

SUBSTITUTE FOR  
HOUSE BILL NO. 4235

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 .....	15,967.0
10	Average population .....	770.0

1	GROSS APPROPRIATION.....	\$ 25,882,022,400
2	Interdepartmental grant revenues:	
3	Total interdepartmental grants and intradepartmental	
4	transfers .....	13,424,900
5	ADJUSTED GROSS APPROPRIATION.....	\$ 25,868,597,500
6	Federal revenues:	
7	Social security act, temporary assistance for needy	
8	families .....	549,714,800
9	Capped federal revenues.....	565,574,800
10	Total other federal revenues.....	16,914,529,900
11	Special revenue funds:	
12	Total local revenues.....	155,232,700
13	Total private revenues.....	137,071,200
14	Michigan merit award trust fund.....	49,768,700
15	Total other state restricted revenues.....	2,824,884,300
16	State general fund/general purpose.....	\$ 4,671,821,100
17	<b>Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
18	Full-time equated unclassified positions .....6.0	
19	Full-time equated classified positions .....809.6	
20	Unclassified salaries--6.0 FTE positions.....	\$ 1,188,300
21	Administrative hearings officers.....	11,157,000
22	Demonstration projects--7.0 FTE positions.....	7,356,600
23	Departmental administration and management--601.6 FTE	
24	positions .....	93,912,900
25	Michigan community service commission--14.0 FTE	
26	positions .....	10,663,500
27	Office of inspector general--187.0 FTE positions.....	23,389,300

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.....	\$ 229,888,300
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG from department of education.....	1,932,100
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 .....	22,843,300
13	Capped federal revenues.....	30,916,000
14	Total other federal revenues.....	68,796,400
15	Special revenue funds:	
16	Total local revenues.....	85,200
17	Total private revenues.....	3,886,400
18	Total other state restricted revenues.....	1,261,500
19	State general fund/general purpose.....	\$ 100,166,800
20	<b>Sec. 103. CHILD SUPPORT ENFORCEMENT</b>	
21	Full-time equated classified positions .....	185.7
22	Child support enforcement operations--179.7 FTE	
23	positions .....	\$ 22,575,000
24	Child support incentive payments.....	24,409,600
25	Legal support contracts.....	113,027,100
26	State disbursement unit--6.0 FTE positions.....	<u>8,135,600</u>
27	GROSS APPROPRIATION.....	\$ 168,147,300

1	Appropriated from:	
2	Federal revenues:	
3	Total other federal revenues .....	142,364,900
4	State general fund/general purpose .....	\$ 25,782,400
5	<b>Sec. 104. COMMUNITY SERVICES AND OUTREACH</b>	
6	Full-time equated classified positions .....	65.6
7	Bureau of community services and outreach--20.0 FTE	
8	positions .....	\$ 3,403,200
9	Campus sexual assault prevention and education	
10	initiative .....	500,000
11	Child advocacy centers--0.5 FTE position .....	1,907,000
12	Community services and outreach administration--12.0	
13	FTE positions .....	1,648,300
14	Community services block grant .....	25,840,000
15	Crime victim grants administration services--17.0 FTE	
16	positions .....	2,210,600
17	Crime victim justice assistance grants .....	99,279,300
18	Crime victim rights services grants .....	18,870,000
19	Domestic violence prevention and treatment--15.6 FTE	
20	positions .....	17,871,700
21	Homeless programs .....	22,632,700
22	Housing and support services .....	13,031,000
23	Rape prevention and services--0.5 FTE position .....	5,097,300
24	School success partnership program .....	525,000
25	Uniform statewide sexual assault evidence kit tracking	
26	system .....	800,000
27	Weatherization assistance .....	<u>15,505,000</u>

1	GROSS APPROPRIATION.....	\$	229,121,100
2	Appropriated from:		
3	Federal revenues:		
4	Social security act, temporary assistance for needy		
5	families .....		13,189,800
6	Capped federal revenues.....		58,846,900
7	Total other federal revenues.....		115,553,900
8	Special revenue funds:		
9	Compulsive gambling prevention fund.....		1,040,500
10	Sexual assault evidence tracking fund.....		800,000
11	Sexual assault victims' prevention and treatment fund.		3,000,000
12	Child advocacy centers fund.....		1,407,000
13	Crime victim's rights fund.....		17,672,700
14	State general fund/general purpose.....	\$	17,610,300
15	<b>Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD</b>		
16	<b>WELFARE</b>		
17	Full-time equated classified positions .....		4,046.2
18	Adoption subsidies.....	\$	198,618,200
19	Adoption support services--10.0 FTE positions.....		33,318,000
20	Attorney general contract.....		5,001,100
21	Child abuse and neglect - children's justice act--1.0		
22	FTE position .....		624,400
23	Child care fund.....		230,299,200
24	Child protection.....		800,300
25	Child welfare administration travel.....		375,000
26	Child welfare field staff - caseload compliance--		
27	2,461.0 FTE positions .....		234,326,300

1	Child welfare field staff - noncaseload compliance--	
2	353.0 FTE positions .....	38,793,400
3	Child welfare first line supervisors--578.0 FTE	
4	positions .....	74,022,700
5	Child welfare institute--51.0 FTE positions.....	9,204,800
6	Child welfare licensing--59.0 FTE positions.....	7,021,800
7	Child welfare medical/psychiatric evaluations.....	9,835,500
8	Children's protective services staffing enhancement--	
9	175.0 FTE positions .....	18,618,000
10	Children's services administration--169.2 FTE	
11	positions .....	19,473,400
12	Children's trust fund--12.0 FTE positions.....	4,154,400
13	Contractual services, supplies, and materials.....	10,155,600
14	Education planners--15.0 FTE positions.....	1,553,600
15	Family preservation and prevention services	
16	administration--9.0 FTE positions .....	1,320,300
17	Family preservation programs--14.0 FTE positions.....	44,813,000
18	Foster care payments.....	258,590,700
19	Guardianship assistance program.....	10,534,500
20	Interstate compact.....	179,600
21	Peer coaches--45.5 FTE positions.....	5,835,000
22	Performance based funding implementation--3.0 FTE	
23	positions .....	1,449,500
24	Permanency resource managers--28.0 FTE positions.....	3,265,300
25	Prosecuting attorney contracts.....	3,879,500
26	Second line supervisors and technical staff--54.0 FTE	
27	positions .....	9,028,300

1	Settlement monitor.....	2,034,100
2	Strong families/safe children.....	12,600,000
3	Title IV-E compliance and accountability office--4.0	
4	FTE positions .....	428,600
5	Youth in transition--4.5 FTE positions.....	<u>15,533,700</u>
6	GROSS APPROPRIATION.....	\$ 1,265,687,800
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from department of education.....	89,300
10	Federal revenues:	
11	Social security act, temporary assistance for needy	
12	families .....	342,952,200
13	Capped federal revenues.....	112,229,200
14	Total other federal revenues.....	255,362,300
15	Special revenue funds:	
16	Private - collections.....	1,770,700
17	Local funds - county chargeback.....	40,914,500
18	Children's trust fund.....	2,888,300
19	State general fund/general purpose.....	\$ 509,481,300
20	<b>Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE</b>	
21	<b>JUSTICE</b>	
22	Full-time equated classified positions .....120.5	
23	Bay Pines Center--47.0 FTE positions.....	\$ 5,417,800
24	Committee on juvenile justice administration--2.5 FTE	
25	positions .....	353,900
26	Committee on juvenile justice grants.....	3,000,000
27	Community support services--3.0 FTE positions.....	2,124,200

1	County juvenile officers.....	3,904,300
2	Juvenile justice, administration and maintenance--21.0	
3	FTE positions .....	2,763,800
4	Shawono Center--47.0 FTE positions.....	<u>5,477,400</u>
5	GROSS APPROPRIATION.....	\$ 23,041,400
6	Appropriated from:	
7	Federal revenues:	
8	Capped federal revenues.....	8,541,700
9	Special revenue funds:	
10	Local funds - state share education funds.....	1,335,400
11	Local funds - county chargeback.....	4,619,900
12	State general fund/general purpose.....	\$ 8,544,400
13	<b>Sec. 107. PUBLIC ASSISTANCE</b>	
14	Full-time equated classified positions .....3.0	
15	Emergency services local office allocations.....	\$ 9,007,500
16	Family independence program.....	65,774,800
17	Food assistance program benefits.....	1,760,805,700
18	Food Bank Council of Michigan.....	2,045,000
19	Indigent burial.....	3,875,000
20	Low-income home energy assistance program.....	174,951,600
21	Michigan energy assistance program--1.0 FTE position..	50,000,000
22	Multicultural integration funding.....	15,303,800
23	Refugee assistance program--2.0 FTE positions.....	3,035,200
24	State disability assistance payments.....	6,567,500
25	State supplementation.....	58,903,400
26	State supplementation administration.....	<u>1,806,100</u>
27	GROSS APPROPRIATION.....	\$ 2,152,075,600



1	Appropriated from:	
2	Federal revenues:	
3	Social security act, temporary assistance for needy	
4	families .....	64,425,800
5	Capped federal revenues.....	178,171,300
6	Total other federal revenues.....	1,756,605,700
7	Special revenue funds:	
8	Child support collections.....	11,250,200
9	Supplemental security income recoveries.....	4,142,700
10	Public assistance recoupment revenue.....	5,000,000
11	Low-income energy assistance fund.....	50,000,000
12	State general fund/general purpose.....	\$ 82,479,900
13	<b>Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES</b>	
14	Full-time equated classified positions .....	5,814.5
15	Administrative support workers--221.0 FTE positions... \$	13,186,000
16	Adult services field staff--520.0 FTE positions.....	57,116,000
17	Contractual services, supplies, and materials.....	16,927,600
18	Donated funds positions--238.0 FTE positions.....	27,093,700
19	Elder Law of Michigan MiCAFE contract.....	350,000
20	Electronic benefit transfer (EBT) .....	6,809,000
21	Employment and training support services.....	4,219,100
22	Field policy and administration--66.0 FTE positions...	11,279,300
23	Field staff travel.....	8,111,400
24	Medical/psychiatric evaluations.....	1,420,100
25	Nutrition education--2.0 FTE positions.....	33,048,300
26	Pathways to potential--231.0 FTE positions.....	24,019,300
27	Public assistance field staff--4,516.5 FTE positions..	467,716,000

1	Training and program support--20.0 FTE positions.....	<u>2,492,000</u>
2	GROSS APPROPRIATION.....	\$ 673,787,800
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from department of corrections.....	119,500
6	IDG from department of education.....	7,747,500
7	Federal revenues:	
8	Social security act, temporary assistance for needy	
9	families .....	72,365,100
10	Capped federal revenues.....	54,625,600
11	Total other federal revenues.....	261,050,200
12	Special revenue funds:	
13	Local funds - donated funds.....	4,032,700
14	Private funds - donated funds.....	9,237,500
15	State general fund/general purpose.....	\$ 264,609,700
16	<b>Sec. 109. DISABILITY DETERMINATION SERVICES</b>	
17	Full-time equated classified positions .....	575.4
18	Disability determination operations--571.3 FTE	
19	positions .....	\$ 111,864,300
20	Retirement disability determination--4.1 FTE positions	<u>615,800</u>
21	GROSS APPROPRIATION.....	\$ 112,480,100
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from department of technology, management, and	
25	budget - office of retirement services .....	790,900
26	Federal revenues:	
27	Total other federal revenues.....	107,413,000

1	State general fund/general purpose.....	\$	4,276,200
2	<b>Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION</b>		
3	<b>AND SPECIAL PROJECTS</b>		
4	Full-time equated classified positions .....		108.0
5	Behavioral health program administration--86.0 FTE		
6	positions .....	\$	49,702,000
7	Court-ordered assisted outpatient treatment.....		1,000,000
8	Family support subsidy.....		14,137,300
9	Federal and other special projects.....		2,535,600
10	Gambling addiction--1.0 FTE position.....		4,508,800
11	Mental health diversion council.....		4,350,000
12	Office of recipient rights--21.0 FTE positions.....		2,559,700
13	Protection and advocacy services support.....		194,400
14	GROSS APPROPRIATION.....	\$	78,987,800
15	Appropriated from:		
16	Federal revenues:		
17	Social security act, temporary assistance for needy		
18	families .....		14,317,800
19	Total other federal revenues.....		38,888,800
20	Special revenue funds:		
21	Total private revenues.....		1,001,000
22	Total other state restricted revenues.....		4,508,800
23	State general fund/general purpose.....	\$	20,271,400
24	<b>Sec. 111. BEHAVIORAL HEALTH SERVICES</b>		
25	Full-time equated classified positions .....		11.0
26	Autism services.....	\$	221,718,600
27	Children with serious emotional disturbance waiver....		8,600,000

1	Children's waiver home care program.....	18,141,100
2	Civil service charges.....	249,300
3	Community mental health non-Medicaid services.....	125,578,300
4	Community substance use disorder prevention,	
5	education, and treatment .....	108,254,700
6	Court-appointed guardian and conservator reimbursement	2,700,000
7	Federal mental health block grant--4.0 FTE positions..	20,567,600
8	Health homes.....	3,369,000
9	Healthy Michigan plan - behavioral health.....	346,548,100
10	Medicaid mental health services.....	2,478,086,100
11	Medicaid substance use disorder services.....	66,200,100
12	Nursing home PAS/ARR-OBRA--7.0 FTE positions.....	<u>12,281,400</u>
13	GROSS APPROPRIATION.....	\$ 3,412,294,300
14	Appropriated from:	
15	Federal revenues:	
16	Total other federal revenues.....	2,241,516,500
17	Special revenue funds:	
18	Total local revenues.....	25,475,600
19	Total other state restricted revenues.....	34,018,100
20	State general fund/general purpose.....	\$ 1,111,284,100
21	<b>Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC</b>	
22	<b>MENTAL HEALTH SERVICES</b>	
23	Total average population .....	770.0
24	Full-time equated classified positions .....	2,375.6
25	Caro Regional Mental Health Center - psychiatric	
26	hospital - adult - or regional mental health center	
27	located within 6 miles of the county seat of a	

