpatient mental health services, other than substance use
9 disorder treatment services, including services furnished in a
10 state-operated mental hospital and residential or other 24-hour
11 therapeutically planned structured services.

12 (b) Outpatient mental health services, other than substance
13 use disorder services, including services furnished in a state-
14 operated mental hospital and community-based services.

15 (c) Durable medical equipment and prosthetic and orthotic
16 devices.

17 (d) Dental services as outlined in the approved MICHild state
18 plan.

19 (e) Substance use disorder treatment services that may include
20 inpatient, outpatient, and residential substance use disorder
21 treatment services.

22 (f) Care management services for mental health diagnoses.

23 (g) Physical therapy, occupational therapy, and services for
24 individuals with speech, hearing, and language disorders.

25 (h) Emergency ambulance services.

26 Sec. 1682. (1) In addition to the appropriations in part 1,
27 the department is authorized to receive and spend penalty money

1 received as the result of noncompliance with medical services
2 certification regulations. Penalty money, characterized as private
3 funds, received by the department shall increase authorizations and
4 allotments in the long-term care accounts.

5 (2) Any unexpended penalty money, at the end of the year,
6 shall carry forward to the following year.

7 Sec. 1692. (1) The department is authorized to pursue
8 reimbursement for eligible services provided in Michigan schools
9 from the federal Medicaid program. The department and the state
10 budget director are authorized to negotiate and enter into
11 agreements, together with the department of education, with local
12 and intermediate school districts regarding the sharing of federal
13 Medicaid services funds received for these services. The department
14 is authorized to receive and disburse funds to participating school
15 districts pursuant to such agreements and state and federal law.

16 (2) From the funds appropriated in part 1 for medical services
17 school-based services payments, the department is authorized to do
18 all of the following:

19 (a) Finance activities within the medical services
20 administration related to this project.

21 (b) Reimburse participating school districts pursuant to the
22 fund-sharing ratios negotiated in the state-local agreements
23 authorized in subsection (1).

24 (c) Offset general fund costs associated with the medical
25 services program.

26 Sec. 1693. The special Medicaid reimbursement appropriation in
27 part 1 may be increased if the department submits a medical

1 services state plan amendment pertaining to this line item at a
2 level higher than the appropriation. The department is authorized
3 to appropriately adjust financing sources in accordance with the
4 increased appropriation.

5 Sec. 1694. From the funds appropriated in part 1 for special
6 Medicaid reimbursement, \$966,700.00 of general fund/general purpose
7 revenue and any associated federal match shall be distributed for
8 poison control services to an academic health care system that has
9 a high indigent care volume.

10 Sec. 1696. It is the intent of the legislature that if an
11 applicant for Medicaid coverage through the Healthy Michigan plan
12 received medical coverage in the previous fiscal year through
13 traditional Medicaid, and is still eligible for coverage through
14 traditional Medicaid, the applicant is not eligible to receive
15 coverage through the Healthy Michigan plan.

16 Sec. 1697. The department shall require that Medicaid health
17 plans administering Healthy Michigan plan benefits maintain a
18 network of dental providers in sufficient numbers, mix, and
19 geographic locations throughout their respective service areas in
20 order to provide adequate dental care for Healthy Michigan plan
21 enrollees.

22 Sec. 1699. (1) The department may make separate payments in
23 the amount of \$45,000,000.00 directly to qualifying hospitals
24 serving a disproportionate share of indigent patients and to
25 hospitals providing GME training programs. If direct payment for
26 GME and DSH is made to qualifying hospitals for services to
27 Medicaid recipients, hospitals shall not include GME costs or DSH

1 payments in their contracts with HMOs.

2 (2) The department shall allocate \$45,000,000.00 in DSH
3 funding using the distribution methodology used in fiscal year
4 2003-2004.

5 Sec. 1700. (1) By December 1 of the current fiscal year, the
6 department shall report to the senate and house appropriations
7 subcommittees on the department budget, the senate and house fiscal
8 agencies, and the state budget office on the distribution of
9 funding provided, and the net benefit if the special hospital
10 payment is not financed with general fund/general purpose revenue,
11 to each eligible hospital during the previous fiscal year from the
12 following special hospital payments:

13 (a) DSH, separated out by unique DSH pool.

14 (b) GME.

15 (c) Special rural hospital payments provided under section
16 1802(2) of this part.

17 (d) Lump-sum payments to rural hospitals for obstetrical care
18 provided under section 1802(1) of this part.

19 (2) By August 1 of the current fiscal year, the department
20 shall report to the senate and house appropriations subcommittees
21 on the department budget, the senate and house fiscal agencies, and
22 the state budget office on the projected distribution of funding,
23 and the projected net benefit if the special hospital payment is
24 not financed with general fund/general purpose revenue, to each
25 eligible hospital from the following special hospital payments:

26 (a) DSH, separated out by unique DSH pool.

27 (b) GME.

1 (c) Special rural hospital payments provided under section
2 1802(2) of this part.

3 (d) Lump-sum payments to rural hospitals for obstetrical care
4 provided under section 1802(1) of this part.

5 Sec. 1702. From the funds appropriated in part 1, the
6 department shall provide a 15% rate increase beginning January 1 of
7 the current fiscal year for private duty nursing services for
8 Medicaid beneficiaries under the age of 21. These additional funds
9 must be used to attract and retain highly qualified registered
10 nurses and licensed practical nurses to provide private duty
11 nursing services so that medically frail children can be cared for
12 in the most homelike setting possible.

13 Sec. 1704. (1) From the funds appropriated in part 1 for
14 health plan services, the department shall maintain the Medicaid
15 adult dental benefit for pregnant women enrolled in a Medicaid
16 program.

17 (2) The department shall report to the house and senate
18 appropriations subcommittees on the department budget, the house
19 and senate fiscal agencies, and the state budget office on the
20 following:

21 (a) The number of pregnant women enrolled in Medicaid who
22 visited a dentist over the prior year.

23 (b) The number of dentists statewide who participate in
24 providing dental services to pregnant women enrolled in Medicaid.

25 Sec. 1730. The department shall continue to maintain enhanced
26 assessment tools established in collaboration with the department
27 of education that promote literacy development of pregnant women

1 and new mothers in the maternal infant health program. When
2 possible, the department shall include new fathers of the infants
3 in the literacy promotion efforts that are included in the
4 assessment tools and in the subsequent services provided. The
5 assessment tools shall expand the assessment of maternal and
6 parental literacy and provide support and referrals to resources to
7 enable program participants to achieve an increase in literacy that
8 may contribute to improvements in family health, economic, and life
9 outcomes.

10 Sec. 1757. The department shall obtain proof from all Medicaid
11 recipients that they are legal United States citizens or otherwise
12 legally residing in this country and that they are residents of
13 this state before approving Medicaid eligibility.

14 Sec. 1763. Before the initial expiration of contract no.
15 071b7700073 on February 28 of the current fiscal year, the
16 department shall issue an RFP for a 3-year contract for actuarial
17 services, including, but not limited to, capitation rate setting
18 for Medicaid and the Healthy Michigan plan. The department shall
19 notify the senate and house appropriations subcommittees on the
20 department budget, the senate and house fiscal agencies, and the
21 senate and house policy offices on what vendors submitted bids for
22 the contract, which vendor received the contract, the evaluation
23 process, and the criteria used by the department in awarding the
24 contract for actuarial services.

25 Sec. 1764. The department shall annually certify whether rates
26 paid to Medicaid health plans and specialty PIHPs are actuarially
27 sound in accordance with federal requirements and shall provide a

1 copy of the rate certification and approval of rates paid to
2 Medicaid health plans and specialty PIHPs within 5 business days
3 after certification or approval to the senate and house
4 appropriations subcommittees on the department budget, the senate
5 and house fiscal agencies, and the state budget office. Following
6 the rate certification, the department shall ensure that no new or
7 revised state Medicaid policy bulletin that is promulgated
8 materially impacts the capitation rates that have been certified in
9 a negative manner.

10 Sec. 1775. (1) By March 1 of the current fiscal year, the
11 department shall report to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies, and the state budget office on progress in implementing
14 the waiver to implement managed care for individuals who are
15 eligible for both Medicare and Medicaid, known as MI Health Link,
16 including any problems and potential solutions as identified by the
17 ombudsman described in subsection (2).

18 (2) The department shall ensure the existence of an ombudsman
19 program that is not associated with any project service manager or
20 provider to assist MI Health Link beneficiaries with navigating
21 complaint and dispute resolution mechanisms and to identify
22 problems in the demonstrations and in the complaint and dispute
23 resolution mechanisms.

24 Sec. 1782. Subject to federal approval, from the funds
25 appropriated in part 1 for health plan services, the department
26 shall allocate \$740,000.00 general fund/general purpose plus any
27 available work project funds and federal match through an

1 administered contract with oversight from Medical Services
2 Administration and Population Health. The funds shall be used to
3 support a statewide media campaign for improving this state's
4 immunization rates.

5 Sec. 1790. The department shall increase the practitioner
6 rates paid for current procedural terminology (CPT) codes in
7 psychiatric diagnostic procedures through Medicaid fee-for-service
8 and through the Medicaid health plans by 15% for psychiatric
9 diagnostic procedure provided for Medicaid beneficiaries under the
10 age of 21. It is the intent of the legislature that the CPT
11 specific rates paid through the Medicaid health plans are not
12 increased by a uniform 15% but reflect the greater of either the
13 actual rates paid during the previous fiscal year or 100% of the
14 Medicare rate received for those services on the date the services
15 are provided.