1	county with a population between 55,000 and 57,000	
2	in the 2010 decennial census--542.3 FTE positions ...	\$ 62,174,200
3	Average population .....	145.0
4	Center for forensic psychiatry--608.1 FTE positions...	95,892,600
5	Average population .....	240.0
6	Developmental disabilities council and projects--10.0	
7	FTE positions .....	3,094,000
8	Gifts and bequests for patient living and treatment	
9	environment .....	1,000,000
10	Hawthorn Center - psychiatric hospital - children and	
11	adolescents--276.0 FTE positions .....	32,174,300
12	Average population .....	55.0
13	IDEA, federal special education.....	120,000
14	Kalamazoo Psychiatric Hospital - adult--533.8 FTE	
15	positions .....	69,022,800
16	Average population .....	170.0
17	Purchase of medical services for residents of	
18	hospitals and centers .....	445,600
19	Revenue recapture.....	750,100
20	Special maintenance.....	924,600
21	Walter P. Reuther Psychiatric Hospital - adult--405.4	
22	FTE positions .....	57,435,800
23	Average population .....	160.0
24	GROSS APPROPRIATION.....	\$ 323,034,000
25	Appropriated from:	
26	Federal revenues:	
27	Total other federal revenues.....	42,843,800

1	Special revenue funds:	
2	Total local revenues.....	22,752,800
3	Total private revenues.....	1,000,000
4	Total other state restricted revenues.....	14,871,200
5	State general fund/general purpose.....	\$ 241,566,200
6	<b>Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND</b>	
7	<b>INITIATIVES</b>	
8	Full-time equated classified positions .....606.7	
9	Certificate of need program administration--11.8 FTE	
10	positions .....	\$ 2,747,400
11	Health policy administration--33.9 FTE positions.....	14,166,900
12	Human trafficking intervention services.....	200,000
13	Independent living.....	15,531,600
14	Michigan essential health provider.....	3,384,200
15	Michigan rehabilitation services--555.0 FTE positions.	130,177,000
16	Minority health grants and contracts.....	612,700
17	Nurse education and research program--3.0 FTE	
18	positions .....	791,800
19	Primary care services--2.0 FTE positions.....	3,631,000
20	Rural health services--1.0 FTE position.....	<u>1,555,500</u>
21	GROSS APPROPRIATION.....	\$ 172,798,100
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from department of education.....	2,400
25	IDG from department of licensing and regulatory	
26	affairs .....	829,800
27	IDG from department of treasury, Michigan state	

1	hospital finance authority .....	116,700
2	Federal revenues:	
3	Social security act, temporary assistance for needy	
4	families .....	330,400
5	Capped federal revenues.....	103,482,500
6	Total other federal revenues.....	24,654,500
7	Special revenue funds:	
8	Total local revenues.....	5,262,000
9	Total private revenues.....	1,392,800
10	Total other state restricted revenues.....	2,892,900
11	State general fund/general purpose.....	\$ 33,834,100
12	<b>Sec. 114. LABORATORY SERVICES</b>	
13	Full-time equated classified positions .....102.0	
14	Laboratory services--102.0 FTE positions.....	\$ <u>23,434,000</u>
15	GROSS APPROPRIATION.....	\$ 23,434,000
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from department of environmental quality.....	995,800
19	Federal revenues:	
20	Total other federal revenues.....	4,304,700
21	Special revenue funds:	
22	Total other state restricted revenues.....	12,051,900
23	State general fund/general purpose.....	\$ 6,081,600
24	<b>Sec. 115. EPIDEMIOLOGY AND POPULATION HEALTH</b>	
25	Full-time equated classified positions .....250.5	
26	Childhood lead program--4.5 FTE positions.....	\$ 2,054,900
27	Epidemiology administration--94.1 FTE positions.....	29,420,000

1	Healthy homes program--12.0 FTE positions.....	27,756,100
2	Newborn screening follow-up and treatment services--	
3	10.5 FTE positions .....	7,801,700
4	PFAS and environmental contamination response--48.0	
5	FTE positions .....	23,816,600
6	Vital records and health statistics--81.4 FTE	
7	positions .....	<u>10,332,700</u>
8	GROSS APPROPRIATION.....	\$ 101,182,000
9	Appropriated from:	
10	Federal revenues:	
11	Capped federal revenues.....	80,300
12	Total other federal revenues.....	41,256,200
13	Special revenue funds:	
14	Total private revenues.....	344,900
15	Total other state restricted revenues.....	14,445,200
16	State general fund/general purpose.....	\$ 45,055,400
17	<b>Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES</b>	
18	Full-time equated classified positions .....145.0	
19	AIDS prevention, testing, and care programs--37.7 FTE	
20	positions .....	\$ 63,697,800
21	Cancer prevention and control program--15.0 FTE	
22	positions .....	15,098,400
23	Chronic disease control and health promotion	
24	administration--23.4 FTE positions .....	8,514,600
25	Diabetes and kidney program--8.0 FTE positions.....	3,264,600
26	Essential local public health services.....	45,419,300
27	Health and wellness initiatives--11.7 FTE positions...	8,039,700



1	Implementation of 1993 PA 133, MCL 333.17015.....	20,000
2	Local health services--3.3 FTE positions.....	7,205,800
3	Medicaid outreach cost reimbursement to local health	
4	departments .....	12,500,000
5	Public health administration--9.0 FTE positions.....	1,975,800
6	Sexually transmitted disease control program--20.0 FTE	
7	positions .....	6,339,700
8	Smoking prevention program--12.0 FTE positions.....	2,168,800
9	Violence prevention--4.9 FTE positions.....	<u>3,310,600</u>
10	GROSS APPROPRIATION.....	\$ 177,555,100
11	Appropriated from:	
12	Federal revenues:	
13	Total other federal revenues.....	72,910,200
14	Special revenue funds:	
15	Total local revenues.....	5,150,000
16	Total private revenues.....	33,759,200
17	Total other state restricted revenues.....	13,353,400
18	State general fund/general purpose.....	\$ 52,382,300
19	<b>Sec. 117. FAMILY HEALTH SERVICES</b>	
20	Full-time equated classified positions .....128.9	
21	Dental programs--3.8 FTE positions.....	\$ 3,923,900
22	Family, maternal, and child health administration--	
23	53.3 FTE positions .....	9,153,000
24	Family planning local agreements.....	8,310,700
25	Immunization program--12.8 FTE positions.....	16,838,500
26	Local MCH services.....	7,018,100
27	Pregnancy prevention program.....	602,100

1	Prenatal care outreach and service delivery support--	
2	14.0 FTE positions .....	21,010,400
3	Special projects.....	6,289,100
4	Sudden and unexpected infant death and suffocation	
5	prevention program .....	321,300
6	Women, infants, and children program administration	
7	and special projects--45.0 FTE positions .....	18,115,100
8	Women, infants, and children program local agreements	
9	and food costs .....	<u>231,285,000</u>
10	GROSS APPROPRIATION.....	\$ 322,867,200
11	Appropriated from:	
12	Federal revenues:	
13	Social security act, temporary assistance for needy	
14	families .....	649,500
15	Total other federal revenues.....	243,221,800
16	Special revenue funds:	
17	Total local revenues.....	74,000
18	Total private revenues.....	62,192,400
19	Total other state restricted revenues.....	801,300
20	State general fund/general purpose.....	\$ 15,928,200
21	<b>Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND</b>	
22	<b>PREPAREDNESS</b>	
23	Full-time equated classified positions .....76.0	
24	Bioterrorism preparedness--53.0 FTE positions.....	\$ 30,415,400
25	Emergency medical services program--23.0 FTE positions	<u>6,552,700</u>
26	GROSS APPROPRIATION.....	\$ 36,968,100
27	Appropriated from:	

1	Federal revenues:	
2	Total other federal revenues.....	31,418,400
3	Special revenue funds:	
4	Total other state restricted revenues.....	3,979,600
5	State general fund/general purpose.....	\$ 1,570,100
6	<b>Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>	
7	Full-time equated classified positions .....46.8	
8	Bequests for care and services--2.8 FTE positions.....	\$ 1,836,700
9	Children's special health care services	
10	administration--44.0 FTE positions .....	6,079,100
11	Medical care and treatment.....	228,477,000
12	Nonemergency medical transportation.....	405,900
13	Outreach and advocacy.....	<u>5,510,000</u>
14	GROSS APPROPRIATION.....	\$ 242,308,700
15	Appropriated from:	
16	Federal revenues:	
17	Total other federal revenues.....	130,266,400
18	Special revenue funds:	
19	Total private revenues.....	1,017,200
20	Total other state restricted revenues.....	3,680,000
21	State general fund/general purpose.....	\$ 107,345,100
22	<b>Sec. 120. AGING AND ADULT SERVICES AGENCY</b>	
23	Full-time equated classified positions .....47.0	
24	Aging and adult services administration--47.0 FTE	
25	positions .....	\$ 8,639,300
26	Community services.....	45,966,300
27	Employment assistance.....	3,500,000

1	Nutrition services.....	42,254,200
2	Respite care program.....	6,468,700
3	Senior volunteer service programs.....	<u>4,765,300</u>
4	GROSS APPROPRIATION.....	\$ 111,593,800
5	Appropriated from:	
6	Federal revenues:	
7	Capped federal revenues.....	246,000
8	Total other federal revenues.....	59,054,600
9	Special revenue funds:	
10	Total private revenues.....	517,800
11	Michigan merit award trust fund.....	4,068,700
12	Total other state restricted revenues.....	2,000,000
13	State general fund/general purpose.....	\$ 45,706,700
14	<b>Sec. 121. MEDICAL SERVICES ADMINISTRATION</b>	
15	Full-time equated classified positions .....	406.0
16	Electronic health record incentive program.....	\$ 37,501,000
17	Healthy Michigan plan administration--36.0 FTE	
18	positions .....	45,602,900
19	Medical services administration--370.0 FTE positions..	<u>78,299,600</u>
20	GROSS APPROPRIATION.....	\$ 161,403,500
21	Appropriated from:	
22	Federal revenues:	
23	Total other federal revenues.....	118,441,200
24	Special revenue funds:	
25	Total local revenues.....	37,700
26	Total private revenues.....	101,300
27	Total other state restricted revenues.....	336,300

1	State general fund/general purpose.....	\$	42,487,000
2	<b>Sec. 122. MEDICAL SERVICES</b>		
3	Adult home help services.....	\$	389,359,100
4	Ambulance services.....		10,220,000
5	Auxiliary medical services.....		7,717,000
6	Dental clinic program.....		1,000,000
7	Dental services.....		330,631,700
8	Federal Medicare pharmaceutical program.....		293,038,500
9	Health plan services.....		5,253,661,300
10	Healthy Michigan plan.....		3,756,473,300
11	Home health services.....		6,427,000
12	Hospice services.....		164,561,000
13	Hospital disproportionate share payments.....		45,000,000
14	Hospital services and therapy.....		739,715,400
15	Integrated care organizations.....		250,392,300
16	Long-term care services.....		1,969,054,800
17	Maternal and child health.....		32,279,600
18	Medicaid home- and community-based services waiver....		384,148,500
19	Medicare premium payments.....		645,422,100
20	Personal care services.....		8,437,000
21	Pharmaceutical services.....		355,456,000
22	Physician services.....		212,479,300
23	Program of all-inclusive care for the elderly.....		128,210,000
24	School-based services.....		109,937,200
25	Special Medicaid reimbursement.....		309,957,300
26	Transportation.....		<u>16,966,400</u>
27	GROSS APPROPRIATION.....	\$	15,420,544,800

1	Appropriated from:	
2	Federal revenues:	
3	Total other federal revenues.....	10,889,585,500
4	Special revenue funds:	
5	Total local revenues.....	45,492,900
6	Total private revenues.....	2,100,000
7	Michigan merit award trust fund.....	45,700,000
8	Total other state restricted revenues.....	2,617,282,900
9	State general fund/general purpose.....	\$ 1,820,383,500
10	<b>Sec. 123. INFORMATION TECHNOLOGY</b>	
11	Full-time equated classified positions .....43.0	
12	Bridges information system.....	\$ 11,177,700
13	Child support automation.....	33,319,100
14	Information technology services and projects.....	144,883,200
15	Michigan Medicaid information system.....	78,215,700
16	Michigan statewide automated child welfare information	
17	system .....	21,274,400
18	Technology supporting integrated service delivery--	
19	43.0 FTE positions .....	<u>55,081,900</u>
20	GROSS APPROPRIATION.....	\$ 343,952,000
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from department of education.....	800,300
24	Federal revenues:	
25	Social security act, temporary assistance for needy	
26	families .....	18,640,900
27	Capped federal revenues.....	18,435,300

1	Total other federal revenues.....	214,786,800
2	Special revenue funds:	
3	Total private revenues.....	18,750,000
4	Total other state restricted revenues.....	1,499,800
5	State general fund/general purpose.....	\$ 71,038,900
6	<b>Sec. 124. ONE-TIME APPROPRIATIONS</b>	
7	Autism navigator.....	\$ 1,025,000
8	Child and adolescent health centers.....	2,000,000
9	Co-responder crisis services pilot.....	60,000
10	Critical access hospitals.....	41,736,000
11	Dental clinic program.....	1,000,000
12	Drinking water declaration of emergency.....	4,621,100
13	Greenlawn campus behavioral health pilot project.....	100
14	Healthy communities grant.....	300,000
15	Human trafficking survivors' assistance.....	700,000
16	Information technology services and projects.....	35,250,000
17	Juvenile justice property projects.....	300,000
18	Kid's food basket.....	100
19	Lead exposure response and abatement.....	3,434,500
20	Medicaid recipient engagement for self-sufficiency....	100
21	Multicultural integration funding.....	1,381,100
22	Primary care and dental health services.....	100
23	Property management projects.....	2,460,700
24	Runaway and homeless youth services program.....	1,500,000
25	Senior community services.....	100
26	Sexual assault comprehensive services grants.....	100
27	State innovation model continuation.....	200

1	Statewide health information exchange projects.....	200
2	Substance abuse community and school outreach.....	100,000
3	Unified clinics resiliency center for families and	
4	children .....	3,000,000
5	Vision clinic grant.....	100
6	Water utility assistance.....	<u>100</u>
7	GROSS APPROPRIATION.....	\$ 98,869,600
8	Appropriated from:	
9	Federal revenues:	
10	Total other federal revenues.....	54,234,100
11	Special revenue funds:	
12	Total other state restricted revenues.....	700,000
13	State general fund/general purpose.....	\$ 43,935,500

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 \$7,546,474,100.00 and state