16 Sec. 1791. From the funds appropriated in part 1 for health
17 plan services and physician services, the department shall provide
18 Medicaid reimbursement rates for neonatal services at 95% of the
19 Medicare rate received for those services in effect on the date the
20 services are provided to eligible Medicaid recipients. The current
21 procedural terminology (CPT) codes that are eligible for this
22 reimbursement rate increase are 99468, 99469, 99471, 99472, 99475,
23 99476, 99477, 99478, 99479, and 99480.

24 Sec. 1792. By April 30 of the current fiscal year, the
25 department shall evaluate pharmacy encounter data through the first
26 2 quarters of the fiscal year to determine, in consultation with
27 the Medicaid health plans, if rates must be recertified. By May 30

1 of the current fiscal year, the department shall report the
2 evaluation results to the senate and house appropriations
3 subcommittees on the department budget, the senate and house fiscal
4 agencies, the senate and house policy offices, the state budget
5 office, and the Medicaid health plans.

6 Sec. 1793. Beginning October 1 of the current fiscal year, the
7 department may recover a refund due to an overpayment to a Medicaid
8 provider only if the department notifies the provider of the
9 overpayment not later than 180 days after receipt of the
10 overpayment.

11 Sec. 1800. For the distribution of each of the pools within
12 the \$85,000,000.00 outpatient disproportionate share hospital
13 payment, the department shall maintain a formula for the
14 distribution of each pool based on the quality of care, cost,
15 traditional disproportionate share hospital factors such as
16 Medicaid utilization and uncompensated care, and any other factor
17 that the department determines should be considered.

18 Sec. 1801. (1) From the funds appropriated in part 1 for
19 physician services and health plan services, the department shall
20 continue the increase to Medicaid rates for primary care services
21 provided only by primary care providers. For the purpose of this
22 section, a primary care provider is a physician, or a practitioner
23 working in collaboration with a physician, who is either licensed
24 under part 170 or part 175 of the public health code, 1978 PA 368,
25 MCL 333.17001 to 333.17097 and 333.17501 to 333.17556, and working
26 as a primary care provider in general practice or board-eligible or
27 certified with a specialty designation of family medicine, general

1 internal medicine, or pediatric medicine, or a provider who
2 provides the department with documentation of equivalency.
3 Providers performing a service and whose primary practice is as a
4 non-primary-care subspecialty is not eligible for the increase. The
5 department shall establish policies that most effectively limit the
6 increase to primary care providers for primary care services only.

7 (2) By March 1 of the current fiscal year, the department
8 shall provide to the senate and house appropriations subcommittees
9 on the department budget, the senate and house fiscal agencies, the
10 senate and house policy offices, and the state budget office a list
11 of medical specialties that were paid enhanced primary care rates
12 in the fiscal year ending September 30, 2018.

13 Sec. 1802. (1) From the funds appropriated in part 1 for
14 hospital services and therapy, \$7,995,200.00 in general
15 fund/general purpose revenue shall be provided as lump-sum payments
16 to noncritical access hospitals that qualified for rural hospital
17 access payments in fiscal year 2013-2014 and that provide
18 obstetrical care in the current fiscal year. Payment amounts shall
19 be based on the volume of obstetrical care cases and newborn care
20 cases for all such cases billed by each qualified hospital in the
21 most recent year for which data is available. Payments shall be
22 made by January 1 of the current fiscal year.

23 (2) From the funds appropriated in part 1 for hospital
24 services and therapy and Healthy Michigan plan, \$13,904,800.00 in
25 general fund/general purpose revenue and any associated federal
26 match shall be awarded as rural access payments to noncritical
27 access hospitals that meet criteria established by the department

1 for services to low-income rural residents. One of the
2 reimbursement components of the distribution formula shall be
3 assistance with labor and delivery services. The department shall
4 ensure that the rural access payments described in this subsection
5 shall be distributed in a manner that ensures both of the
6 following:

7 (a) No hospital or hospital system shall receive more than
8 10.0% of the total rural access funding referenced in this
9 subsection.

10 (b) To allow hospitals to understand their rural payment
11 amounts under this subsection, the department shall provide
12 hospitals with the methodology for distribution under this
13 subsection and provide each hospital with its applicable data that
14 are used to determine the payment amounts by August 1 of the
15 current fiscal year. The department shall publish the distribution
16 of payments for the current fiscal year and the immediately
17 preceding fiscal year.

18 Sec. 1803. To the extent allowed under federal law or
19 regulation, the department shall establish rules to allow for
20 billing to and reimbursement by the Medicaid program directly for
21 transportation charges related to portable x-ray services rendered
22 to patients residing in a nursing facility or an assisted living
23 facility, or who are otherwise homebound. The corresponding
24 reimbursement policies shall be effective as of October 1 of the
25 current fiscal year.

26 Sec. 1804. (1) The department shall enter into an interagency
27 agreement, in cooperation with the department of military and

1 veterans affairs, in order to work with the federal public
2 assistance reporting information system to identify Medicaid
3 recipients who are veterans and who may be eligible for federal
4 veterans health care benefits or other benefits. The interagency
5 agreement shall include the specific outcome and performance
6 reporting requirements described in this section. The interagency
7 agreement shall require the department of military and veterans
8 affairs to provide all of the following items by January 1 of the
9 current fiscal year to the senate and house appropriations
10 subcommittees on the department budget, the senate and house fiscal
11 agencies, and the senate and house policy offices:

12 (a) The number of veterans identified by the department
13 through eligibility determinations.

14 (b) The number of veterans referred to the department of
15 military and veterans affairs.

16 (c) The number of referrals made by the department that were
17 contacted by the department of military and veterans affairs.

18 (d) The number of referrals made by the department that were
19 eligible for veterans health care benefits or other benefits.

20 (e) The specific actions and efforts undertaken by the
21 department and the department of military and veterans affairs to
22 identify female veterans who are applying for public assistance
23 benefits, but who are eligible for veterans benefits.

24 (2) By October 1 of the current fiscal year, the department
25 shall change the public assistance application form from asking
26 whether the prospective applicant was a veteran to asking whether
27 the applicant had ever served in the military.

1 Sec. 1805. Excluding psychiatric care hospitals, hospitals
2 receiving medical services payments for graduate medical education
3 shall submit fully completed quality data to a nonprofit
4 organization with extensive experience in collecting and reporting
5 hospital quality data on a public website. The reporting must
6 utilize consensus-based nationally endorsed standards that meet
7 National Quality Forum-endorsed safe practices. The organization
8 collecting the data must be an organization that uses severity-
9 adjusted risk models and measures that will help patients and
10 payers identify hospital campuses likely to have superior outcomes.
11 The public website shall provide information to allow consumers to
12 compare safe practices by hospital campus, including, but not
13 limited to, perinatal care, hospital-acquired infection, and
14 serious reportable events. Excluding psychiatric care hospitals,
15 hospitals receiving medical services payments for graduate medical
16 education shall also make their fully completed quality data
17 available on the hospital's website. The department shall withhold
18 25% of a hospital's graduate medical education payment if the
19 hospital does not submit the data to a qualifying nonprofit
20 organization described in this section by January 1 of the current
21 fiscal year.

22 Sec. 1806. (1) The department shall contractually require the
23 Medicaid health plans to report to the department by February 1 of
24 the current fiscal year on the following:

25 (a) The progress of implementing the Medicaid health plan
26 common formulary.

27 (b) The participation by the Medicaid health plans in the

1 Medicaid health plan common formulary.

2 (c) The timeliness of prior authorization approvals or
3 disapprovals.

4 (2) By March 1 of the current fiscal year, the department
5 shall provide the Medicaid health plan report provided in
6 subsection (1) and identify any areas of inconsistency across the
7 Medicaid health plans' implementation and utilization of the
8 Medicaid health plan common formulary to the house and senate
9 appropriations subcommittees on the department budget, the house
10 and senate fiscal agencies, and the state budget office.

11 (3) The department shall maintain policies and procedures to
12 govern the operations of the Michigan Medicaid health plan common
13 formulary so that the department is able to receive fair and full
14 public participation.

15 Sec. 1807. From the funds appropriated in part 1, the
16 department shall increase hospital outpatient Medicaid rates by 7%
17 over those effective January 1, 2019. The department shall also
18 provide an additional \$6,400,000.00 in general fund/general purpose
19 revenue and any associated federal match to further increase
20 outpatient Medicaid rates for services performed at critical access
21 hospitals.

22 Sec. 1810. The department shall enhance encounter data
23 reporting processes and develop rules that would make each health
24 plan's encounter data as complete as possible, provide a fair
25 measure of acuity for each health plan's enrolled population for
26 risk adjustment purposes, capitation rate setting, diagnosis-
27 related group rate setting, and research and analysis of program

1 efficiencies while minimizing health plan administrative expense.
2 In advance of the annual rate setting development, Medicaid health
3 plans shall be given at least 60 days to dispute and correct any
4 discarded encounter data before rates are certified. The department
5 shall notify each contracting Medicaid health plan of any encounter
6 data that have not been accepted for the purposes of rate setting.

7 Sec. 1812. By June 1 of the current fiscal year, and using the
8 most recent available cost reports, the department shall complete a
9 report of all direct and indirect costs associated with residency
10 training programs for each hospital that receives funds
11 appropriated in part 1 for graduate medical education. The report
12 shall be submitted to the house and senate appropriations
13 subcommittees on the department budget, the house and senate fiscal
14 agencies, and the state budget office.

15 Sec. 1820. (1) In order to avoid duplication of efforts, the
16 department shall utilize applicable national accreditation review
17 criteria to determine compliance with corresponding state
18 requirements for Medicaid health plans that have been reviewed and
19 accredited by a national accrediting entity for health care
20 services.

21 (2) The department shall continue to comply with state and
22 federal law and shall not initiate an action that negatively
23 impacts beneficiary safety.

24 (3) As used in this section, "national accrediting entity"
25 means the National Committee for Quality Assurance, the URAC,
26 formerly known as the Utilization Review Accreditation Commission,
27 or other appropriate entity, as approved by the department.

1 Sec. 1837. (1) The department shall continue, and expand where
2 appropriate, utilization of telemedicine and telepsychiatry as
3 strategies to increase access to services for Medicaid recipients.

4 (2) For the purpose of reimbursement for Medicaid services
5 furnished via a telecommunications system, the department shall
6 expand the definition of originating site used in the state
7 Medicaid provider manual to include the patient's home, or any
8 other established site considered appropriate by the provider.

9 (3) For the purpose of reimbursement for Medicaid services
10 furnished via a telecommunications system, the department shall
11 expand the definition of distant site used in the state Medicaid
12 provider manual to include the provider's office, or any
13 established site considered appropriate by the provider.

14 Sec. 1846. From the funds appropriated in part 1 for graduate
15 medical education, the department shall distribute the funds with
16 an emphasis on the following health care workforce goals:

17 (a) The encouragement of the training of physicians in
18 specialties, including primary care, that are necessary to meet the
19 future needs of residents of this state.

20 (b) The training of physicians in settings that include
21 ambulatory sites and rural locations.

22 Sec. 1850. The department may allow Medicaid health plans to
23 assist with maintaining eligibility through outreach activities to
24 ensure continuation of Medicaid eligibility and enrollment in
25 managed care. This may include mailings, telephone contact, or
26 face-to-face contact with beneficiaries enrolled in the individual
27 Medicaid health plan. Health plans may offer assistance in

1 completing paperwork for beneficiaries enrolled in their plan.

2 Sec. 1851. From the funds appropriated in part 1 for adult
3 home help services, the department shall allocate \$150,000.00 state
4 general fund/general purpose revenue plus any associated federal
5 match to develop and deploy a mobile electronic visit verification
6 solution to create administrative efficiencies, reduce error, and
7 minimize fraud. The development of the solution shall be predicated
8 on input from the results of the 2017 stakeholder survey.

9 Sec. 1855. From the funds appropriated in part 1 for program
10 of all-inclusive care for the elderly (PACE), to the extent that
11 funding is available in the PACE line item and unused program slots
12 are available, the department may do the following:

13 (a) Increase the number of slots for an already-established
14 local PACE program if the local PACE program has provided
15 appropriate documentation to the department indicating its ability
16 to expand capacity to provide services to additional PACE clients.

17 (b) Suspend the 10 member per month individual PACE program
18 enrollment increase cap in order to allow unused and unobligated
19 slots to be allocated to address unmet demand for PACE services.

20 Sec. 1856. (1) From the funds appropriated in part 1 for
21 hospice services, \$3,318,000.00 shall be expended to provide room
22 and board for Medicaid recipients who meet hospice eligibility
23 requirements and receive services at Medicaid enrolled hospice
24 residences in this state. The department shall distribute funds
25 through grants based on the total beds located in all eligible
26 residences that have been providing these services as of October 1,
27 2017. Any eligible grant applicant may inform the department of

1 their request to reduce the grant amount allocated for their
2 residence and the funds shall be distributed proportionally to
3 increase the total grant amount of the remaining grant-eligible
4 residences. Grant amounts shall be paid out monthly with 1/12 of
5 the total grant amount distributed each month to the grantees.

6 (2) By September 15 of the current fiscal year, each Medicaid-
7 enrolled hospice with a residence that receives funds under this
8 section shall provide a report to the department on the utilization
9 of the grant funding provided in subsection (1). The report shall
10 be provided in a format prescribed by the department and shall
11 include the following:

12 (a) The number of patients served.

13 (b) The number of days served.

14 (c) The daily room and board rates for the patients served.

15 (d) If there is not sufficient funding to cover the total room
16 and board need, the number of patients who did not receive care due
17 to insufficient grant funding.

18 (3) If there is funding remaining at the end of the current
19 fiscal year, the Medicaid-enrolled hospice with a residence shall
20 return funding to the state.

21 Sec. 1857. By July 1 of the current fiscal year, the
22 department shall explore the implementation of a managed care long-
23 term support service.

24 Sec. 1858. By April 1 of the current fiscal year, the
25 department shall report to the senate and house appropriations
26 subcommittees on the department budget and the senate and house
27 fiscal agencies on all of the following elements related to the

1 current Medicaid pharmacy carve-out of pharmaceutical products as
2 provided for in section 109h of the social welfare act, 1939 PA
3 280, MCL 400.109h:

4 (a) The number of prescriptions paid by the department during
5 the previous fiscal year.

6 (b) The total amount of expenditures for prescriptions paid by
7 the department during the previous fiscal year.

8 (c) The number of and total expenditures for prescriptions
9 paid for by the department for generic equivalents during the
10 previous fiscal year.

11 Sec. 1859. The department shall partner with the Michigan
12 Association of Health Plans (MAHP) and Medicaid health plans to
13 develop and implement strategies for the use of information
14 technology services for Medicaid research activities. The
15 department shall make available state medical assistance program
16 data, including Medicaid behavioral data, to MAHP and Medicaid
17 health plans or any vendor considered qualified by the department
18 for the purpose of research activities consistent with this state's
19 goals of improving health; increasing the quality, reliability,
20 availability, and continuity of care; and reducing the cost of care
21 for the eligible population of Medicaid recipients.

22 Sec. 1860. By March 1 of the current fiscal year, the
23 department shall provide a report to the senate and house
24 appropriations subcommittees, the senate and house fiscal agencies,
25 and the state budget office on uncollected co-pays and premiums in
26 the Healthy Michigan plan. The report shall include information on
27 the number of participants who have not paid their co-pays and

1 premiums, the total amount of uncollected co-pays and premiums, and
2 steps taken by the department and health plans to ensure greater
3 collection of co-pays and premiums.

4 Sec. 1862. From the funds appropriated in part 1, the
5 department shall maintain payment rates for Medicaid obstetrical
6 services at 95% of Medicare levels effective October 1, 2014.

7 Sec. 1867. (1) The department shall continue a workgroup that
8 includes psychiatrists, other relevant prescribers, and pharmacists
9 to identify best practices and to develop a protocol for
10 psychotropic medications. Any changes proposed by the workgroup
11 shall protect a Medicaid beneficiary's current psychotropic
12 pharmaceutical treatment regimen by not requiring a physician
13 currently prescribing any treatment to alter or adjust that
14 treatment.

15 (2) By March 1 of the current fiscal year, the department
16 shall provide the workgroup's recommendations to the senate and
17 house appropriations subcommittees on the department budget, the
18 senate and house fiscal agencies, and the state budget office.

19 Sec. 1870. (1) From the funds appropriated in part 1 for
20 hospital services and therapy, the department shall appropriate
21 \$3,750,000.00 in general fund/general purpose revenue plus any
22 contributions from public entities, up to \$5,000,000.00, and any
23 associated federal match to the MiDocs consortium to create new
24 primary care residency slots in underserved communities. The new
25 primary care residency slots must be in 1 of the following
26 specialties: family medicine, general internal medicine, general
27 pediatrics, general OB-GYN, psychiatry, or general surgery.

1 (2) The department shall seek any necessary approvals from CMS
2 to allow the department to implement the program described in this
3 section.

4 (3) Assistance with repayment of medical education loans, loan
5 interest payments, or scholarships provided by MiDocs shall be
6 contingent upon a minimum 2-year commitment to practice in an
7 underserved community in this state post-residency and an agreement
8 to forego any sub-specialty training for at least 2 years post-
9 residency.

10 (4) The MiDocs shall work with the department to integrate the
11 Michigan inpatient psychiatric admissions discussion (MIPAD)
12 recommendations and, when possible, prioritize training
13 opportunities in state psychiatric hospitals and community mental
14 health organizations.

15 (5) In collaboration with the Michigan Health Council, the
16 MiDocs consortium shall reserve at least 3 residency slots per
17 class to be used for the Michigan early primary care incentive
18 program.

19 (6) The department shall create a MiDocs initiative advisory
20 council to help support implementation of the program described in
21 this section, and provide oversight. The advisory council shall be
22 composed of the MiDocs consortium, the Michigan Area Health
23 Education Centers, the Michigan Primary Care Association, the
24 Michigan Center for Rural Health, the Michigan Academy of Family
25 Physicians, and any other appointees designated by the department.