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

22 for fiscal year 2019-2020 is \$1,543,857,200.00. 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 .....	163,705,100
13	Child welfare licensing .....	76,700
14	Child welfare medical/psychiatric evaluations .....	32,700
15	Children's trust fund .....	150,200
16	Contractual services, supplies, and materials .....	5,600
17	Foster care payments .....	2,485,800
18	Youth in transition .....	2,700
19	CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE	
20	Bay Pines Center .....	26,900
21	Community support services .....	412,800
22	Juvenile justice, administration and maintenance .....	26,500
23	Shawono Center .....	1,300
24	PUBLIC ASSISTANCE	
25	Emergency services local office allocations .....	557,800
26	Family independence program .....	1,300
27	Indigent burial .....	4,300

1	Multicultural integration funding .....	1,193,300
2	State disability assistance payments .....	243,400
3	FIELD OPERATIONS AND SUPPORT SERVICES	
4	Contractual services, supplies, and materials .....	46,500
5	Employment and training support services .....	7,600
6	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND	
7	SPECIAL PROJECTS	
8	Behavioral health program administration .....	4,252,000
9	BEHAVIORAL HEALTH SERVICES	
10	Autism services .....	77,750,000
11	Children with serious emotional disturbance waiver ....	2,194,000
12	Children's waiver home care program .....	5,174,700
13	Community mental health non-Medicaid services .....	125,578,300
14	Community substance use disorder prevention,	
15	education, and treatment .....	14,735,900
16	Health homes .....	50,800
17	Healthy Michigan plan - behavioral health .....	32,018,300
18	Medicaid mental health services .....	852,130,400
19	Medicaid substance use disorder services .....	23,281,300
20	Nursing home PAS/ARR-OBRA .....	2,485,800
21	STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL	
22	HEALTH SERVICES	
23	Caro Regional Mental Health Center - psychiatric	
24	hospital - adult - or regional mental health center	
25	located within 6 miles of the county seat of a county	
26	with a population between 55,000 and 57,000 in the 2010	
27	decennial census .....	182,900

1	Center for forensic psychiatry .....	643,600
2	Hawthorn Center - psychiatric hospital - children	
3	and adolescents .....	93,600
4	Kalamazoo Psychiatric Hospital - adult .....	33,300
5	Walter P. Reuther Psychiatric Hospital - adult .....	48,000
6	HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES	
7	Michigan rehabilitation services .....	262,600
8	Primary care services .....	88,900
9	EPIDEMIOLOGY AND POPULATION HEALTH	
10	Epidemiology administration .....	233,200
11	Healthy homes program .....	99,200
12	Vital records and health statistics .....	5,100
13	LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
14	AIDS prevention, testing, and care programs .....	2,323,800
15	Cancer prevention and control program .....	463,000
16	Essential local public health services .....	40,269,300
17	Health and wellness initiatives .....	2,363,300
18	Local health services .....	3,184,300
19	Sexually transmitted disease control program .....	442,700
20	FAMILY HEALTH SERVICES	
21	Family planning local agreements .....	187,700
22	Immunization program .....	1,247,900
23	Prenatal care outreach and service delivery support ...	4,134,100
24	EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS	
25	Emergency medical services program .....	8,200
26	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
27	Medical care and treatment .....	368,800

1	Outreach and advocacy .....	2,617,900
2	AGING AND ADULT SERVICES AGENCY	
3	Aging and adult services administration .....	716,400
4	Community services .....	21,589,100
5	Nutrition services .....	12,597,200
6	Respite care program .....	6,375,300
7	Senior volunteer service programs .....	1,000,400
8	MEDICAL SERVICES	
9	Adult home help services .....	269,100
10	Ambulance services .....	441,400
11	Auxiliary medical services .....	1,100
12	Dental services .....	1,166,900
13	Health plan services .....	658,300
14	Healthy Michigan plan .....	463,800
15	Home health services .....	15,500
16	Hospice services .....	51,900
17	Hospital disproportionate share payments .....	9,000
18	Hospital services and therapy .....	2,032,000
19	Long-term care services .....	90,155,600
20	Medicaid home- and community-based services waiver ....	11,666,900
21	Personal care services .....	28,900
22	Pharmaceutical services .....	16,400
23	Physician services .....	3,320,300
24	Special Medicaid reimbursement .....	112,900
25	Transportation .....	235,900
26	ONE-TIME APPROPRIATIONS	
27	Drinking water declaration of emergency .....	700,000

1       Lead exposure response and abatement ..... 515,200  
 2       TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT..... \$1,543,857,200

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

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

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

8       (b) "CMHSP" means a community mental health services program  
 9       as that term is defined in section 100a of the mental health code,  
 10       1974 PA 258, MCL 330.1100a.

11       (c) "CMS" means the Centers for Medicare and Medicaid  
 12       Services.

13       (d) "Current fiscal year" means the fiscal year ending  
 14       September 30, 2020.

15       (e) "Department" means the department of health and human  
 16       services.

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

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

19       (h) "EPSDT" means early and periodic screening, diagnosis, and  
 20       treatment.

21       (i) "Federal poverty level" means the poverty guidelines  
 22       published annually in the Federal Register by the United States  
 23       Department of Health and Human Services under its authority to  
 24       revise the poverty line under 42 USC 9902.

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

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

27       (l) "Health plan" means, at a minimum, an organization that

1 meets the criteria for delivering the comprehensive package of  
2 services under the department's comprehensive health plan.

3 (m) "HEDIS" means healthcare effectiveness data and  
4 information set.

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

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

8 (p) "IDG" means interdepartmental grant.

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

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

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

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

16 (u) "MIChild" means the program described in section 1670 of  
17 this part.

18 (v) "MiSACWIS" means Michigan statewide automated child  
19 welfare information system.

20 (w) "PAS/ARR-OBRA" means the preadmission screening and annual  
21 resident review required under the omnibus budget reconciliation  
22 act of 1987, section 1919(e)(7) of the social security act, 42 USC  
23 1396r.

24 (x) "PFAS" means perfluoroalkyl and polyfluoroalkyl  
25 substances.

26 (y) "PIHP" means an entity designated by the department as a  
27 regional entity or a specialty prepaid inpatient health plan for

1 Medicaid mental health services, services to individuals with  
2 developmental disabilities, and substance use disorder services.  
3 Regional entities are described in section 204b of the mental  
4 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid  
5 inpatient health plans are described in section 232b of the mental  
6 health code, 1974 PA 258, MCL 330.1232b.

7 (z) "Previous fiscal year" means the fiscal year ending  
8 September 30, 2019.

9 (aa) "Quarterly reports" means 4 reports shall be submitted to  
10 the required recipients by the following dates: February 1, April  
11 1, July 1, and September 30 of the current fiscal year.

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

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

17 (dd) "Temporary assistance for needy families" or "TANF" or  
18 "title IV-A" means part A of subchapter IV of the social security  
19 act, 42 USC 601 to 619.

20 (ee) "Title IV-B" means part B of title IV of the social  
21 security act, 42 USC 620 to 629m.

22 (ff) "Title IV-D" means part D of title IV of the social  
23 security act, 42 USC 651 to 669b.

24 (gg) "Title IV-E" means part E of title IV of the social  
25 security act, 42 USC 670 to 679c.

26 (hh) "Title X" means subchapter VIII of the public health  
27 service act, 42 USC 300 to 300a-8, which establishes grants to

1 states for family planning services.

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

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

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

24       Sec. 207. The departments and agencies receiving  
25 appropriations in part 1 shall prepare a report on out-of-state  
26 travel expenses not later than January 1 of each year. The travel  
27 report shall be a listing of all travel by classified and



1 unclassified employees outside this state in the immediately  
2 preceding fiscal year that was funded in whole or in part with  
3 funds appropriated in the department's budget. The report shall be  
4 submitted to the senate and house appropriations committees, the  
5 house and senate fiscal agencies, and the state budget director.  
6 The report shall include the following information:

7 (a) The dates of each travel occurrence.

8 (b) The transportation and related costs of each travel  
9 occurrence, including the proportion funded with state general  
10 fund/general purpose revenues, the proportion funded with state  
11 restricted revenues, the proportion funded with federal revenues,  
12 and the proportion funded with other revenues.

13 Sec. 208. Funds appropriated in part 1 shall not be used by a  
14 principal executive department, state agency, or authority to hire  
15 a person to provide legal services that are the responsibility of  
16 the attorney general. This prohibition does not apply to legal  
17 services for bonding activities and for those outside services that  
18 the attorney general authorizes.

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

1       Sec. 210. (1) In addition to the funds appropriated in part 1,  
2 there is appropriated an amount not to exceed \$400,000,000.00 for  
3 federal contingency funds. These funds are not available for  
4 expenditure until they have been transferred to another line item  
5 in part 1 under section 393(2) of the management and budget act,  
6 1984 PA 431, MCL 18.1393. These funds shall not be made available  
7 to increase TANF authorization.

8       (2) In addition to the funds appropriated in part 1, there is  
9 appropriated an amount not to exceed \$45,000,000.00 for state  
10 restricted contingency funds. These funds are not available for  
11 expenditure until they have been transferred to another line item  
12 in part 1 under section 393(2) of the management and budget act,  
13 1984 PA 431, MCL 18.1393.

14       (3) In addition to the funds appropriated in part 1, there is  
15 appropriated an amount not to exceed \$40,000,000.00 for local  
16 contingency funds. These funds are not available for expenditure  
17 until they have been transferred to another line item in part 1  
18 under section 393(2) of the management and budget act, 1984 PA 431,  
19 MCL 18.1393.

20       (4) In addition to the funds appropriated in part 1, there is  
21 appropriated an amount not to exceed \$60,000,000.00 for private  
22 contingency funds. These funds are not available for expenditure  
23 until they have been transferred to another line item in part 1  
24 under section 393(2) of the management and budget act, 1984 PA 431,  
25 MCL 18.1393.

26       Sec. 211. The department shall cooperate with the department  
27 of technology, management, and budget to maintain a searchable

1 website accessible by the public at no cost that includes, but is  
2 not limited to, all of the following for each department or agency:

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

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

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

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

10 (e) Job specifications and wage rates.

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

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

24 Sec. 214. Total authorized appropriations from all sources  
25 under part 1 for legacy costs for the current fiscal year are  
26 estimated at \$350,330,100.00. From this amount, total agency  
27 appropriations for pension-related legacy costs are estimated at

1 \$170,303,500.00. Total agency appropriations for retiree health  
2 care legacy costs are estimated at \$180,026,600.00.

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

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

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

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

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

25 Sec. 217. (1) By February 1 of the current fiscal year, the  
26 department shall report to the house and senate appropriations  
27 subcommittees on the department budget, the house and senate fiscal

1 agencies, and the state budget director on the detailed name and  
2 amounts of estimated federal, restricted, private, and local  
3 sources of revenue that support the appropriations in each of the  
4 line items in part 1.

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

11 Sec. 218. The department shall include, but not be limited to,  
12 the following in its annual list of proposed basic health services  
13 as required in part 23 of the public health code, 1978 PA 368, MCL  
14 333.2301 to 333.2321:

15 (a) Immunizations.

16 (b) Communicable disease control.

17 (c) Sexually transmitted disease control.

18 (d) Tuberculosis control.

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

20 (f) Screening newborns for the conditions listed in section  
21 5431 of the public health code, 1978 PA 368, MCL 333.5431, or  
22 recommended by the newborn screening quality assurance advisory  
23 committee created under section 5430 of the public health code,  
24 1978 PA 368, MCL 333.5430.

25 (g) Health and human services annex of the Michigan emergency  
26 management plan.

27 (h) Prenatal care.

1       Sec. 219. (1) The department may contract with the Michigan  
2   Public Health Institute for the design and implementation of  
3   projects and for other public health-related activities prescribed  
4   in section 2611 of the public health code, 1978 PA 368, MCL  
5   333.2611. The department may develop a master agreement with the  
6   Michigan Public Health Institute to carry out these purposes for up  
7   to a 3-year period. The department shall report to the house and  
8   senate appropriations subcommittees on the department budget, the  
9   house and senate fiscal agencies, and the state budget director on  
10   or before January 1 of the current fiscal year all of the  
11   following:

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

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

16       (c) The expected project duration.

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

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

27       Sec. 220. The department shall ensure that faith-based

1 organizations are able to apply and compete for services, programs,  
2 or contracts that they are qualified and suitable to fulfill. The  
3 department shall not disqualify faith-based organizations solely on  
4 the basis of the religious nature of their organization or their  
5 guiding principles or statements of faith.

6 Sec. 221. According to section 1b of the social welfare act,  
7 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this  
8 part as a time-limited addendum to the social welfare act, 1939 PA  
9 280, MCL 400.1 to 400.119b.

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

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

21 Sec. 223. The department may establish and collect fees for  
22 publications, videos and related materials, conferences, and  
23 workshops. Collected fees are appropriated when received and shall  
24 be used to offset expenditures to pay for printing and mailing  
25 costs of the publications, videos and related materials, and costs  
26 of the workshops and conferences. The department shall not collect  
27 fees under this section that exceed the cost of the expenditures.

1 When collected fees are appropriated under this section in an  
2 amount that exceeds the current fiscal year appropriation, within  
3 30 days the department shall notify the chairs of the house and  
4 senate appropriations subcommittees on the department budget, the  
5 house and senate fiscal agencies and policy offices, and the state  
6 budget director of that fact.

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

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

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



1       Sec. 226. If the revenue collected by the department from fees  
2 and collections exceeds the amount appropriated in part 1, the  
3 revenue may be carried forward with the approval of the state  
4 budget director into the subsequent fiscal year. The revenue  
5 carried forward under this section shall be used as the first  
6 source of funds in the subsequent fiscal year.

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

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

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

17       (c) Eligibility criteria for program participation and maximum  
18 benefit levels where applicable.

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

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

1 interest in an amount that exceeds the amount of the original  
2 overpayment. The state share of any funds collected under this  
3 section shall be deposited in the state general fund.

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

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

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

26 (i) Direct services to recipients.

27 (ii) Administrative expenditures.

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

3 (i) The number and percentage who obtained employment through  
4 Michigan Works!

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

7 (iii) Average TANF spending per recipient.