26 (7) By September 1 of the current fiscal year, MiDocs shall
27 report to the senate and house appropriations subcommittees on the

1 department budget, the senate and house fiscal agencies, the senate
2 and house policy offices, and the state budget office, on the
3 following:

4 (a) Audited financial statement of per-resident costs.

5 (b) Education and clinical quality data.

6 (c) Roster of trainees, including areas of specialty and
7 locations of training.

8 (d) Medicaid revenue by training site.

9 (8) Outcomes and performance measures for this program
10 include, but are not limited to, the following:

11 (a) Increasing this state's ability to recruit, train, and
12 retain primary care physicians and other select specialty
13 physicians in underserved communities.

14 (b) Maximizing training opportunities with community health
15 centers, rural critical access hospitals, solo or group private
16 practice physician practices, schools, and other community-based
17 clinics, in addition to required rotations at inpatient hospitals.

18 (c) Increasing the number of residency slots for family
19 medicine, general internal medicine, general pediatrics, general
20 OB-GYN, psychiatry, and general surgery.

21 (9) Unexpended and unencumbered funds up to a maximum
22 \$3,750,000.00 in general fund/general purpose revenue plus any
23 contributions from public entities, up to \$5,000,000.00, and any
24 associated federal match remaining in accounts appropriated in part
25 1 for hospital services and therapy are designated as work project
26 appropriations, and any unencumbered or unallotted funds shall not
27 lapse at the end of the fiscal year and shall be available for

1 expenditures for the MiDocs consortium to create new primary care
2 residency slots in underserved communities under this section until
3 the work project has been completed. All of the following are in
4 compliance with section 451a(1) of the management and budget act,
5 1984 PA 431, MCL 18.1451a:

6 (a) The purpose of the work project is to fund the cost of the
7 MiDocs consortium to create new primary care residency slots in
8 underserved communities.

9 (b) The work project will be accomplished by contracting with
10 the MiDocs consortium to oversee the creation of new primary care
11 residency slots.

12 (c) The total estimated completion cost of the work project is
13 \$17,500,000.00.

14 (d) The tentative completion date is September 30, 2024.

15 Sec. 1871. The funds appropriated in part 1 for the Healthy
16 Michigan plan healthy behaviors incentives program shall only
17 provide reductions in cost-sharing responsibilities and shall not
18 include other financial rewards such as gift cards.

19 Sec. 1872. From the funds appropriated in part 1 for personal
20 care services, the department shall maintain the monthly Medicaid
21 personal care supplement paid to adult foster care facilities and
22 homes for the aged that provide personal care services to Medicaid
23 recipients in place during the previous fiscal year.

24 Sec. 1873. From the funds appropriated in part 1 for long-term
25 care services, the department may allocate up to \$3,700,000.00 for
26 the purpose of outreach and education to nursing home residents and
27 the coordination of housing in order to move out of the facility.

1 In addition, any funds appropriated shall be used for other quality
2 improvement activities of the program. The department shall
3 consider working with all relevant stakeholders to develop a plan
4 for the ongoing sustainability of the nursing facility transition
5 initiative.

6 Sec. 1874. The department shall ensure, in counties where
7 program of all-inclusive care for the elderly or PACE services are
8 available, that the program of all-inclusive care for the elderly
9 (PACE) is included as an option in all options counseling and
10 enrollment brokering for aging services and managed care programs,
11 including, but not limited to, Area Agencies on Aging, centers for
12 independent living, and the MiChoice home and community-based
13 waiver. Such options counseling must include approved marketing and
14 discussion materials.

15 Sec. 1875. (1) The department and its contractual agents may
16 not subject Medicaid prescriptions to prior authorization
17 procedures during the current fiscal year if that drug is carved
18 out or is not subject to prior authorization procedures as of May
19 9, 2016, and is generally recognized in a standard medical
20 reference or the American Psychiatric Association's Diagnostic and
21 Statistical Manual for the Treatment of a Psychiatric Disorder.

22 (2) The department and its contractual agents may not subject
23 Medicaid prescriptions to prior authorization procedures during the
24 current fiscal year if that drug is carved out or is not subject to
25 prior authorization procedures as of May 9, 2016 and is a
26 prescription drug that is generally recognized in a standard
27 medical reference for the treatment of human immunodeficiency virus

1 or acquired immunodeficiency syndrome, epilepsy or seizure
2 disorder, or organ replacement therapy.

3 (3) As used in this section, "prior authorization" means a
4 process implemented by the department or its contractual agents
5 that conditions, delays, or denies delivery or particular pharmacy
6 services to Medicaid beneficiaries upon application of
7 predetermined criteria by the department or its contractual agents
8 to those pharmacy services. The process of prior authorization
9 often requires that a prescriber do 1 or both of the following:

10 (a) Obtain preapproval from the department or its contractual
11 agents before prescribing a given drug.

12 (b) Verify to the department or its contractual agents that
13 the use of a drug prescribed for an individual meets predetermined
14 criteria from the department or its contractual agents for a
15 prescription drug that is otherwise available under the Medicaid
16 program in this state.

17 Sec. 1878. By March 1 of the current fiscal year, the
18 department shall provide a report to the senate and house
19 appropriations subcommittees on the department budget, the senate
20 and house fiscal agencies, the senate and house policy offices, and
21 the state budget office on hepatitis C tracking data. At a minimum,
22 the report shall include information on the following for
23 individuals treated with Harvoni or any other treatment used to
24 cure hepatitis C during the current fiscal year or a previous
25 fiscal year:

26 (a) The total number of people treated broken down by those
27 treated through traditional Medicaid and those treated through the

1 Healthy Michigan plan.

2 (b) The total cost of treatment.

3 (c) The total cost of treatment broken down by those treated
4 through traditional Medicaid and those treated through the Healthy
5 Michigan plan.

6 (d) The cure rate broken down by Metavir Score, genotype,
7 Medicaid match rate, and drug used during treatment.

8 (e) The reinfection rate broken down by Metavir Score,
9 genotype, Medicaid match rate, and drug used during treatment.

10 Sec. 1888. The department shall establish contract performance
11 standards associated with the capitation withhold provisions for
12 Medicaid health plans at least 3 months in advance of the
13 implementation of those standards. The determination of whether
14 performance standards have been met shall be based primarily on
15 recognized concepts such as 1-year continuous enrollment and the
16 healthcare effectiveness data and information set, HEDIS, audited
17 data.

18 Sec. 1894. By March 1 of the current fiscal year, the
19 department shall report to the senate and house appropriations
20 subcommittees on the department budget, the senate and house fiscal
21 agencies, the senate and house policy offices, and the state budget
22 office on the Healthy Kids Dental program. The report shall
23 include, but is not limited to, the following:

24 (a) The number of children enrolled in the Healthy Kids Dental
25 program who visited the dentist during the previous fiscal year
26 broken down by dental benefit manager.

27 (b) The number of dentists who accept payment from the Healthy

1 Kids Dental program broken down by dental benefit manager.

2 (c) The annual change in dental utilization of children
3 enrolled in the Healthy Kids Dental program broken down by dental
4 benefit manager.

5 (d) Service expenditures for the Healthy Kids Dental program
6 broken down by dental benefit manager.

7 (e) Administrative expenditures for the Healthy Kids Dental
8 program broken down by dental benefit manager.

9 **INFORMATION TECHNOLOGY**

10 Sec. 1901. (1) The department shall provide a report on a
11 quarterly basis to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies, the senate and house policy offices, and the state budget
14 office on all of the following information:

15 (a) The process used to define requests for proposals for each
16 expansion of information technology projects, including timelines,
17 project milestones, and intended outcomes.

18 (b) If the department decides not to contract the services out
19 to design and implement each element of the information technology
20 expansion, the department shall submit its own project plan that
21 includes, at a minimum, the requirements in subdivision (a).

22 (c) A recommended project management plan with milestones and
23 time frames.

24 (d) The proposed benefits from implementing the information
25 technology expansion, including customer service improvement, form
26 reductions, potential time savings, caseload reduction, and return

1 on investment.

2 (e) Details on the implementation of the integrated service
3 delivery project, and the progress toward meeting the outcomes and
4 performance measures listed in section 1904(2) of this part.

5 (f) A list of projects approved in the previous quarter and
6 the purpose for approving each project including any federal,
7 state, court, or legislative requirement for each project.

8 (2) Once an award for an expansion of information technology
9 is made, the department shall report to the senate and house
10 appropriations subcommittees on the department budget, the senate
11 and house fiscal agencies, the senate and house policy offices, and
12 the state budget office a projected cost of the expansion broken
13 down by use and type of expense.

14 Sec. 1902. From the funds appropriated in part 1 for the
15 Michigan Medicaid information system (MMIS) line item, private
16 revenue may be received from and allocated for other states
17 interested in participating as part of the broader MMIS initiative.
18 By March 1 of the current fiscal year, the department shall provide
19 a report on the use of MMIS by other states for the previous fiscal
20 year, including a list of states, type of use, and revenue and
21 expenditures related to the agreements with the other states to use
22 the MMIS. The report shall be provided to the house and senate
23 appropriations subcommittees on the department budget, the house
24 and senate fiscal agencies, and the state budget office.

25 Sec. 1903. (1) The department shall report to the senate and
26 house appropriations subcommittees on the department budget, the
27 senate and house fiscal agencies, the senate and house policy

1 offices, and the state budget office by November 1 of the current
2 fiscal year the status of an implementation plan regarding the
3 appropriation in part 1 to modernize the MiSACWIS. The report shall
4 include, but not be limited to, an update on the status of the
5 settlement and efforts to bring the system in compliance with the
6 settlement and other federal guidelines set forth by the United
7 States Department of Health and Human Services Administration for
8 Children and Families.

9 (2) The department shall report to the senate and house
10 appropriations subcommittees on the department budget, the senate
11 and house fiscal agencies, the senate and house policy offices, and
12 the state budget office by November 1, January 1, March 1, May 1,
13 July 1, and September 1 of the current fiscal year a status report
14 on the planning, implementation, and operation, regardless of the
15 current operational status, regarding the appropriation in part 1
16 to implement the MiSACWIS. The report shall provide details on the
17 planning, implementation, and operation of the system, including,
18 but not limited to, all of the following:

19 (a) Areas where implementation went as planned, and in each
20 area including whether the implementation results in either
21 enhanced user interface or portal access, conversion to new
22 modules, or substantial operation improvement to the MiSACWIS
23 system.

24 (b) The number of known issues.

25 (c) The average number of help tickets submitted per day.

26 (d) Any additional overtime or other staffing costs to address
27 known issues and volume of help tickets.

1 (e) Any contract revisions to address known issues and volume
2 of help tickets.

3 (f) Other strategies undertaken to improve implementation, and
4 for each strategy area including whether the implementation results
5 in either enhanced user interface or portal access, conversion to
6 new modules, or substantial operation improvement to the MiSACWIS
7 system.

8 (g) Progress developing cross-system trusted data exchange
9 with MiSACWIS.

10 (h) Progress in moving away from a statewide automated child
11 welfare information system (SACWIS) to a comprehensive child
12 welfare information system (CCWIS).

13 (i) Progress developing and implementing a program to monitor
14 data quality.

15 (j) Progress developing and implementing custom integrated
16 systems for private agencies.

17 (k) A list of all change orders, planned or in progress.

18 (l) The status of all change orders, planned or in progress.

19 (m) The estimated costs for all planned change orders.

20 (n) The estimated and actual costs for all change orders in
21 progress.

22 Sec. 1904. (1) From the funds appropriated in part 1 for the
23 technology supporting integrated service delivery line item, the
24 department shall maintain information technology tools and enhance
25 existing systems to improve the eligibility and enrollment process
26 for citizens accessing department administered programs. This
27 information technology system will consolidate beneficiary

1 information, support department caseworker efforts in building a
2 success plan for beneficiaries, and better support department staff
3 in supporting enrollees in assistance programs.

4 (2) Outcomes and performance measures for the initiative under
5 subsection (1) include, but are not limited to, the following:

6 (a) Successful consolidation of data warehouses maintained by
7 the department.

8 (b) The amount of time a department caseworker devotes to data
9 entry when initiating an enrollee application.

10 (c) A reduction in wait times for persons enrolled in
11 assistance programs to speak with department staff and get
12 necessary changes made.

13 (d) A reduction in department caseworker workload.

14 Sec. 1905. (1) The department shall report on a monthly basis
15 to the chairs of the senate and house standing committees on
16 appropriations, the senate and house appropriations subcommittees
17 on the department budget, the senate and house appropriations
18 subcommittees on the general government budget, the senate and
19 house fiscal agencies, the senate and house policy offices, and the
20 state budget office on all of the following:

21 (a) Fiscal year-to-date information technology spending for
22 the current fiscal year by service and project and by line-item
23 appropriation.

24 (b) Planned information technology spending for the remainder
25 of the current fiscal year by service and project and by line-item
26 appropriation.

27 (c) Total fiscal year-to-date information technology spending

1 and planned spending for the current fiscal year by service and
2 project and by line-item appropriation.

3 (d) A list of all information technology projects estimated to
4 cost more than \$250,000.00 that exceed their allotted budget as
5 well as all information technology projects that have exceeded
6 their allotted budget by 25% or more.

7 (2) As used in subsection (1), "project" means all of, but not
8 limited to, the following major projects:

9 (a) Community health automated Medicaid processing system
10 (CHAMPS).

11 (b) Bridges and MiBridges eligibility determination.

12 (c) MiSACWIS.

13 (d) Integrated service delivery.

14 (3) By April 30 of the current fiscal year, the department, in
15 coordination with the department of technology, management, and
16 budget, shall provide to the senate and house appropriations
17 subcommittees on the department budget, the senate and house fiscal
18 agencies, the senate and house policy offices, and the state budget
19 office a 5-year strategic plan for information technology services
20 and projects for the department. The strategic plan shall identify
21 any scheduled changes in the federal and state shares of costs
22 related to information technology services and projects over the 5-
23 year period. As part of the strategic plan, the department shall
24 include total information technology expenditures from the previous
25 fiscal year by fund source, total information technology
26 appropriations as a percentage of total department appropriations
27 by fund source, and a return on investment, by project, for all

1 information technology expenditures in the previous fiscal year.
2 The strategic plan shall also include, for the previous 5 fiscal
3 years, the department's information technology spending compared to
4 similar departments in 3 other states located in the Midwest.

5 Sec. 1906. (1) The workgroup, in collaboration with the
6 Michigan Federation of Children and Families and the Association of
7 Accredited Child and Family Agencies, shall issue a report to the
8 house and senate appropriations subcommittees on the department
9 budget, the house and senate fiscal agencies, the house and senate
10 policy offices, and the state budget office no later than November
11 1, January 1, March 1, May 1, July 1, and September 1 of the
12 current fiscal year that must consist of, but is not limited to,
13 the following:

14 (a) Recommendations for the future funding and operations of
15 MiSACWIS and the replacement state child welfare information
16 system.

17 (b) Recommendations for any remedial actions that the
18 workgroup considers necessary for the department to implement in
19 order to improve the functions of MiSACWIS and the subsequent state
20 child welfare information system, and measures established to
21 determine the success of MiSACWIS and the replacement state child
22 welfare information system.

23 (c) Any other information the workgroup would like to provide
24 regarding MiSACWIS and the replacement state child welfare
25 information system.

26 (2) As used in this section, "workgroup" means the workgroup
27 established by the department to facilitate the transition from the

1 use of MiSACWIS to a replacement state child welfare information
2 system, according to the independent assessment of Michigan's
3 statewide automated child welfare information system and child
4 welfare data reporting infrastructure submitted to the United
5 States District Court for the Eastern District of Michigan on
6 February 25, 2019.

7 Sec. 1907. By October 1 and March 1 of the current fiscal
8 year, the department shall report to the house and senate
9 appropriations subcommittees on the department budget, the house
10 and senate fiscal agencies, the house and senate policy offices,
11 and the state budget office on all current, contracted information
12 technology-related projects, total contractual costs, spending in
13 previous fiscal years, planned spending for the current fiscal
14 year, and fiscal year-to-date spending, by project.

15 Sec. 1908. It is the intent of the legislature that all funds
16 appropriated in part 1 for information technology shall prioritize
17 projects directly dedicated to protecting the public health and
18 safety through disease surveillance, cancer support, vital records,
19 chronic disease, newborn screenings, public health registries, and
20 associated training or technical assistance.

21 Sec. 1909. (1) The funds appropriated in part 1 for
22 information technology contingency shall not be encumbered or
23 expended until they are transferred to another line item in part 1
24 by the house and senate standing committees on appropriations in
25 accordance with section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.

27 (2) The funds appropriated in part 1 for one-time information

1 technology contingency shall not be encumbered or expended until
2 they are transferred to another line item in part 1 by the house
3 and senate standing committees on appropriations in accordance with
4 section 393(2) of the management and budget act, 1984 PA 431, MCL
5 18.1393.

6 (3) The department shall only encumber or expend funds for the
7 operation, maintenance, and improvements of the Michigan child
8 support enforcement system (MiCSES) from the funds appropriated in
9 part 1 for child support automation.

10 (4) The department shall only encumber or expend funds for the
11 operation, maintenance, and improvements of Bridges and MIBridges
12 from the funds appropriated in part 1 for bridges information
13 system.

14 (5) The department shall only encumber or expend funds for the
15 operation, maintenance, and improvements of integrated service
16 delivery from the funds appropriated in part 1 for technology
17 supporting integrated service delivery.

18 (6) The department shall only encumber or expend funds for the
19 operation, maintenance, and improvements of the community health
20 automated Medicaid processing system (CHAMPS) from the funds
21 appropriated in part 1 for Michigan Medicaid information system.

22 (7) The department shall only encumber or expend funds for the
23 operation, maintenance, and improvements of MiSACWIS from the funds
24 appropriated in part 1 for Michigan statewide automated child
25 welfare information system.

26 (8) The department shall only encumber or expend funds for the
27 operation, maintenance, and improvements to the state child welfare

1 information system from the funds appropriated in part 1 for state
2 child welfare information system.

3 (9) The department shall not encumber or expend funds for a
4 system intended to replace MiSACWIS sooner than 30 days after
5 submitting a spending plan for the development or procurement of
6 the replacement system to the speaker of the house of
7 representatives, the senate majority leader, the house and senate
8 standing committees on appropriations, the house and senate fiscal
9 agencies, the house and senate policy offices, and the state budget
10 office.