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

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

21 Sec. 230. By December 31 of the current fiscal year, the  
22 department shall report to the senate and house appropriations  
23 subcommittees on the department budget, the senate and house fiscal  
24 agencies and policy offices, and the state budget office on the  
25 status of the implementation of any noninflationary, noncaseload,  
26 programmatic funding increases from the previous fiscal year. The  
27 report shall confirm the implementation of already implemented

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

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

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

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

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

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

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

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

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

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, 2019 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) On a quarterly basis, the department, with the  
16 approval of the state budget director, is authorized to realign  
17 sources between other federal, TANF, and capped federal financing  
18 authorizations in order to maximize federal revenues. This  
19 realignment of financing shall not produce a gross increase or  
20 decrease in the department's total individual line item  
21 authorizations, nor will it produce a net increase or decrease in  
22 total federal revenues, or a net increase in TANF authorization.

23 (2) On a quarterly basis within 30 days after a realignment  
24 being made but not later than February 1 for the first quarter, the  
25 department shall submit to the house and senate appropriations  
26 subcommittees on the department budget, the house and senate fiscal  
27 agencies, and the house and senate policy offices a report on the

1 realignment of federal fund sources that were made under subsection  
2 (1) for the most recent quarter and for all previous quarters in  
3 the current 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 committees, the house and senate fiscal agencies,  
7 the house and senate policy offices, and the state budget director  
8 that provides all of the following for each line item in part 1  
9 containing personnel-related costs, including the specific  
10 individual amounts for salaries and wages, payroll taxes, and  
11 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. 295. (1) From the funds appropriated in part 1 to  
21 agencies providing physical and behavioral health services to  
22 multicultural populations, the department shall award grants in  
23 accordance with the requirements of subsection (2). The state is  
24 not liable for any spending above the contract amount. Funds shall  
25 not be released until reporting requirements under section 295 of  
26 article X of 2018 PA 207 are satisfied.

27          (2) The department shall require each contractor described in

1 subsection (1) that receives greater than \$1,000,000.00 in state  
2 grant funding to comply with performance-related metrics to  
3 maintain their eligibility for funding. The organizational metrics  
4 shall include, but not be limited to, all of the following:

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

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

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

13 (d) Each contractor or subcontractor shall demonstrate cost-  
14 effectiveness.

15 (e) Each contractor or subcontractor shall ensure their  
16 ability to leverage private dollars to strengthen and maximize  
17 service provision.

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

21 (3) The department shall require an annual report from the  
22 contractors described in subsection (2). The annual report, due 60  
23 days following the end of the contract period, shall include  
24 specific information on services and programs provided, the client  
25 base to which the services and programs were provided, information  
26 on any wraparound services provided, and the expenditures for those  
27 services. The department shall provide the annual reports to the

1 senate and house appropriations subcommittees on health and human  
2 services, the senate and house fiscal agencies, and the state  
3 budget office.

4 Sec. 296. From the funds appropriated in part 1, the  
5 department is responsible for the necessary and reasonable attorney  
6 fees and costs incurred by private and independent legal counsel  
7 chosen by current and former classified and unclassified department  
8 employees in the defense of the employees in any state or federal  
9 lawsuit or investigation related to the water system in a city or  
10 community in which a declaration of emergency was issued because of  
11 drinking water contamination.

12 Sec. 297. On a semiannual basis, the department shall report  
13 on the number of FTEs in pay status by type of staff. The report  
14 shall include a comparison by line item of the number of FTEs  
15 authorized from funds appropriated in part 1 to the actual number  
16 of FTEs employed by the department at the end of the reporting  
17 period.

18 Sec. 298. (1) The department shall continue to work with a  
19 willing CMHSP in Kent County and all willing Medicaid health plans  
20 in the county to pilot a full physical and behavioral health  
21 integrated service demonstration model. The department shall ensure  
22 that the demonstration model described in this subsection is  
23 implemented in a manner that ensures at least all of the following:

24 (a) That any changes made to a Medicaid waiver or Medicaid  
25 state plan to implement the demonstration model described in this  
26 subsection must only be in effect for the duration of the  
27 demonstration model described in this subsection.

1 (b) That the demonstration model described in this subsection  
2 is consistent with the stated core values as identified in the  
3 final report of the workgroup established in section 298 of article  
4 X of 2016 PA 268.

5 (c) That updates are provided to the medical care advisory  
6 council, behavioral health advisory council, and developmental  
7 disabilities council.

8 (2) In addition to the pilot project described in subsection  
9 (1), the department shall continue to 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.

22 (b) That any changes made to a Medicaid waiver or Medicaid  
23 state plan to implement the pilot projects described in this  
24 subsection must only be in effect for the duration of the pilot  
25 programs established under section 298 of article X of 2016 PA 268.

26 (c) That the project is consistent with the stated core values  
27 as identified in the final report of the workgroup described in

1 subsection (1).

2 (d) That updates are provided to the medical care advisory  
3 council, behavioral health advisory council, and developmental  
4 disabilities council.

5 (3) It is the intent of the legislature that each pilot  
6 project and demonstration model shall be designed to last at least  
7 2 years.

8 (4) For the duration of any pilot projects and demonstration  
9 model, the department shall require that contracts between CMHSPs  
10 and the Medicaid health plans within their pilot region mandate  
11 that any and all realized benefits and cost savings of integrating  
12 the physical health and behavioral health systems shall be  
13 reinvested in services and supports for individuals having or at  
14 risk of having a mental illness, an intellectual or developmental  
15 disability, or a substance use disorder. Any and all realized  
16 benefits and cost savings shall be specifically reinvested in the  
17 counties where the savings occurred in accordance with the Medicaid  
18 state plan and any applicable Medicaid waiver.

19 (5) It is the intent of the legislature that the primary  
20 purpose of the pilot projects and demonstration model is to test  
21 how the state may better integrate behavioral and physical health  
22 delivery systems in order to improve behavioral and physical health  
23 outcomes, maximize efficiencies, minimize unnecessary costs, and  
24 achieve material increases in behavioral health services without  
25 increases in overall Medicaid spending.

26 (6) The department shall continue to partner with 1 of the  
27 state's research universities at least 6 months before the

1 completion of each pilot project or demonstration model authorized  
2 under this section to evaluate the pilot project or demonstration  
3 model. The evaluation must include all of the following:

4 (a) Information on the pilot project's or demonstration  
5 model's success in meeting the performance metrics developed in  
6 this subsection and information on whether the pilot project could  
7 be replicated into other geographic areas with similar performance  
8 metric outcomes.

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

11 (i) Improvement of the coordination between behavioral health  
12 and physical health.

13 (ii) Improvement of services available to individuals with  
14 mental illness, intellectual or developmental disabilities, or  
15 substance use disorders.

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

18 (iv) Customer health status.

19 (v) Customer satisfaction.

20 (vi) Provider network stability.

21 (vii) Treatment and service efficacies before and after the  
22 pilot projects and demonstration model.

23 (viii) Use of best practices.

24 (ix) Financial efficiencies.

25 (x) Barriers to clinical data sharing with Medicaid health  
26 plans.

27 (xi) Any other relevant categories.



1 (c) A requirement that the evaluation shall be completed  
2 within 6 months after the end of each pilot project or  
3 demonstration model and will be provided to the department, the  
4 house and senate appropriations subcommittees on the department  
5 budget, the house and senate fiscal agencies, the house and senate  
6 policy offices, and the state budget office.

7 (7) By November 1 of the current fiscal year, the department  
8 shall report to the house and senate appropriations subcommittees  
9 on the department budget, the house and senate fiscal agencies, the  
10 house and senate policy offices, and the state budget office on the  
11 progress toward implementation of the pilot projects and  
12 demonstration model described in this section, and a summary of all  
13 projects. The report shall also include information on policy  
14 changes and any other efforts made to improve the coordination of  
15 supports and services for individuals having or at risk of having a  
16 mental illness, an intellectual or developmental disability, a  
17 substance use disorder, or a physical health need.

18 (8) Upon completion of any pilot project or demonstration  
19 model advanced under this section, the managing entity of the pilot  
20 project or demonstration model shall submit a report to the senate  
21 and house appropriations subcommittees on the department budget,  
22 the senate and house fiscal agencies, the senate and house policy  
23 offices, and the state budget office within 30 days of completion  
24 of that pilot project or demonstration model detailing their  
25 experience, lessons learned, efficiencies and savings revealed,  
26 increases in investment on behavioral health services, and  
27 recommendations for extending pilot projects to full implementation

1 or discontinuation.

2       Sec. 299. (1) No state department or agency shall issue a  
3 request for proposal (RFP) for a contract in excess of  
4 \$5,000,000.00, unless the department or agency has first considered  
5 issuing a request for information (RFI) or a request for  
6 qualification (RFQ) relative to that contract to better enable the  
7 department or agency to learn more about the market for the  
8 products or services that are the subject of the RFP. The  
9 department or agency shall notify the department of technology,  
10 management, and budget of the evaluation process used to determine  
11 if an RFI or RFQ was not necessary prior to issuing the RFP.

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

1           (3) The department shall submit 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 by September 30 of the current fiscal year,  
5 a report that includes the following:

6           (a) A summary of all RFPs issued for a contract in excess of  
7 \$5,000,000.00 including whether an RFI or RFQ was considered, and  
8 whether an RFI or RFQ was issued before issuing the RFP or whether  
9 the issuance of an RFI or RFQ was determined not to be necessary.

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

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

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

19 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

20          Sec. 307. (1) From the funds appropriated in part 1 for  
21 demonstration projects, \$950,000.00 shall be distributed as  
22 provided in subsection (2). The amount distributed under this  
23 subsection shall not exceed 50% of the total operating expenses of  
24 the program described in subsection (2), with the remaining 50%  
25 paid by local United Way organizations and other nonprofit  
26 organizations and foundations.

(2) Funds distributed under subsection (1) shall be distributed to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January 2005.

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

(4) Michigan 2-1-1 shall report annually to the department and the house and senate standing committees with primary jurisdiction over matters relating to human services and telecommunications on 2-1-1 system performance, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies, including, but not limited to, call volume by health and human service needs and unmet needs identified through caller data and customer satisfaction metrics.

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

**CHILD SUPPORT ENFORCEMENT**

1       Sec. 401. (1) The appropriations in part 1 assume a total  
2 federal child support incentive payment of \$26,600,000.00.

3       (2) From the federal money received for child support  
4 incentive payments, \$12,000,000.00 shall be retained by the state  
5 and expended for child support program expenses.

6       (3) From the federal money received for child support  
7 incentive payments, \$14,500,000.00 shall be paid to the counties  
8 based on each county's performance level for each of the federal  
9 performance measures as established in 45 CFR 305.2.

10       (4) If the child support incentive payment to the state from  
11 the federal government is greater than \$26,600,000.00, then 100% of  
12 the excess shall be retained by the state and is appropriated until  
13 the total retained by the state reaches \$15,397,400.00.

14       (5) If the child support incentive payment to the state from  
15 the federal government is greater than the amount needed to satisfy  
16 the provisions identified in subsections (1), (2), (3), and (4),  
17 the additional funds shall be subject to appropriation by the  
18 legislature.

19       (6) If the child support incentive payment to the state from  
20 the federal government is less than \$26,600,000.00, then the state  
21 and county share shall each be reduced by 50% of the shortfall.

22       Sec. 409. (1) If statewide retained child support collections  
23 exceed \$38,300,000.00, 75% of the amount in excess of  
24 \$38,300,000.00 is appropriated to legal support contracts. This  
25 excess appropriation may be distributed to eligible counties to  
26 supplement and not supplant county title IV-D funding.

27       (2) Each county whose retained child support collections in

1 the current fiscal year exceed its fiscal year 2004-2005 retained  
2 child support collections, excluding tax offset and financial  
3 institution data match collections in both the current fiscal year  
4 and fiscal year 2004-2005, shall receive its proportional share of  
5 the 75% excess.

6 Sec. 410. (1) If title IV-D-related child support collections  
7 are escheated, the state budget director is authorized to adjust  
8 the sources of financing for the funds appropriated in part 1 for  
9 legal support contracts to reduce federal authorization by 66% of  
10 the escheated amount and increase general fund/general purpose  
11 authorization by the same amount. This budget adjustment is  
12 required to offset the loss of federal revenue due to the escheated  
13 amount being counted as title IV-D program income in accordance  
14 with federal regulations at 45 CFR 304.50.

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

#### 19 **COMMUNITY SERVICES AND OUTREACH**

20 Sec. 450. (1) From the funds appropriated in part 1 for school  
21 success partnership program, the department shall allocate  
22 \$525,000.00 by December 1 of the current fiscal year to support the  
23 Northeast Michigan Community Service Agency programming, which will  
24 take place in each county in the Governor's Prosperity Region 3.  
25 The department shall require the following performance objectives  
26 be measured and reported for the duration of the state funding for

1 the school success partnership program:

2 (a) Increasing school attendance and decreasing chronic  
3 absenteeism.

4 (b) Increasing academic performance based on grades with  
5 emphasis on math and reading.

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

8 (d) Increasing parent involvement with the parent's child's  
9 school and community.

10 (2) On a semiannual basis, the Northeast Michigan Community  
11 Service Agency shall provide reports to the department on the  
12 number of children and families served and the services that were  
13 provided to families to meet the performance objectives identified  
14 in this section. The department shall distribute the reports within  
15 1 week after receipt to the senate and house appropriations  
16 subcommittees on the department budget, the senate and house fiscal  
17 agencies, the senate and house policy offices, and the state budget  
18 office.

19 Sec. 451. (1) Funding appropriated in part 1 for campus sexual  
20 assault prevention and education initiative shall be used to  
21 provide and administer grants to public or nonpublic community  
22 colleges, colleges, universities, and high schools with a physical  
23 presence in this state to address campus sexual assault issues in  
24 order to improve the safety and security of students, faculty, and  
25 staff in campus environments in this state.

26 (2) Grant funds awarded shall support sexual assault programs,  
27 including education, awareness, prevention, reporting, bystander

1 intervention programs, peer advocacy groups, and student  
2 organizations dedicated to campus sexual assault prevention and  
3 other actions covered by title IX protections.

4 (3) The department shall issue awards no later than May 1,  
5 2020, with a grant period of 1 year.

6 (4) The department shall report on grant activities to the  
7 senate and house appropriations subcommittees on the department  
8 budget, the senate and house appropriations subcommittees on higher  
9 education, the senate and house fiscal agencies, and the state  
10 budget office by February 28, 2020.

11 (5) The unexpended portion of funds appropriated in part 1 for  
12 campus sexual assault prevention and education initiative is  
13 designated as a work project appropriation. Any unencumbered or  
14 unallotted funds shall not lapse at the end of the fiscal year and  
15 shall be available for expenditure for the project under this  
16 section until the project has been completed. The following is in  
17 compliance with section 451a(1) of the management and budget act,  
18 1984 PA 431, MCL 18.1451a:

19 (a) The purpose of the project is to provide grants for sexual  
20 assault education, awareness, prevention, reporting, bystander  
21 intervention programs, peer advocacy groups, and student  
22 organizations dedicated to campus sexual assault prevention and  
23 other actions covered by title IX protections. The student  
24 organizations may be provided funds to support and develop advocacy  
25 groups and act on issues related to prevention of sexual assault,  
26 including, but not limited to, student outreach, supporting  
27 survivors of sexual assault, and advocating for campus improvements



1 such as additional lighting.

2 (b) The project will be accomplished by grants to eligible  
3 community colleges, colleges, universities, and high schools.

4 (c) The total estimated cost of the project is \$500,000.00.

5 (d) The estimated completion date is September 30, 2024.

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

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

19 (2) By March 1 of the current fiscal year, the department  
20 shall submit to the house and senate appropriations subcommittees  
21 on the department budget, the house and senate fiscal agencies, the  
22 house and senate policy offices, and the state budget office a  
23 report on the total amount expended for the program in the previous  
24 year, as well as the total number of shelter nights provided and  
25 the average length of stay in an emergency shelter.

26 Sec. 454. The department shall allocate the full amount of  
27 funds appropriated in part 1 for homeless programs to provide

1 services for homeless individuals and families, including, but not  
2 limited to, third-party contracts for emergency shelter services.

3 Sec. 455. As a condition of receipt of federal TANF funds,  
4 homeless shelters and human services agencies shall collaborate  
5 with the department to obtain necessary TANF eligibility  
6 information on families as soon as possible after admitting a  
7 family to the homeless shelter. From the funds appropriated in part  
8 1 for homeless programs, the department is authorized to make  
9 allocations of TANF funds only to the homeless shelters and human  
10 services agencies that report necessary data to the department for  
11 the purpose of meeting TANF eligibility reporting requirements.  
12 Homeless shelters or human services agencies that do not report  
13 necessary data to the department for the purpose of meeting TANF  
14 eligibility reporting requirements will not receive reimbursements  
15 that exceed the per diem amount they received in fiscal year 2000.  
16 The use of TANF funds under this section is not an ongoing  
17 commitment of funding.

18 Sec. 456. From the funds appropriated in part 1 for homeless  
19 programs, the department shall allocate \$90,000.00 to reimburse  
20 public service agencies that provide documentation of paying birth  
21 certificate fees on behalf of category 1 homeless clients at county  
22 clerk's offices. Public service agencies shall be reimbursed for  
23 the cost of the birth certificate fees quarterly until this  
24 allocation is fully spent.

25 Sec. 457. (1) From the funds appropriated in part 1 for the  
26 uniform statewide sexual assault evidence kit tracking system, in  
27 accordance with the final report of the Michigan sexual assault

1 evidence kit tracking and reporting commission, \$800,000.00 is  
2 allocated from the sexual assault evidence tracking fund to  
3 contract for the administration of a uniform statewide sexual  
4 assault evidence kit tracking system. The system shall include the  
5 following:

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

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

11 (c) Secure electronic access for victims.

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

15 (2) By March 30 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, the  
18 senate and house policy offices, and the state budget office a  
19 status report on the administration of the uniform statewide sexual  
20 assault evidence kit tracking system, including operational status  
21 and any known issues regarding implementation.

22 (3) The sexual assault evidence tracking fund established in  
23 section 1451 of 2017 PA 158 shall continue to be maintained in the  
24 department of treasury. Money in the sexual assault evidence  
25 tracking fund at the close of a fiscal year shall remain in the  
26 sexual assault evidence tracking fund and shall not revert to the  
27 general fund and shall be appropriated as provided by law for the

1 development and implementation of a uniform statewide sexual  
2 assault evidence kit tracking system as described in subsection  
3 (1).

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

20 Sec. 458. From the funds appropriated in part 1 for crime  
21 victim rights services grants, the department shall allocate  
22 \$2,000,000.00 of crime victim's rights fund to maintain increased  
23 grant funding to support the further use of crime victim advocates  
24 in the criminal justice system. The purpose of the additional  
25 funding is to increase available grant funding for crime victim  
26 advocates to ensure that the advocates have the resources,  
27 training, and funding needed to respond to the physical and

1 emotional needs of crime victims and to provide victims with the  
2 necessary services, information, and assistance in order to help  
3 them understand and participate in the criminal justice system and  
4 experience a measure of safety and security throughout the legal  
5 process.

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

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

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

19       Sec. 502. From the funds appropriated in part 1 for foster  
20 care, the department shall provide 50% reimbursement to Indian  
21 tribal governments for foster care expenditures for children who  
22 are under the jurisdiction of Indian tribal courts and who are not  
23 otherwise eligible for federal foster care cost sharing.

24       Sec. 503. (1) In accordance with the final report of the  
25 Michigan child welfare performance-based funding task force issued  
26 in response to section 503 of article X of 2013 PA 59, the

1 department shall continue to review, update, or develop actuarially  
2 sound case rates for necessary child welfare foster care case  
3 management services that achieve permanency by the department and  
4 private child placing agencies in a prospective payment system  
5 under a performance-based funding model.

6 (2) By March 1 of the current fiscal year, the department  
7 shall provide to the senate and house appropriations committees on  
8 the department budget, the senate and house fiscal agencies and  
9 policy offices, and the state budget office a report on the full  
10 cost analysis of the performance-based funding model. The report  
11 shall include background information on the project and give  
12 details about the contractual costs covered through the case rate.

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

18 (4) The department shall only implement the performance-based  
19 funding model into additional counties where the department,  
20 private child welfare agencies, the county, and the court operating  
21 within that county have signed a memorandum of understanding that  
22 incorporates the intentions of the concerned parties in order to  
23 implement the performance-based funding model.

24 (5) The department, in conjunction with members from both the  
25 house of representatives and senate, private child placing  
26 agencies, the courts, and counties shall continue to implement the  
27 recommendations that are described in the workgroup report that was

1 provided in section 503 of article X of 2013 PA 59 to establish a  
2 performance-based funding for public and private child welfare  
3 services providers. The department shall provide quarterly reports  
4 on the status of the performance-based contracting model to the  
5 senate and house appropriations subcommittees on the department  
6 budget, the senate and house standing committees on families and  
7 human services, and the senate and house fiscal agencies and policy  
8 offices.

9 (6) From the funds appropriated in part 1 for the performance-  
10 based funding model pilot, the department shall continue to work  
11 with the West Michigan Partnership for Children Consortium on the  
12 implementation of the performance-based funding model pilot. The  
13 consortium shall accept and comprehensively assess referred youth,  
14 assign cases to members of its continuum or leverage services from  
15 other entities, and make appropriate case management decisions  
16 during the duration of a case. The consortium shall operate an  
17 integrated continuum of care structure, with services provided by  
18 both private and public agencies, based on individual case needs.  
19 The consortium shall demonstrate significant organizational  
20 capacity and competencies, including experience with managing risk-  
21 based contracts, financial strength, experienced staff and  
22 leadership, and appropriate governance structure.

23 Sec. 504. (1) The department may continue a master agreement  
24 with the West Michigan Partnership for Children Consortium for a  
25 performance-based child welfare contracting pilot program. The  
26 consortium shall consist of a network of affiliated child welfare  
27 service providers that will accept and comprehensively assess

1 referred youth, assign cases to members of its continuum or  
2 leverage services from other entities, and make appropriate case  
3 management decisions during the duration of a case.

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

7 (3) By March 1 of the current fiscal year, the consortium  
8 shall provide to the department and the house and senate  
9 appropriations subcommittees on the department budget a report on  
10 the consortium, including, but not limited to, actual expenditures,  
11 number of children placed by agencies in the consortium, fund  
12 balance of the consortium, and the status of the consortium  
13 evaluation.

14 Sec. 505. By March 1 of the current fiscal year, the  
15 department shall provide to the senate and house appropriations  
16 subcommittees on the department budget, the senate and house fiscal  
17 agencies and policy offices, and the state budget office a report  
18 for youth referred or committed to the department for care or  
19 supervision in the previous fiscal year and in the first quarter of  
20 the current fiscal year outlining the number of youth served by the  
21 department within the juvenile justice system, the type of setting  
22 for each youth, performance outcomes, and financial costs or  
23 savings.

24 Sec. 507. The department's ability to satisfy appropriation  
25 deducts in part 1 for foster care private collections shall not be  
26 limited to collections and accruals pertaining to services provided  
27 only in the current fiscal year but may include revenues collected



1 during the current fiscal year for services provided in prior  
2 fiscal years.

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

7 (2) The department and the child abuse and neglect prevention  
8 board shall collaborate to ensure that administrative delays are  
9 avoided and the local grant recipients and direct service providers  
10 receive money in an expeditious manner. The department and board  
11 shall make available the children's trust fund contract funds to  
12 grantees within 31 days of the start date of the funded project.

13 Sec. 511. The department shall provide reports on a semiannual  
14 basis to the senate and house appropriations subcommittees on the  
15 department budget, the senate and house standing committees on  
16 families and human services, and the senate and house fiscal  
17 agencies and policy offices on the number and percentage of  
18 children who received timely physical and mental health  
19 examinations after entry into foster care. The goal of the program  
20 is that at least 85% of children shall have an initial medical and  
21 mental health examination within 30 days after entry into foster  
22 care.

23 Sec. 512. (1) As required by the settlement, by March 1 of the  
24 current fiscal year, the department shall report 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 on the following information

1 for cases of child abuse or child neglect from the previous fiscal  
2 year:

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

4 (b) The total number of relatives with a placement who became  
5 licensed.

6 (c) The number of waivers of foster care licensure granted to  
7 relative care providers.

8 (d) The number of waivers of foster care denied to relative  
9 care providers.

10 (e) A list of the reasons from a sample of cases the  
11 department denied granting a waiver of foster care licensure for a  
12 relative care provider.

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

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

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

20 (b) The caseworker has assessed the relative and the  
21 relative's home using the department's initial relative safety  
22 screen and the department's relative home assessment and has  
23 determined that the relative's home is safe and placement there is  
24 in the child's best interest.

25 Sec. 513. (1) The department shall not expend funds  
26 appropriated in part 1 to pay for the direct placement by the  
27 department of a child in an out-of-state facility unless all of the

1 following conditions are met:

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

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

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

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

11 (e) The department has done an on-site visit to the out-of-  
12 state facility, reviewed the facility records, reviewed licensing  
13 records and reports on the facility, and believes that the facility  
14 is an appropriate placement for the child.

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

18 (3) The department shall submit an annual report by March 1 of  
19 the current fiscal year to the state court administrative office,  
20 the house and senate appropriations subcommittees on the department  
21 budget, the house and senate fiscal agencies, the house and senate  
22 policy offices, and the state budget office on the number of  
23 Michigan children residing in out-of-state facilities in the  
24 previous fiscal year and shall include the total cost and average  
25 per diem cost of these out-of-state placements to this state, and a  
26 list of each such placement arranged by the Michigan county of  
27 residence for each child.

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

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

8       (i) The total number of reports of child abuse or child  
9 neglect investigated under the child protection law, 1975 PA 238,  
10 MCL 722.621 to 722.638, and the number of cases classified under  
11 category I or category II and the number of cases classified under  
12 category III, category IV, or category V.

13       (ii) Characteristics of perpetrators of child abuse or child  
14 neglect and the child victims, such as age, relationship, race, and  
15 ethnicity and whether the perpetrator exposed the child victim to  
16 drug activity, including the manufacture of illicit drugs, that  
17 exposed the child victim to substance abuse, a drug house, or  
18 methamphetamine.

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

23       (iv) The number of cases that resulted in the separation of  
24 the child from the parent or guardian and the period of time of  
25 that separation, up to and including termination of parental  
26 rights.

27       (v) For the reported complaints of child abuse or child

1 neglect by teachers, school administrators, and school counselors,  
2 the number of cases classified under category I or category II and  
3 the number of cases classified under category III, category IV, or  
4 category V.

5 (vi) For the reported complaints of child abuse or child  
6 neglect by teachers, school administrators, and school counselors,  
7 the number of cases that resulted in separation of the child from  
8 the parent or guardian and the period of time of that separation,  
9 up to and including termination of parental rights.

10 (b) New policies related to children's protective services  
11 including, but not limited to, major policy changes and court  
12 decisions affecting the children's protective services system  
13 during the immediately preceding 12-month period.

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

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

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

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

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

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

27 (vi) The number of cases in category III that the department

1 reclassified from category III to category I.

2 (vii) The number of cases in category III that the department  
3 reclassified from category III to category I that resulted in a  
4 removal.

5 (d) The department policy, or changes to the department  
6 policy, regarding children who have been exposed to the production  
7 or manufacture of methamphetamines.

8 Sec. 515. If a child protection services caseworker requests  
9 approval for another child protection services caseworker or other  
10 department employee to accompany them on a home visit because the  
11 caseworker believes it would be unsafe to conduct the home visit  
12 alone, the department shall not deny the request.

13 Sec. 516. From funds appropriated in part 1 for county child  
14 care fund, the administrative or indirect cost payment equal to 10%  
15 of a county's total monthly gross expenditures shall be distributed  
16 to the county on a monthly basis and a county is not required to  
17 submit documentation to the department for any of the expenditures  
18 that are covered under the 10% payment as described in section  
19 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL  
20 400.117a.

21 Sec. 517. The department shall retain the same title IV-E  
22 appeals policy in place as of the fiscal year ending September 30,  
23 2017.

24 Sec. 518. Supervisors must make an initial read of a  
25 caseworker's report on a child abuse or child neglect investigation  
26 and note any corrections required, or approve the report, within 5  
27 business days. The caseworker must resubmit a report that needs

1 corrections within 3 business days.

2       Sec. 519. The department shall permit any private agency that  
3 has an existing contract with this state to provide foster care  
4 services to be also eligible to provide treatment foster care  
5 services.

6       Sec. 520. To the extent that the data are available, the  
7 department shall submit a report to the house and senate  
8 appropriations subcommittees on the department budget, the house  
9 and senate fiscal agencies, the house and senate policy offices,  
10 and the state budget office by February 15 of the current fiscal  
11 year on the number of days of care and expenditures by funding  
12 source for the previous fiscal year for out-of-home placements by  
13 specific placement programs for child abuse or child neglect and  
14 juvenile justice, including, but not limited to, paid relative  
15 placement, department direct family foster care, private agency  
16 supervised foster care, private child caring institutions, county-  
17 supervised facilities, court-supervised facilities, and independent  
18 living. The report shall also identify days of care for department-  
19 operated residential juvenile justice facilities by security  
20 classification.