11 **ONE-TIME APPROPRIATIONS**

12 Sec. 1910. (1) From the funds appropriated in part 1 for the
13 drinking water declaration of emergency, the department shall
14 allocate funds to address needs in a city in which a declaration of
15 emergency was issued because of drinking water contamination. These
16 funds may support, but are not limited to, the following
17 activities:

18 (a) Nutrition assistance, nutritional and community education,
19 food bank resources, and food inspections.

20 (b) Epidemiological analysis and case management of
21 individuals at risk of elevated blood lead levels.

22 (c) Support for child and adolescent health centers,
23 children's healthcare access program, and pathways to potential
24 programming.

25 (d) Nursing services, breastfeeding education, evidence-based
26 home visiting programs, intensive services, and outreach for

1 children exposed to lead coordinated through local community mental
2 health organizations.

3 (e) Department field operations costs.

4 (f) Lead poisoning surveillance, investigations, treatment,
5 and abatement.

6 (g) Nutritional incentives provided to local residents through
7 the Double Up Food Bucks Expansion Program.

8 (h) Genesee County health department food inspectors to
9 perform water testing at local food service establishments.

10 (i) Transportation related to health care delivery.

11 (j) Senior initiatives.

12 (k) Lead abatement contractor workforce development.

13 (2) From the funds appropriated in part 1 for the drinking
14 water declaration of emergency, the department shall allocate
15 \$300,000.00 for Revive Community Health Center for health support
16 services as the center pursues certification as a federally
17 qualified health center.

18 (3) From the funds appropriated in part 1 for the drinking
19 water declaration of emergency, the department shall allocate
20 \$500,000.00 for Rides to Wellness through the Flint mass
21 transportation authority.

22 Sec. 1911. From the funds appropriated in part 1 for child and
23 adolescent health centers, the department shall allocate
24 \$1,000,000.00 for the expansion of school-based child and
25 adolescent health centers for the delivery of behavioral and
26 physical health services. The department shall consult with the
27 School-Community Health Alliance of Michigan in determining sites

1 for new health centers or expansion of existing health centers. In
2 determining sites, priority shall be given by the department to
3 counties having a population of 125,000 or fewer persons according
4 to the most recent decennial census, and to areas of the state that
5 are currently underserved by school-based child and adolescent
6 health centers.

7 Sec. 1912. From the funds appropriated in part 1 for co-
8 responder crisis services pilot, \$60,000.00 is allocated for mobile
9 crisis resolution services, to an existing mobile crisis resolution
10 provider with an existing walk-in center, who is working in
11 conjunction with a township police department within 6 miles of the
12 walk-in center. The service provider shall be stationed in a county
13 with a population of at least 1,500,000. The mobile crisis
14 resolution service provider shall be engaged by the township police
15 department when a call indicates a behavioral health concern that
16 does not meet criteria for a criminal charge or petition for mental
17 health evaluation. The mobile crisis provider shall provide crisis
18 stabilization services, including assessment, care coordination,
19 and referrals for ongoing treatment. The mobile crisis services
20 provider shall collect and submit to the department data on the
21 outcomes of the pilot project throughout the duration of the pilot
22 project and shall provide a report on the pilot project's outcomes
23 to the house and senate appropriations subcommittees on the
24 department budget, the house and senate fiscal agencies, and the
25 state budget office.

26 Sec. 1913. (1) From the funds appropriated in part 1 for
27 cercarial dermatitis prevention program, the department shall

1 allocate \$250,000.00 for a program to address the presence of
2 parasites in inland lakes causing cercarial dermatitis. The funds
3 shall be distributed to a Michigan-based nonprofit organization for
4 the purpose of pursuing comprehensive, science-based mitigation and
5 research by appropriately qualified subject matter experts to
6 prevent cercarial dermatitis outbreaks. This appropriation may be
7 used to reimburse costs incurred before the effective date of this
8 act.

9 (2) By January 1, the department must submit a report to the
10 house and senate appropriations subcommittees on the department
11 budget detailing data collected, program plan, and effectiveness
12 measures of the cercarial dermatitis prevention program.

13 Sec. 1914. From the funds appropriated in part 1 for primary
14 care and dental health services, \$150,000.00 shall be allocated for
15 primary care clinic and dental health clinic services for indigent
16 individuals to be provided in clinic locations in the city of
17 Detroit and Wayne County by a public nonprofit organization with a
18 stated mission of providing medical, behavioral, and mental health
19 services, as well as other related support services, to underserved
20 populations in Detroit, Wayne County, surrounding counties, and
21 throughout Michigan.

22 Sec. 1915. From the funds appropriated in part 1 for healthy
23 communities grant, \$300,000.00 shall be allocated for a 1-time
24 grant to Leaders Advancing and Helping Communities for community
25 healthy living, obesity prevention, and substance abuse prevention
26 programs.

27 Sec. 1916. (1) From the funds appropriated in part 1 for human

1 trafficking survivors' assistance, the department shall allocate
2 \$500,000.00 of crime victim's rights fund to support a long-term
3 women's shelter in southeastern Michigan for women aged 18 and
4 older who are survivors of human trafficking that offers housing
5 and comprehensive services to address the physical, psychological,
6 and spiritual aspects of recovery through a voluntary 2-year
7 program. Services provided by the shelter include counseling and
8 therapy for both trauma and addiction, medical and dental
9 evaluations and services, job training, GED or high school
10 completion programs or college, skilled trade training, computer
11 skills training, job placement counseling, legal assistance, health
12 and wellness consulting, addiction recovery meetings, and
13 opportunities for spiritual growth.

14 (2) From the funds appropriated in part 1 for human
15 trafficking survivors' assistance, the department shall allocate
16 \$500,000.00 of crime victim's rights fund to support a long-term
17 women's shelter in a city with a population between 188,000 and
18 189,000 according to the most recent decennial census. The shelter
19 shall offer housing and comprehensive services to women who are
20 survivors of human trafficking.

21 Sec. 1917. From the funds appropriated in part 1 for lead
22 exposure response and abatement, the department shall allocate
23 \$3,434,500.00 to address statewide and community needs to respond
24 to situations that have caused lead contamination in water, soil,
25 or housing, and elevated human blood lead levels and health
26 consequences due to lead poisoning. Eligible communities may
27 include a city in which a declaration of emergency was issued

1 because of drinking water contamination. These funds may support,
2 but are not limited to, the following activities:

3 (a) Nutrition assistance, nutritional and community education,
4 food bank resources, and food inspections.

5 (b) Epidemiological analysis and case management of
6 individuals at risk of elevated blood lead levels.

7 (c) Support for access to health care for children and
8 adolescents.

9 (d) Nursing services, breastfeeding education, evidence-based
10 home visiting programs, intensive services, and outreach for
11 children exposed to lead coordinated through local community mental
12 health organizations.

13 (e) Department field operations costs.

14 (f) Lead poisoning surveillance, investigations, treatment,
15 and abatement.

16 (g) Water testing at local food service establishments by
17 local health department food inspectors.

18 (h) Transportation related to health care delivery.

19 (i) Senior initiatives.

20 (j) Lead abatement contractor workforce development.

21 Sec. 1918. From the funds appropriated in part 1 for substance
22 abuse community and school outreach, the department shall allocate
23 \$100,000.00 to a coalition located in a county with a population of
24 at least 1,500,000 with an aim to lead and support communities to
25 dispel the myths and stigmas about drug addiction through public
26 education, sharing stories of recovery, partnering with local and
27 state leaders, creating positive social changes, and providing

1 recovery support services for those in need.

2 Sec. 1919. (1) From the funds appropriated in part 1 for
3 unified clinics resiliency center for families and children, the
4 department shall allocate \$1,500,000.00 to a 4-year state
5 university located in a county with a population between 250,000
6 and 251,000 according to the most recent decennial census to be
7 used to develop and operate a resiliency center for families and
8 children to address the multifaceted needs of those experiencing
9 trauma, toxic stress, chronic disability, neurodevelopmental
10 disorders, or addictions.

11 (2) Outcomes and performance measures for the resiliency
12 center funded under this section shall include, but not be limited
13 to, the following:

14 (a) The number of children and families who received services
15 from the center.

16 (b) The types of screening offered by the center and the
17 number of clients that received each screening type.

18 (c) The number of trauma assessments completed through the
19 center's programs and the average cost of a trauma assessment for
20 each type of client, including children, adults, and families.

21 (d) The types of services offered by the center and the number
22 of clients that received each service type.

23 (e) The number of referrals for services made to children and
24 families.

25 (f) A breakdown of the expenditures made for the development
26 of the resiliency center for families and children by major
27 category.

1 (3) By March 1 of the current fiscal year, the resiliency
2 center for families and children shall report to the house and
3 senate appropriations subcommittees on the department budget, the
4 house and senate fiscal agencies, the house and senate policy
5 offices, and the state budget office on the status of the
6 development of the resiliency center funded under this section and
7 on the information required in subsection (2).