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 Sec. 524. As a condition of receiving funds appropriated in  
26 part 1 for strong families/safe children, counties must submit the  
27 service spending plan to the department by October 1 of the current



1 fiscal year for approval. The department shall approve the service  
2 spending plan within 30 calendar days after receipt of a properly  
3 completed service spending plan.

4 Sec. 525. The department shall implement the same on-site  
5 evaluation processes for privately operated child welfare and  
6 juvenile justice residential facilities as is used to evaluate  
7 state-operated facilities. Penalties for noncompliance shall be the  
8 same for privately operated child welfare and juvenile justice  
9 residential facilities and state-operated facilities.

10 Sec. 527. With the approval of the settlement monitor, for the  
11 purposes of calculating adoption worker caseloads for private child  
12 placing agencies, the department shall exclude the following case  
13 types:

14 (a) Cases in which there are multiple applicants as that term  
15 is defined in section 22(e) of chapter X of the probate code of  
16 1939, 1939 PA 288, MCL 710.22, also known as a competing party  
17 case, in which the case has a consent motion pending from  
18 Michigan's children's institute or the court for more than 30 days.

19 (b) Cases in which a birth parent has an order or motion for a  
20 rehearing or an appeal as of right that has been pending for more  
21 than 15 days.

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

1           (2) By February 1 of the current fiscal year, the department  
2 shall provide the senate and house appropriations subcommittees on  
3 the department budget, the senate and house fiscal agencies and  
4 policy offices, and the state budget office a report detailing  
5 measurable performance indicators, desired outcomes, and an  
6 assessment of the quality of services provided by the department  
7 during the previous fiscal year.

8           Sec. 531. The department shall notify the house and senate  
9 appropriations subcommittees on the department budget, the house  
10 and senate fiscal agencies, and the house and senate policy offices  
11 of any changes to a child welfare master contract template,  
12 including the adoption master contract template, the independent  
13 living plus master contract template, the child placing agency  
14 foster care master contract template, and the residential foster  
15 care juvenile justice master contract template, not less than 30  
16 days before the change takes effect.

17          Sec. 532. The department, in collaboration with  
18 representatives of private child and family agencies, shall revise  
19 and improve the annual licensing review process and the annual  
20 contract compliance review process for child placing agencies and  
21 child caring institutions. The improvement goals shall be safety  
22 and care for children. Improvements to the review process shall be  
23 directed toward alleviating administrative burdens so that agency  
24 resources may be focused on children. The revision shall include  
25 identification of duplicative staff activities and information  
26 sought from child placing agencies and child caring institutions in  
27 the annual review process. The department shall report to the

1 senate and house appropriations subcommittees on the department  
2 budget, the senate and house fiscal agencies and policy offices,  
3 and the state budget director on or before January 15 of the  
4 current fiscal year on the findings of the annual licensing review  
5 and include summaries of actions undertaken to revise, improve, and  
6 identify weaknesses in the current annual licensing process and  
7 annual contract compliance.

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

14       Sec. 534. The department shall submit 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 March 1 of the current fiscal year a  
18 report on the adoption subsidies expenditures from the previous  
19 fiscal year. The report shall include, but is not limited to, the  
20 range of annual adoption support subsidy amounts, for both title  
21 IV-E eligible cases and state-funded cases, paid to adoptive  
22 families, the number of title IV-E and state-funded cases, the  
23 number of cases in which the adoption support subsidy request of  
24 adoptive parents for assistance was denied by the department, and  
25 the number of adoptive parents who requested a redetermination of  
26 adoption support subsidy.

27       Sec. 540. If a physician or psychiatrist who is providing

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

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

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

22 (3) If required by the federal government to meet title IV-E  
23 requirements, providers of foster care services shall submit  
24 quarterly reports on expenditures to the department to identify  
25 actual costs of providing foster care services.

26 (4) From the funds appropriated in part 1, the department  
27 shall maintain the rates in place on March 20, 2019 provided to

1 each private provider of residential services.

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

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

12       Sec. 551. The department shall respond to counties within 30  
13 days regarding any request for a clarification requested through  
14 the department's child care fund management unit electronic mail  
15 address.

16       Sec. 552. Sixty days after a county's child care fund on-site  
17 review is completed, the department shall provide the results of  
18 the review to the county. The department shall not evaluate the  
19 relevancy, quality, effectiveness, efficiency, or impact of the  
20 services provided to youth of the county's child care fund programs  
21 in the review. Pursuant to state law, the department shall not  
22 release the results of the review to a third-party without the  
23 permission of the county being reviewed.

24       Sec. 558. Based on the results of the study of issues related  
25 to the modernization of the child welfare training program  
26 undertaken in the previous fiscal year, the department shall make a  
27 payment to private child placing agencies upon the completion of

1 the child welfare caseworker training.

2       Sec. 562. The department shall provide time and travel  
3 reimbursements for foster parents who transport a foster child to  
4 parent-child visitations. As part of the foster care parent  
5 contract, the department shall provide written confirmation to  
6 foster parents that states that the foster parents have the right  
7 to request these reimbursements for all parent-child visitations.  
8 The department shall provide these reimbursements within 60 days of  
9 receiving a request for eligible reimbursements from a foster  
10 parent.

11       Sec. 564. (1) The department shall develop a clear policy for  
12 parent-child visitations. The local county offices, caseworkers,  
13 and supervisors shall meet an 85% success rate, after accounting  
14 for factors outside of the caseworkers' control.

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

19       (3) By March 1 of the current fiscal year, the department  
20 shall provide 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 a  
23 report on the following:

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

27       (b) The barriers to achieve the success rates in subsections

1 (1) and (2) and how this information is tracked.

2 Sec. 567. The department shall submit 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 by March 1 of the current fiscal year a  
6 report on transfer of medical passports for children in foster  
7 care, including the following:

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

11 (b) From the total school records, the percentage that  
12 transferred within 2 weeks from the date of placement or return to  
13 the home.

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

16 Sec. 569. The department shall reimburse private child placing  
17 agencies that complete adoptions at the rate according to the date  
18 on which the petition for adoption and required support  
19 documentation was accepted by the court and not according to the  
20 date the court's order placing for adoption was entered.

21 Sec. 573. The department may pay providers of foster care  
22 services a per diem daily administrative rate for every case on a  
23 caseworker's caseload for the duration of a case from referral  
24 acceptance to the discharge of wardship.

25 Sec. 574. (1) From the funds appropriated in part 1 for foster  
26 care payments, \$2,000,000.00 is allocated to support performance-  
27 based contracts with child placing agencies to facilitate the

1 licensure of relative caregivers as foster parents. Agencies shall  
2 receive \$4,500.00 for each facilitated licensure if completed  
3 within 180 days after case acceptance, or, if a waiver was  
4 previously approved, 180 days from the referral date. If the  
5 facilitated licensure, or approved waiver, is completed after 180  
6 days, the agency shall receive up to \$3,500.00. The agency  
7 facilitating the licensure would retain the placement and continue  
8 to provide case management services for the newly licensed cases  
9 for which the placement was appropriate to the agency.

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

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

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



1 report on the total amount expended in the previous year for grants  
2 to private and community-based foster care service providers for  
3 home improvements or physical exams as referenced in subsection (3)  
4 and the number of grants issued.

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

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

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

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

21 Sec. 588. Concurrently with public release, the department  
22 shall transmit all reports from the court-appointed settlement  
23 monitor, including, but not limited to, the needs assessment and  
24 period outcome reporting, to the state budget office, the senate  
25 and house appropriations subcommittees on the department budget,  
26 and the senate and house fiscal agencies and policy offices,  
27 without revision.

1       Sec. 589. On a quarterly basis, the department shall report on  
2 the number of all foster care cases administered by the department  
3 and all foster care cases administered by private providers.

4       Sec. 594. From the funds appropriated in part 1 for foster  
5 care payments, the department shall support regional resource teams  
6 to provide for the recruitment, retention, and training of foster  
7 and adoptive parents and shall expand the Michigan youth  
8 opportunities initiative to all Michigan counties. The purpose of  
9 this funding is to increase the number of annual inquiries from  
10 prospective foster parents, increase the number of nonrelative  
11 foster homes that achieve licensure each year, increase the annual  
12 retention rate of nonrelative foster homes, reduce the number of  
13 older foster youth placed outside of family settings, and provide  
14 older youth with enhanced support in transitioning to adulthood.

15       Sec. 596. (1) From the funds appropriated in part 1 for youth  
16 in transition, the department shall maintain the recent \$500,000.00  
17 state general fund/general purpose revenue increase to funding to  
18 support the runaway and homeless youth services program. The  
19 purpose of the additional funding is to support current programs  
20 for contracted providers that provide emergency shelter and  
21 services to homeless and runaway youth.

22       (2) From the funds appropriated in part 1 for runaway and  
23 homeless youth services program, the department shall allocate  
24 \$1,500,000.00 state general fund/general purpose revenue to  
25 increase funding to support runaway and homeless youth services  
26 programs. The purpose of the additional funding is to support  
27 current programs for contracted providers that provide emergency

1 shelter and services to homeless and runaway youth.

2 (3) By March 1 of the current fiscal year, the department  
3 shall submit to the house and senate appropriations subcommittees  
4 on the department budget, the house and senate fiscal agencies, the  
5 house and senate policy offices, and the state budget office a  
6 report on the total amount expended for runaway and homeless youth  
7 services programs in the previous year, as well as the total number  
8 of shelter nights for youth provided.

9 Sec. 598. Partial child care fund reimbursements to counties  
10 for undisputed charges shall be made within 45 business days after  
11 the receipt of the required forms and documentation. The department  
12 shall notify a county within 15 business days after a disputed  
13 reimbursement request. The department shall reimburse for corrected  
14 charges within 45 business days after a properly corrected  
15 submission by the county.

16 **PUBLIC ASSISTANCE**

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

26 Sec. 602. The department shall conduct a full evaluation of an

1 individual's assistance needs if the individual has applied for  
2 disability more than 1 time within a 1-year period.

3 Sec. 603. For any change in the income of a recipient of the  
4 food assistance program, the family independence program, or state  
5 disability assistance that results in a benefit decrease, the  
6 department must notify the affected recipient of the decrease in  
7 benefits amount no later than 15 work days for the food assistance  
8 program, the family independence program, and state disability  
9 assistance before the first day of the month in which the change  
10 takes effect.

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

17 (a) A recipient of supplemental security income, social  
18 security, or medical assistance due to disability or 65 years of  
19 age or older.

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

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

1 (d) A person receiving 30-day postresidential substance use  
2 disorder treatment.

3 (e) A person diagnosed as having acquired immunodeficiency  
4 syndrome.

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

7 (g) A caretaker of a disabled person who meets the  
8 requirements specified in subdivision (a), (b), (e), or (f).

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

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

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

15 (3) Except for a person described in subsection (1)(c) or (d),  
16 a person is not disabled for purposes of this section if his or her  
17 drug addiction or alcoholism is a contributing factor material to  
18 the determination of disability. "Material to the determination of  
19 disability" means that, if the person stopped using drugs or  
20 alcohol, his or her remaining physical or mental limitations would  
21 not be disabling. If his or her remaining physical or mental  
22 limitations would be disabling, then the drug addiction or  
23 alcoholism is not material to the determination of disability and  
24 the person may receive state disability assistance. Such a person  
25 must actively participate in a substance abuse treatment program,  
26 and the assistance must be paid to a third party or through vendor  
27 payments. For purposes of this section, substance abuse treatment

1 includes receipt of inpatient or outpatient services or  
2 participation in alcoholics anonymous or a similar program.

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

7 Sec. 606. County department offices shall require each  
8 recipient of family independence program and state disability  
9 assistance who has applied with the social security administration  
10 for supplemental security income to sign a contract to repay any  
11 assistance rendered through the family independence program or  
12 state disability assistance program upon receipt of retroactive  
13 supplemental security income benefits.

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

23 (2) The department may use supplemental security income  
24 recoveries to satisfy the deduct in any line in which the revenues  
25 are appropriated, regardless of the source from which the revenue  
26 is recovered.

27 Sec. 608. Adult foster care facilities providing domiciliary

1 care or personal care to residents receiving supplemental security  
2 income or homes for the aged serving residents receiving  
3 supplemental security income shall not require those residents to  
4 reimburse the home or facility for care at rates in excess of those  
5 legislatively authorized. To the extent permitted by federal law,  
6 adult foster care facilities and homes for the aged serving  
7 residents receiving supplemental security income shall not be  
8 prohibited from accepting third-party payments in addition to  
9 supplemental security income if the payments are not for food,  
10 clothing, shelter, or result in a reduction in the recipient's  
11 supplemental security income payment.

12       Sec. 609. The state supplementation level under the  
13 supplemental security income program for the personal care/adult  
14 foster care and home for the aged categories shall not be reduced  
15 during the current fiscal year. The legislature shall be notified  
16 not less than 30 days before any proposed reduction in the state  
17 supplementation level.

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

22       (2) For purposes of determining housing affordability  
23 eligibility for state emergency relief, a group is considered to  
24 have sufficient income to meet ongoing housing expenses if their  
25 total housing obligation does not exceed 75% of their total net  
26 income.

27       (3) State emergency relief payments shall not be made to

1 individuals who have been found guilty of fraud in regard to  
2 obtaining public assistance.

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

6 (5) State emergency relief payments for rent assistance shall  
7 be distributed directly to landlords and shall not be added to  
8 Michigan bridge cards.

9 (6) When determining asset limits for a state emergency relief  
10 group, the group must use countable cash assets to assist in  
11 resolving the emergency. The protected cash asset limit for energy-  
12 related emergencies is \$200.00, and therefore the first \$200.00 of  
13 a state emergency relief group must be excluded in cash asset  
14 determination. Cash assets in excess of the cash asset limit  
15 described in this subsection shall be deducted from the cost of  
16 resolving the emergency and shall be utilized as a co-payment, as  
17 described in department emergency relief policy.

18 Sec. 611. The state supplementation level under the  
19 supplemental security income program for the living independently  
20 or living in the household of another categories shall not exceed  
21 the minimum state supplementation level as required under federal  
22 law or regulations.

23 Sec. 613. (1) The department shall provide reimbursements for  
24 the final disposition of indigent persons. The reimbursements shall  
25 include the following:

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



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

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

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

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

9 Sec. 614. The department shall report to the senate and house  
10 of representatives appropriations subcommittees on the department  
11 budget, the senate and house fiscal agencies, and the senate and  
12 house policy offices by January 15 of the current fiscal year on  
13 the number and percentage of state disability assistance recipients  
14 who were determined to be eligible for federal supplemental  
15 security income benefits in the previous fiscal year.

16 Sec. 615. Except as required by federal law or regulations,  
17 funds appropriated in part 1 shall not be used to provide public  
18 assistance to a person who is an illegal alien. This section shall  
19 not prohibit the department from entering into contracts with food  
20 banks, emergency shelter providers, or other human services  
21 agencies who may, as a normal part of doing business, provide food  
22 or emergency shelter.

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

27 Sec. 618. By March 1 of the current fiscal year, the

1 department shall report to the senate and house appropriations  
2 subcommittees on the department budget, the senate and house fiscal  
3 agencies, the senate and house policy offices, and the state budget  
4 office the quarterly number of supervised individuals who have  
5 absconded from supervision and whom a law enforcement agency, the  
6 department of corrections, or the department is actively seeking  
7 according to section 84 of the corrections code of 1953, 1953 PA  
8 232, MCL 791.284.

9       Sec. 619. (1) Subject to subsection (2), the department shall  
10 not deny title IV-A assistance and food assistance benefits under  
11 21 USC 862a to any individual who has been convicted of a single  
12 felony that included the possession, use, or distribution of a  
13 controlled substance, for which the act that resulted in the  
14 conviction occurred after August 22, 1996, if the individual is not  
15 in violation of his or her probation or parole requirements.  
16 Benefits shall be provided to an individual, if the individual is  
17 the grantee (head of household), as follows:

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

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

25       (2) Subject to federal approval, an individual is not entitled  
26 to the exemption in this section if the individual was convicted of  
27 2 or more separate felony acts that included the possession, use,

1 or distribution of a controlled substance and both acts occurred  
2 after August 22, 1996.

3 Sec. 620. (1) The department shall make a determination of  
4 Medicaid eligibility not later than 90 days if disability is an  
5 eligibility factor. For all other Medicaid applicants, including  
6 patients of a nursing home, the department shall make a  
7 determination of Medicaid eligibility within 45 days of  
8 application.

9 (2) The department shall provide quarterly reports to the  
10 senate and house appropriations subcommittees on the department  
11 budget, the senate and house standing committees on families and  
12 human services, the senate and house fiscal agencies, the senate  
13 and house policy offices, and the state budget office on the  
14 average Medicaid eligibility standard of promptness for each of the  
15 required standards of promptness under subsection (1) and for  
16 medical review team reviews achieved statewide and at each local  
17 office.

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

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

1 2015. This exemption can be extended an additional 3 months upon  
2 demonstration of continuing need.

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

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

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

1       Sec. 669. From the funds appropriated in part 1 for family  
2 independence program, the department shall allocate \$7,230,000.00  
3 for the annual clothing allowance. The allowance shall be granted  
4 to all eligible children in a family independence program group.

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

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

26       (3) As used in this section, "inappropriate use" means not  
27 used to meet a family's ongoing basic needs, including food,

1 clothing, shelter, utilities, household goods, personal care items,  
2 and general incidentals.

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

8 (2) The department shall provide quarterly reports 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 the number of cases referred to  
12 Partnership. Accountability. Training. Hope. (PATH), the current  
13 percentage of family independence program cases involved in PATH  
14 employment activities, an estimate of the current percentage of  
15 family independence program cases that meet federal work  
16 participation requirements on the whole, and an estimate of the  
17 current percentage of the family independence program cases that  
18 meet federal work participation requirements for those cases  
19 referred to PATH.

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

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

27 (b) The average and range of wages of employed family

1 independence program recipients.

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

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

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

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

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

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

26 (a) The number of applications received.

27 (b) The number of applications approved.

1 (c) The number of applications denied.

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

4 (e) The number of cases opened.

5 (f) The number of cases closed.

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

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

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

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

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

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

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

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

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

26 Sec. 688. From the funds appropriated in part 1 for the low-  
27 income home energy assistance program, the department shall make an



1 additional \$20.01 payment to each food assistance program case that  
2 is not currently eligible for the standard utility allowance to  
3 enable each case to receive expanded food assistance benefits  
4 through the program commonly known as the heat and eat program.

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

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

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

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

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

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

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

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

1 after being resubmitted by the county with the first revisions that  
2 were requested by the department.

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

14 Sec. 721. If the demand for placements at state-operated  
15 juvenile justice residential facilities exceeds capacity, the  
16 department shall not increase the available occupancy or services  
17 at the facilities, and shall post a request for proposals for a  
18 contract with not less than 1 private provider of residential  
19 services for juvenile justice youth to be a residential facility of  
20 last resort.

## 21 **FIELD OPERATIONS AND SUPPORT SERVICES**

22 Sec. 807. From the funds appropriated in part 1 for Elder Law  
23 of Michigan MiCAFE contract, the department shall allocate not less  
24 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this  
25 state's elderly population in participating in the food assistance  
26 program. Of the \$350,000.00 allocated under this section, the

1 department shall use \$175,000.00, which are general fund/general  
2 purpose funds, as state matching funds for not less than  
3 \$175,000.00 in United States Department of Agriculture funding to  
4 provide outreach program activities, such as eligibility screening  
5 and information services, as part of a statewide food assistance  
6 hotline.

7       Sec. 808. By March 1 of the current fiscal year, the  
8 department shall provide a report to the senate and house  
9 appropriations subcommittees on the department budget, the senate  
10 and house fiscal agencies, the senate and house policy offices, and  
11 the state budget office on the nutrition education program. The  
12 report shall include planned allocation and actual expenditures for  
13 the supplemental nutrition assistance program education funding,  
14 planned and actual grant amounts for the supplemental nutrition  
15 assistance program education funding, the total amount of expected  
16 carryforward balance at the end of the current fiscal year for the  
17 supplemental nutrition assistance program education funding, a list  
18 of all supplemental nutrition assistance program education funding  
19 programs by implementing agency, and the stated purpose of each  
20 program.

21       Sec. 809. (1) The purpose of the pathways to potential program  
22 is to reduce chronic absenteeism and decrease the number of  
23 students who repeat grades for schools that are current or future  
24 participants in the pathways to potential program. Before any  
25 deployment of resources into a participant school, the department  
26 and the participant school shall establish performance objectives  
27 for each participant school based on a 2-year baseline prior to

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

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

24 Sec. 825. From the funds appropriated in part 1, the  
25 department shall provide individuals not more than \$500.00 for  
26 vehicle repairs, including any repairs done in the previous 12  
27 months. However, the department may in its discretion pay for

1 repairs up to \$900.00. Payments under this section shall include  
2 the combined total of payments made by the department and work  
3 participation program.

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

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

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

20 (a) Meeting a standard of promptness for processing  
21 applications for Medicaid and other public assistance programs  
22 under state law.

23 (b) Meeting required standards for error rates in determining  
24 programmatic eligibility as determined by the department.

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

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

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

13           Sec. 851. (1) The department shall maintain the improved  
14 services provided by the staffing enhancement included in 2017 PA  
15 107 that had the goal of reducing the number of older adults who  
16 are victims of crime and fraud by increasing the standard of  
17 promptness in every county, as measured by commencing an  
18 investigation within 24 hours, establishing face-to-face contact  
19 with the client within 72 hours, and completing the investigation  
20 within 30 days.

21           (2) The department shall report by March 1 of the current  
22 fiscal year to the house and senate appropriations subcommittees on  
23 the department budget, the house and senate fiscal agencies, and  
24 the house and senate policy offices on the services provided to  
25 older adults who were victims of crime or fraud. This report shall  
26 include, but is not limited to, the following:

27           (a) The number of older adults who were victims of crime in

1 the previous fiscal year and were provided services by the  
2 department as a result of being victims of crime, by county.

3 (b) The number of older adults who were victims of fraud in  
4 the previous fiscal year and were provided services by the  
5 department as a result of being victims of fraud, by county.

6 (c) The percentage of cases that the department provided  
7 services to, resulting from older adults who were victims of crime  
8 or fraud, that achieved the standard of promptness, as described in  
9 subsection (1), by county in the previous fiscal year.

#### 10 **DISABILITY DETERMINATION SERVICES**

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

#### 16 **BEHAVIORAL HEALTH SERVICES**

17 Sec. 901. Except for the pilot projects and demonstration  
18 models described in section 298 of this part, the funds  
19 appropriated in part 1 are intended to support a system of  
20 comprehensive community mental health services under the full  
21 authority and responsibility of local CMHSPs or PIHPs in accordance  
22 with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106,  
23 the Medicaid provider manual, federal Medicaid waivers, and all  
24 other applicable federal and state laws.

25 Sec. 902. (1) Except for the pilot projects and demonstration



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

15 (2) The department shall immediately report to the senate and  
16 house appropriations subcommittees on the department budget, the  
17 senate and house fiscal agencies, and the state budget director if  
18 either of the following occurs:

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

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

23 (3) The report required by subsection (2) shall include  
24 information about the changes and their effects on rates and  
25 expenditures.

26 Sec. 904. (1) By May 31 of the current fiscal year, the  
27 department shall provide a report on the CMHSPs, PIHPs, and

1 designated regional entities for substance use disorder prevention  
2 and treatment to the members of the house and senate appropriations  
3 subcommittees on the department budget, the house and senate fiscal  
4 agencies, and the state budget director that includes the  
5 information required by this section.

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

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

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

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

26 (d) Data describing service outcomes that include, but are not  
27 limited to, an evaluation of consumer satisfaction, consumer

1 choice, and quality of life concerns including, but not limited to,  
2 housing and employment.

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

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

7 (ii) The number of people who requested services but did not  
8 receive services.

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

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

15 (h) Performance indicator information required to be submitted  
16 to the department in the contracts with CMHSPs, PIHPs, and  
17 designated regional entities for substance use disorder prevention  
18 and treatment.

19 (i) Administrative expenditures of each CMHSP, PIHP, and  
20 designated regional entity for substance use disorder prevention  
21 and treatment that include a breakout of the salary, benefits, and  
22 pension of each executive-level staff and shall include the  
23 director, chief executive, and chief operating officers and other  
24 members identified as executive staff.

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

1 (a) Expenditures stratified by department-designated community  
2 mental health entity, by central diagnosis and referral agency, by  
3 fund source, by subcontractor, by population served, and by service  
4 type.

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

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

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

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

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

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

23 Sec. 905. (1) From the funds appropriated in part 1 for  
24 behavioral health program administration, the department shall  
25 maintain a psychiatric transitional unit and children's transition  
26 support team. These services will augment the continuum of  
27 behavioral health services for high-need youth and provide

1 additional continuity of care and transition into supportive  
2 community-based services.

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

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

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

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

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

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

21 Sec. 909. From the funds appropriated in part 1 for community  
22 substance use disorder prevention, education, and treatment, the  
23 department shall use available revenue from the marihuana  
24 regulatory fund established in section 604 of the medical marihuana  
25 facilities licensing act, 2016 PA 281, MCL 333.27604, to improve  
26 physical health; expand access to substance use disorder prevention  
27 and treatment services; and strengthen the existing prevention,

1 treatment, and recovery systems.

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

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

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

22       Sec. 912. The department shall contract directly with the  
23 Salvation Army Harbor Light program to provide non-Medicaid  
24 substance use disorder services if the local coordinating agency or  
25 the department confirms the Salvation Army Harbor Light program  
26 meets the standard of care. The standard of care shall include, but  
27 is not limited to, utilization of the medication assisted treatment

1 option.

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

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

10       (b) Programs utilized during the previous fiscal year to  
11 address each actionable recommendation of the mental health and  
12 wellness commission.

13       (c) Outcomes and performance measures achieved during the  
14 previous fiscal year by actionable recommendation of the mental  
15 health and wellness commission.

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

18       (e) Current fiscal year funding by program utilized to address  
19 each actionable recommendation of the mental health and wellness  
20 commission.

21       (2) By April 1 of the current fiscal year, the department  
22 shall report on funding within the executive budget proposal for  
23 the fiscal year ending September 30, 2021, by actionable  
24 recommendation of the mental health and wellness commission to the  
25 same report recipients listed in subsection (1).

26       Sec. 918. On or before the twenty-fifth of each month, the  
27 department shall report to the senate and house appropriations

1 subcommittees on the department budget, the senate and house fiscal  
2 agencies, and the state budget director on the amount of funding  
3 paid to PIHPs to support the Medicaid managed mental health care  
4 program in the preceding month. The information shall include the  
5 total paid to each PIHP, per capita rate paid for each eligibility  
6 group for each PIHP, and number of cases in each eligibility group  
7 for each PIHP, and year-to-date summary of eligibles and  
8 expenditures for the Medicaid managed mental health care program.

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

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

19       Sec. 924. From the funds appropriated in part 1 for autism  
20 services, for the purposes of actuarially sound rate certification  
21 and approval for Medicaid behavioral health managed care programs,  
22 the department shall maintain a fee schedule for autism services  
23 reimbursement rates for direct services. Expenditures used for rate  
24 setting shall not exceed those identified in the fee schedule. The  
25 rates for behavioral technicians shall be maintained at the hourly  
26 rate in place in the previous fiscal year, but shall not be less  
27 than \$50.00 per hour.



1       Sec. 925. From the funds appropriated in part 1 for community  
2 mental health non-Medicaid services, each CMHSP is allocated not  
3 less than the amount allocated to that CMHSP during the previous  
4 fiscal year.

5       Sec. 926. From the funds appropriated in part 1 for community  
6 substance use disorder prevention, education, and treatment,  
7 \$500,000.00 is allocated for a specialized substance use disorder  
8 detoxification pilot project administered by a 9-1-1 service  
9 district in conjunction with a substance use and case management  
10 provider and at a hospital in a city with a population between  
11 95,000 and 97,000 within a county with a population of at least  
12 1,500,000. The hospital must have a wing with at least 10 beds  
13 dedicated to stabilizing patients suffering from addiction by  
14 providing a specialized trauma therapist as well as a peer support  
15 specialist to assist with treatment and counseling. The substance  
16 use and case management provider shall collect and submit to the  
17 department data on the outcomes of the pilot project throughout the  
18 duration of the pilot project and shall provide a report on the  
19 pilot project's outcomes to the house and senate appropriations  
20 subcommittees on the department budget, the house and senate fiscal  
21 agencies, and the state budget office.