8 (4) The unexpended portion of funds appropriated in part 1 for
9 unified clinics resiliency center for families and children is
10 designated as a work project appropriation. Any unencumbered or
11 unallotted funds shall not lapse at the end of the fiscal year and
12 shall be available for expenditure for the project under this
13 section until the project has been completed. The following is in
14 compliance with section 451a(1) of the management and budget act,
15 1984 PA 431, MCL 18.1451a:

16 (a) The purpose of the work project is to provide funding for
17 the operation and maintenance of a unified clinics resiliency
18 center for families and children as provided by this section.

19 (b) The project will be accomplished through funding to a 4-
20 year state university for the operation and maintenance of the
21 center.

22 (c) The total estimated cost of the work project is
23 \$1,500,000.00 of general fund/general purpose revenue.

24 (d) The estimated completion date is September 30, 2022.

25 (5) It is the intent of the legislature that this is the first
26 year out of 3 years that funding is to be provided by the
27 legislature for the unified clinics resiliency center for families

1 and children described in this section, and that in each of the 2
2 following years, \$750,000.00 be provided by the legislature.

3 Sec. 1920. (1) From the funds appropriated in part 1 for
4 autism navigator, the department shall require any contractor
5 receiving funds from this line item to comply with performance-
6 related metrics to maintain eligibility for funding. The
7 organizational metrics shall include, but not be limited to, all of
8 the following:

9 (a) Each contractor shall have accreditations that attest to
10 their competency and effectiveness in providing services.

11 (b) Each contractor shall demonstrate cost-effectiveness.

12 (c) Each contractor shall ensure their ability to leverage
13 private dollars to strengthen and maximize service provision.

14 (d) Each contractor shall provide quarterly reports to the
15 department regarding the number of clients served, units of service
16 provision, and ability to meet their stated goals.

17 (2) The department shall require an annual report from any
18 contractor receiving funding from the autism navigator line item.
19 The annual report, due to the department 60 days following the end
20 of the contract period, shall include specific information on
21 services and programs provided, the client base to which the
22 services and programs were provided, and the expenditures for those
23 services. The department shall provide the annual reports to the
24 senate and house appropriations subcommittees on the department
25 budget, the senate and house fiscal agencies, and the state budget
26 office.

27 Sec. 1921. (1) From the funds appropriated in part 1 for

1 employment first, the department shall allocate \$500,000.00 to
2 support the objectives stated in Executive Order No. 2015-15.

3 (2) The department shall use the funds to provide consultation
4 and technical assistance to support best practices to increase
5 competitive integrated employment for people with disabilities in
6 areas such as statewide capacity building of professionals
7 providing job preparation, placement, and retention supports and
8 services; provider transformation among community rehabilitation
9 organizations; rate restructuring of employment supports and
10 services; blending and braiding of resources; seamless transition
11 outcomes from education to employment; employer engagement;
12 education and outreach to clients and their families, including
13 information on benefits coordination and planning; and other
14 systemic change activities leading to competitive integrated
15 employment.

16 Sec. 1922. (1) From the funds appropriated in part 1 for wrap-
17 around services, the department shall allocate \$600,000.00 as a
18 grant, to implement a pilot program that will provide wrap-around
19 services designed to promote academic achievement through targeting
20 both academic and nonacademic barriers to learning during out-of-
21 school periods. The department shall grant at least 3 awards to
22 program applicants as funding is available. The funds shall be
23 available to schools, school districts, and public school academies
24 with an equal number of projects in each county where a grant is
25 awarded. The grants shall be awarded in the following way: a county
26 with a population of greater than 1,800,000 according to the most
27 recent decennial census, a county with a population of between

1 601,000 and 605,000 according to the most recent decennial census,
2 and a county with a population of between 420,000 and 430,000
3 according to the most recent decennial census. To be eligible for
4 the grants, the school, school district, or public school academy
5 shall have at least 67% of the population with an income of less
6 than 185% of the federal poverty level. Priority for selection
7 shall be given to schools, school districts, and public school
8 academies that have signed agreements, signed contracts, or signed
9 memorandums with nonprofit, community-based organizations organized
10 under the laws of this state that are exempt from federal income
11 tax under section 501(c)(3) of the internal revenue code of 1986,
12 26 USC 501. The pilot program shall include the following program
13 elements:

14 (a) Schools, school districts, and public school academies are
15 encouraged to offer educational awareness programs such as wrap-
16 around programs and integrated student supports that promote
17 academic achievement through overcoming academic and nonacademic
18 barriers to learning.

19 (b) Activities of an integrated student supports program
20 funded under this subsection may include, but not be limited to,
21 tutoring, dental and health screenings, social-emotional, health,
22 meals, and exercise.

23 (c) Schools, school districts, and public school academies are
24 encouraged to facilitate coordination to ensure the integrated
25 student supports program supplements the services currently
26 available to students and families.

27 (d) Schools, school districts, and public school academies

1 that are selected for participation under this section shall
2 provide a plan to transition the cost of the program to existing
3 funds or private funds raised over 5 years, by providing increasing
4 matching funds throughout the pilot program.

5 (e) Participating schools, school districts, and public school
6 academies shall track academic and nonacademic indicators of
7 student progress, including, but not limited to, the following
8 indicators:

9 (i) Pupil proficiency in mathematics and English language arts
10 as measured by section 1280g(1)(a)(i) of the revised school code,
11 1976 PA 451, MCL 380.1280g.

12 (ii) Pupils achieving adequate growth in mathematics and
13 English language arts as measured by section 1280g(1)(a)(ii) the
14 revised school code, 1976 PA 451, MCL 380.1280g.

15 (iii) Impact on chronic absenteeism rates as measured by
16 section 1280g(1)(b)(i) of the revised school code, 1976 PA 451, MCL
17 380.1280g.

18 (iv) Impact on student discipline, suspensions, and expulsions
19 using data as reported to and tracked by the center for educational
20 performance and information.

21 (2) The department shall submit a report to the senate and
22 house appropriations subcommittees on the department budget, the
23 senate and house fiscal agencies, the senate and house policy
24 offices, and the state budget office, by March 1 of the current
25 fiscal year with information about the grant recipients including
26 award amount, details about how the recipient organization will
27 comply with the reporting requirements in subsection (1), and any

1 advancement toward a transition to local funding sources to
2 maintain the pilot program for 5 years.

3 (3) Unexpended and unencumbered funds up to a maximum
4 \$600,000.00 in general fund/general purpose revenue plus any
5 contributions from public entities, up to \$600,000.00, and any
6 associated federal match remaining in accounts appropriated in part
7 1 for wrap-around services are designated as work project
8 appropriations, and any unencumbered or unallotted funds shall not
9 lapse at the end of the fiscal year and shall be available for
10 expenditures for the out of school wrap-around services pilot for
11 the creation of new programs that will promote academic achievement
12 under this section until the work project has been completed. All
13 of the following are in compliance with section 451a(1) of the
14 management and budget act, 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the work project is to fund the cost of the
16 creation of wrap-around service programs in 3 communities.

17 (b) The work project will be accomplished by contracting with
18 nonprofit, community-based organizations to oversee the creation of
19 the new out-of-school programs.

20 (c) The total estimated completion cost of the work project is
21 \$600,000.00.

22 (d) The tentative completion date is September 30, 2022.

23 Sec. 1923. From the funds appropriated in part 1 for senior
24 citizen center program grants, the department shall allocate
25 \$500,000.00 for a grant program administered by the aging and adult
26 services agency to support health-related senior programs at
27 multipurpose senior citizen centers. Program goals shall include

1 mental and physical health maintenance and improvement for senior
2 participants. Grant awards shall not exceed \$5,000.00 for a
3 program. Grantees are encouraged to match the funding with
4 participant fees or other nonstate source of funds. A private
5 housing facility with senior activity programs is not eligible for
6 the grant program.

7 Sec. 1924. (1) From the funds appropriated in part 1 for
8 senior community services, \$400,000.00 is appropriated for
9 Alzheimer's disease services. The funds shall be remitted to the
10 Alzheimer's Association-Michigan chapter for the purpose of
11 carrying out a dementia care and support program in Allegan, Kent,
12 Lenawee, Macomb, Midland, Monroe, Oakland, St. Clair, St. Joseph,
13 and Wayne Counties. Program services shall be provided to
14 individuals with Alzheimer's disease or dementia and their families
15 in the 10 counties, and shall include a 24/7 helpline, continued
16 care consultation, and referrals to support groups and other
17 community-based services. The Alzheimer's Association-Michigan
18 chapter shall also contract for an evaluation of the program. The
19 total cost for program evaluation shall not exceed \$15,000.00.

20 (2) By March 1 of the current fiscal year, the department
21 shall provide a report to the house and senate subcommittees on the
22 department budget, the house and senate fiscal agencies and policy
23 offices, and the state budget office on the status of the program
24 and the evaluation, the number of employees funded by the program,
25 the number of persons served by the program, and the number of
26 persons served by the program who continue to live in their own
27 home as known as of the date of the report. The report shall

1 include an analysis of program data to assess whether providing the
2 in-home support services significantly delays the need for
3 residential long-term care services for individuals with
4 Alzheimer's disease or dementia.

5 Sec. 1925. From the funds appropriated in part 1 for
6 children's behavioral health counseling services, the department
7 shall allocate \$100,000.00 as a grant to Mosaic Counseling for
8 children's behavioral health counseling services for children in
9 uninsured or underinsured households. As part of the grant
10 agreement, Mosaic Counseling shall provide a report by September 30
11 of the current fiscal year to the house and senate appropriations
12 subcommittees on the department budget, the house and senate fiscal
13 agencies, the house and senate policy offices, the state budget
14 office, and the department on the number of children served, the
15 counties where the children reside, and the value of the services
16 with the goal of turning the funds appropriated in part 1 into a
17 service value of over \$200,000.00.

18 Sec. 1926. From the funds appropriated in part 1 for food
19 delivery, the department shall allocate \$470,000.00 to a nonprofit,
20 community-based organization organized under the laws of this state
21 that are exempt from federal income tax under section 501(c)(3) of
22 the internal revenue code of 1986, 26 USC 501, located in a charter
23 township with a population of between 30,900 and 31,000 according
24 to the most recent decennial census which charter township is
25 located in a county with a population of between 601,000 and
26 603,000 according to the most recent decennial census. The
27 nonprofit selected shall use the funds to gather and distribute

1 food to relieve hunger and increase food security.

2 Sec. 1927. From the funds appropriated in part 1 for Asian
3 American health care and wellness initiative, the department shall
4 appropriate \$150,000.00 to a nonprofit organization organized under
5 the laws of this state that is exempt from federal income tax under
6 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
7 and is located in a county with a population between 602,000 and
8 603,000 according to the most recent decennial census to implement
9 a pilot program to provide health care services in a culturally and
10 linguistically competent manner. To be eligible to receive funding,
11 the organization must have a stated vision of building a
12 collaborative, active, and committed Asian American community in
13 west Michigan with a focus on health care, education, and
14 empowerment.

15 Sec. 1928. From the funds appropriated in part 1 for opioid
16 transitional housing and services grant, the department shall
17 allocate \$750,000.00 to a nonprofit organization organized under
18 the laws of this state that is exempt from federal income tax under
19 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
20 and is located in a county with a population between 160,000 and
21 162,000 according to the most recent decennial census for
22 operational use as it relates to the state's mission regarding
23 substance use disorder and opioid abuse. To be eligible to receive
24 funding, the organization must have a stated mission to educate the
25 community on opiate abuse and provide support for families and
26 those suffering addiction.

27 Sec. 1929. From the funds appropriated in part 1 for refugee

1 assistance grant, the department shall allocate \$175,000.00 to a
2 nonprofit corporation organized under the laws of this state that
3 is exempt from federal income tax under section 501(c)(3) of the
4 internal revenue code of 1986, 26 USC 501, to operate an initiative
5 to transition low-income refugee families to self-sufficiency. To
6 be eligible to receive funding, the organization must have a stated
7 core purpose of providing programs that guide, support, and empower
8 individuals to achieve self-sufficiency with dignity and hope. This
9 initiative must utilize a measurable, evidence-based approach that
10 integrates treatment for poverty across health care, human
11 services, educational, faith-based, and governmental programs. The
12 organization receiving funds under this section must report to the
13 department by September 30 of the current fiscal year on metrics
14 used to measure the success and viability of the initiative.

15 Sec. 1930. (1) From the funds appropriated in part 1 for
16 autism train the trainer grant, the department shall appropriate
17 \$100,000.00 to implement a pilot project to train school employees
18 on the principles and practices of applied behavior analysis and
19 research-based intervention strategies. The pilot project must do
20 both of the following:

21 (a) Train paraprofessionals and teachers in a school district
22 with a headquarters located in a city with a population between
23 6,900 and 7,000 according to the most recent decennial census in
24 applied behavior analysis skills that match the national standard
25 for behavior technician-level work and research-based intervention
26 strategies.

27 (b) Train teacher consultants, school social workers, school

1 psychologists, and other school personnel responsible for
2 conducting functional behavioral assessments and the development of
3 behavior support plans in a school district with a headquarters
4 located in a city with a population between 6,900 and 7,000
5 according to the most recent federal decennial census methods for
6 assuring implementation of a behavior plan with fidelity and
7 strategies for sharing understanding of evidence-based behavioral
8 health approaches with other school-based personnel.

9 (2) Outcomes and performance measures for the pilot project
10 funded under this section shall include, but not be limited to, the
11 following:

12 (a) A decrease in the number of center-program and self-
13 contained-classroom referrals.

14 (b) A decrease in the number of suspensions, removals, and
15 expulsions.

16 (c) A decrease in paraprofessional absences.

17 (d) An increase in teacher retention.

18 (e) An increase in safety.

19 (3) By September 1 of the current fiscal year, the department
20 shall report to the senate and house appropriations subcommittees
21 on the department budget, the senate and house fiscal agencies, the
22 senate and house policy offices, and the state budget office on the
23 information required in subsection (2).

24 Sec. 1931. The department shall spend available work project
25 revenue to continue the implementation of the Michigan medical
26 resident loan repayment program as specified in section 1918 of
27 article X of 2018 PA 207.

1 Sec. 1932. (1) From the funds appropriated in part 1 for legal
2 assistance, \$60,000.00 shall be allocated to the Allegan County
3 Legal Assistance Center to provide legal assistance to low-income
4 individuals.

5 (2) The funds appropriated in part 1 for legal assistance
6 shall be disbursed no later than November 1 of the current fiscal
7 year.

8 Sec. 1933. From the funds appropriated in part 1 for Project
9 ECHO Opioid Intervention, the department shall allocate \$40,000.00
10 to a nonprofit center for rural health housed within a 4-year state
11 university located in a county with a population between 280,000
12 and 285,000 according to the most recent decennial census for an
13 opioid response consortium in northern Michigan. To be eligible to
14 receive funding, the consortium must have a stated objective to
15 develop and implement strategies to address the opioid epidemic
16 across the Northern Michigan Opioid Response Consortium 14-county
17 region.

18 Sec. 1934. (1) From the funds appropriated in part 1 for
19 hospital behavioral health pilot program, the department shall
20 appropriate \$4,000,000.00 to McLaren Greater Lansing for a pilot
21 program located in a county with a population between 280,000 and
22 281,000 according to the most recent federal decennial census for
23 the purpose of operating a pilot program to ensure that the
24 behavioral and physical health needs of Michigan residents are
25 addressed. This pilot program shall seek to provide additional
26 behavioral health services in a more efficient manner due to a
27 partnership with state-based institutions on staffing assistance

1 and shared services with a Michigan-based health system. The pilot
2 program shall do all of the following:

- 3 (a) Connect participants with available benefits.
- 4 (b) Help participants maintain eligibility.
- 5 (c) Link participants with necessary health care services.
- 6 (d) Maintain participants' medication routines.
- 7 (e) Address participants' barriers to care.

8 (2) For the duration of the pilot program, the department
9 shall allow for the direct referral of patients to the pilot
10 program. It is the intent of the legislature that this pilot
11 program shall be designed to last 3 years and that the pilot
12 program not exceed a maximum bed capacity of 45 beds.

13 (3) By September 30 of the current fiscal year, the managing
14 entity of the pilot program shall submit a report to the
15 department, the senate and house appropriations subcommittees on
16 the department budget, the senate and house fiscal agencies, the
17 senate and house policy offices, and the state budget office. The
18 report shall include, at a minimum, all of the following:

- 19 (a) The number of patients served by the pilot program.
- 20 (b) A breakdown of state expenditures for the pilot program.
- 21 (c) A breakdown of cost savings compared to a facility solely
22 operated by the state.
- 23 (d) The average length of a patient stay.
- 24 (e) The number of readmissions of a patient in a 365-day
25 period.
- 26 (f) Number of staffing hours worked by university students.
- 27 (g) The number of admitted patients.

1 (h) Distance traveled to reach the facility.

2 (i) Number of patients who had previously been admitted to a
3 mental health facility.

4 (j) Number of patients who were admitted to a mental health
5 facility for the first time.

6 Sec. 1935. From the funds appropriated in part 1 for the
7 homelessness elimination blueprint, the department shall allocate
8 \$250,000.00 to a county with a population between 1,000,000 and
9 1,500,000 according to the most recent decennial census. The county
10 receiving the funding shall use the money to research and create a
11 comprehensive actionable plan to end homelessness in that county.
12 The county receiving the funding shall work to improve alignment
13 with existing programs, create an eviction prevention program,
14 create permanent affordable housing, create a system of care for
15 people who are homeless or precariously housed, create strong
16 community engagement, develop programs and incentives to encourage
17 landlords to accept housing vouchers, and develop other programs,
18 initiatives, and systems to assist in eliminating homelessness.

19 Sec. 1936. From the funds appropriated in part 1 for healthy
20 seniors grant, the department shall allocate \$1,000,000.00 for
21 programs and services at a senior citizen center in a city with a
22 population between 45,000 and 50,000 according to the most recent
23 decennial census within a county with a population between 250,000
24 and 260,000 according to the most recent decennial census. The
25 senior citizen center shall be required to identify nonstate
26 matching funds in an equivalent amount in order to receive the
27 grant.

1 Sec. 1937. From the funds appropriated in part 1 for sexual
2 assault comprehensive services grant, \$2,000,000.00 shall be
3 allocated to the Michigan domestic and sexual violence prevention
4 and treatment board (MDSVPTB) for sexual assault comprehensive
5 victim services funding, as defined by MDSVPTB, to be distributed
6 through a competitive grant process to entities determined by
7 MDSVPTB to have demonstrated capacity to provide such services.