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

1 payments made to a PIHP.

2 (2) It is the intent of the legislature that any funds that  
3 lapse from the funds appropriated in part 1 for Medicaid mental  
4 health services shall be redistributed to individual CMHSPs as a  
5 reimbursement of local funds on a proportional basis to those  
6 CMHSPs whose local funds were used as state Medicaid match. By  
7 April 1 of the current fiscal year, the department shall report to  
8 the senate and house appropriations subcommittees on the department  
9 budget, the senate and house fiscal agencies, the senate and house  
10 policy offices, and the state budget office on the lapse by PIHP  
11 from the previous fiscal year and the projected lapse by PIHP in  
12 the current fiscal year.

13 (3) It is the intent of the legislature that the amount of  
14 local funds used in subsection (1) be phased out and offset with  
15 state general fund/general purpose revenue in equal amounts over a  
16 5-year period.

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

24 Sec. 935. A county required under the provisions of the mental  
25 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide  
26 matching funds to a CMHSP for mental health services rendered to  
27 residents in its jurisdiction shall pay the matching funds in equal

1 installments on not less than a quarterly basis throughout the  
2 fiscal year, with the first payment being made by October 1 of the  
3 current fiscal year.

4 Sec. 940. (1) According to section 236 of the mental health  
5 code, 1974 PA 258, MCL 330.1236, the department shall do both of  
6 the following:

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

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

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

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

27 (4) The department shall notify the chairs of the

1 appropriation subcommittees on the department budget when a request  
2 is made and when the department grants approval for reallocation or  
3 withdraw as described in subsection (1). By September 30 of the  
4 current fiscal year, the department shall provide a report on the  
5 amount of funding reallocated or withdrawn to the senate and house  
6 appropriations subcommittees on the department budget, the senate  
7 and house fiscal agencies, the senate and house policy offices, and  
8 the state budget office.

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

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

1 office on the number of court-appointed public guardians and  
2 conservators who received these funds, the number of court-  
3 appointed public guardians and conservators who were also  
4 reimbursed by the counties, and the per-month reimbursement rates  
5 provided by the counties.

6 Sec. 959. (1) The department shall continue to convene a  
7 workgroup in collaboration with the chairs of the house and senate  
8 appropriations subcommittees on the department budget or their  
9 designees, CMHSP members, autism services provider clinical and  
10 administrative staff, community members, Medicaid autism services  
11 clients, and family members of Medicaid autism services clients to  
12 make recommendations to ensure appropriate cost and service  
13 provision, including, but not limited to, the following:

14 (a) Ways to prevent fraud and overdiagnosis.

15 (b) Comparison of Medicaid rates for autism services to  
16 commercial insurance rates.

17 (c) Comparison of diagnosis process between Medicaid, Tricare,  
18 and commercial insurance.

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

24 Sec. 961. From the funds appropriated in part 1 for behavioral  
25 health program administration, the department shall allocate  
26 \$150,000.00 to administer an electronic inpatient psychiatric bed  
27 registry consistent with the requirements in section 151 of the

1 mental health code, 1974 PA 258, MCL 330.1151.

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 best practices of administering a monthly extended-  
17 release injectable medication assisted treatment for substance use  
18 disorder. The report shall include, but is not limited to, the  
19 following:

20       (a) Outcomes of different types of comprehensive management  
21 programs utilized with a monthly extended-release injectable  
22 medication-assisted treatment.

23       (b) Outcomes of different types of step down protocols for a  
24 monthly extended-release injectable medication-assisted treatment,  
25 including instances of patient deaths from overdose that occur  
26 within 1 year after the completion of a step down program.

27       (c) Whether the department recommends changes in how the

1 department administers, whether directly or through the PIHPs,  
2 monthly extended-release injectable medication-assisted treatment  
3 protocols.

4 Sec. 974. The department and PIHPs shall allow an individual  
5 with an intellectual or developmental disability who receives  
6 supports and services from a CMHSP to instead receive supports and  
7 services from another provider if the individual shows that he or  
8 she is eligible and qualified to receive supports and services from  
9 another provider. Other providers may include, but are not limited  
10 to, MIChoice and program of all-inclusive care for the elderly  
11 (PACE).

12 Sec. 976. (1) The department shall work with a single county  
13 PIHP and CMHSP that is currently not participating in any other  
14 pilot project to pilot a physical and behavioral health integrated  
15 service demonstration model without public funds being transferred  
16 to Medicaid health plans. This pilot project is not contingent on  
17 approval of a Section 1115 waiver from CMS.

18 (2) The pilot project, to achieve integrated practices in the  
19 state, shall demonstrate a successful expansion of existing local  
20 and statewide integrated efforts as currently mandated by the  
21 department, and shall continue to include care coordination, risk  
22 stratification, data sharing, and health care technology. This  
23 contractual mandate by the department shall include shared care  
24 coordination between the PIHP and Medicaid health plans for  
25 individuals they serve jointly. Care coordination shall be made  
26 possible through health-related information maintained through the  
27 department's CareConnect 360 platform and health information

1 exchanges. The PIHP and Medicaid health plans shall meet monthly,  
2 as required by the department, to review health information of all  
3 jointly served individuals. From this group, those individuals with  
4 the greatest level of need shall be identified to receive joint  
5 care coordination. The PIHP and Medicaid health plans shall  
6 collaborate to develop a shared care plan for each of these  
7 individuals with the greatest level of need.

8 (3) It is the intent of the legislature that the pilot project  
9 shall be designed to last at least 2 years.

10 (4) The pilot project shall increase the number of individuals  
11 who meet criteria for expanded care coordination for all  
12 individuals on the stratification list provided by the department  
13 via the CareConnect 360 platform. Additionally, the pilot project  
14 shall expand the focus of care coordination to include anyone who  
15 is identified as not receiving the health care services as  
16 identified by the HEDIS measures. Specifically, the follow-up after  
17 hospitalization, plan all cause readmission, and diabetes screening  
18 for people with schizophrenia or bipolar disorder who are using  
19 antipsychotic medications.

20 (5) It is the intent of the legislature that the primary  
21 purpose of the pilot project is to test how the state may better  
22 integrate behavioral and physical health delivery systems in order  
23 to improve behavioral and physical health outcomes, maximize  
24 efficiencies, minimize unnecessary costs, and achieve material  
25 increases in behavioral health services without increases in  
26 overall Medicaid spending. Specific outcome measurements of the  
27 pilot project shall include decreased emergency room visits,



1 decreased hospitalizations, increased primary care and preventative  
2 services, increased stable housing, increased competitive  
3 employment, and improved HEDIS scores for the outcome measurements  
4 described in this section.

5 (6) Within 90 days after completion of the pilot project under  
6 this section, the PIHP and Medicaid health plans shall submit a  
7 joint report to the house and senate appropriations subcommittees  
8 on the department budget, the house and senate fiscal agencies, the  
9 house and senate policy offices, and the state budget office  
10 detailing their experiences, lessons learned, the outcome  
11 measurements described in subsection (5), any efficiencies and  
12 savings revealed for the PIHP and the Medicaid health plans, and  
13 any increases in investment on behavioral health services from the  
14 PIHP and the Medicaid health plans.

15 Sec. 977. From the funds appropriated in part 1 for community  
16 substance use disorder prevention, education, and treatment,  
17 \$450,000.00 of federal state response to the opioid crisis grant  
18 revenue is allocated to a high school specifically designated for  
19 students recovering from a substance use disorder to support the  
20 costs of counselors, with a priority placed on the cost of  
21 substance use disorder counselors.

22 Sec. 978. From the funds appropriated in part 1 for community  
23 substance use disorder prevention, education, and treatment, the  
24 department shall allocate \$600,000.00 of federal state response to  
25 the opioid crisis grant revenue to create a competitive grant for  
26 recovery community organizations to offer or expand recovery  
27 support center services or recovery community center services to

1 individuals seeking long-term recovery from substance use  
2 disorders. An organization may not receive a grant in excess of  
3 \$150,000.00. In awarding grants, priority shall be placed on  
4 recovery community organizations that do the following:

5 (a) Provide recovery support navigation that includes the  
6 following:

7 (i) Multiple recovery pathways.

8 (ii) Assisting individuals navigate recovery resources such as  
9 detoxification, treatment, recovery housing, support groups, peer  
10 support, and family support.

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

12 (iv) Recovery advocacy that provides hope and encourages  
13 recovery.

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

16 (b) Provide recovery outreach education that includes the  
17 following:

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

19 (ii) All staff employee meetings.

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

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

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

25 (c) Provide recovery activities and events that include the  
26 following:

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

1           (ii) Opportunities to volunteer and participate in activities  
2 and events.

3           (iii) Opportunities for family members and supporters of  
4 recovery to be involved.

5           (iv) Meetings and activities on nutrition, health, and  
6 wellness.

7           (v) Meetings and activities on mindfulness, meditation, and  
8 yoga.

9           Sec. 994. (1) By January 1 of the current fiscal year, the  
10 department shall seek, if necessary, federal approval through  
11 either a waiver request or state plan amendment to allow a CMHSP,  
12 PIHP, or subcontracting provider agency that is reviewed and  
13 accredited by a national accrediting entity for behavioral health  
14 care services to be considered in compliance with state program  
15 review and audit requirements that are addressed and reviewed by  
16 that national accrediting entity.

17           (2) By April 1 of the current fiscal year, the department  
18 shall report to the house and senate appropriations subcommittees  
19 on the department budget, the house and senate fiscal agencies, and  
20 the state budget office all of the following:

21           (a) The status of the federal approval process required in  
22 subsection (1).

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

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

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

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

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

10 (4) As used in this section, "national accrediting entity"  
11 means the Joint Commission, formerly known as the Joint Commission  
12 on Accreditation of Healthcare Organizations, the Commission on  
13 Accreditation of Rehabilitation Facilities, the Council on  
14 Accreditation, the URAC, formerly known as the Utilization Review  
15 Accreditation Commission, the National Committee for Quality  
16 Assurance, or another appropriate entity, as approved by the  
17 department.

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

21 Sec. 996. From the funds appropriated in part 1 for family  
22 support subsidy, the department shall make monthly payments of  
23 \$229.31 to the parents or legal guardians of children approved for  
24 the family support subsidy by a CMHSP.

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

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

4       Sec. 999. Within 30 days after the completion of a statewide  
5 PIHP reimbursement audit, the department shall provide the audit  
6 report to the house and senate appropriations subcommittees on the  
7 department budget, the house and senate fiscal agencies, the house  
8 and senate policy offices, and the state budget office.

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

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

22       Sec. 1004. The department shall provide the senate and house  
23 appropriations subcommittees on the department budget, the senate  
24 and house fiscal agencies, and the state budget office any rebased  
25 formula changes to either Medicaid behavioral health services or  
26 non-Medicaid mental health services 90 days before implementation.  
27 The notification shall include a table showing the changes in

1 funding allocation by PIHP for Medicaid behavioral health services  
2 or by CMHSP for non-Medicaid mental health services.

3 Sec. 1005. For the purposes of special projects involving  
4 high-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. 1008. PIHPs and CMHSPs shall do all of the following:

8 (a) Work to reduce administration costs by ensuring that PIHP  
9 and CMHSP responsible functions are efficient in allowing optimal  
10 transition of dollars to those direct services considered most  
11 effective in assisting individuals served. Any consolidation of  
12 administrative functions must demonstrate, by independent analysis,  
13 a reduction in dollars spent on administration resulting in greater  
14 dollars spent on direct services. Savings resulting from increased  
15 efficiencies shall not be applied to PIHP and CMHSP net assets,  
16 internal service fund increases, building costs, increases in the  
17 number of PIHP and CMHSP personnel, or other areas not directly  
18 related to the delivery of improved services.

19 (b) Take an active role in managing mental health care by  
20 ensuring consistent and high-quality service delivery throughout  
21 its network and promote a conflict-free care management  
22 environment.

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

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

1       Sec. 1009. (1) From the funds appropriated in part 1 for  
2 Medicaid mental health services and Healthy Michigan plan -  
3 behavioral health, the department shall maintain the hourly wage  
4 for direct care workers from the previous fiscal year.

5       (2) Each PIHP shall report to the department by February 1 of  
6 the current fiscal year the range of wages paid to direct care  
7 workers, including information on the number of direct care workers  
8 at each wage level.

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

14       Sec. 1010. From the funds appropriated in part 1 for court-  
15 ordered assisted outpatient treatment, up to \$1,000,000.00 shall be  
16 allocated to address the implementation of court-ordered assisted  
17 outpatient treatment as provided under chapter 4 of the mental  
18 health code, 1974 PA 258, MCL 330.1400 to 330.1490.

19   **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

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

1       Sec. 1052. The purpose of gifts and bequests for patient  
2 living and treatment environments is to use additional private  
3 funds to provide specific enhancements for individuals residing at  
4 state-operated facilities. Use of the gifts and bequests shall be  
5 consistent with the stipulation of the donor. The expected  
6 completion date for the use of gifts and bequests donations is  
7 within 3 years unless otherwise stipulated by the donor.

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

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

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

25       (4) Upon the closure of state-run operations and after  
26 transitional costs have been paid, the remaining balances of funds  
27 appropriated for that operation shall be transferred to CMHSPs or



1 PIHPs responsible for providing services for individuals previously  
2 served by the operations.

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

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

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

22 (a) The average wait time for persons determined incompetent  
23 to stand trial before admission to the center for forensic  
24 psychiatry.

25 (b) The average wait time for persons determined incompetent  
26 to stand trial before admission to other state-operated psychiatric  
27 facilities.

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

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

5 (e) The number of persons determined not guilty by reason of  
6 insanity or incompetent to stand trial through a probate order that  
7 have been determined ready for discharge to the community, and the  
8 average wait time between being determined ready for discharge to  
9 the community and actual community placement.

10 (2) By March 1 of the current fiscal year, the department  
11 shall report to the house and senate appropriations subcommittees  
12 on the department budget, the house and senate fiscal agencies, the  
13 house and senate policy offices, and the state budget office on the  
14 outcomes and performance measures in subsection (1).

15 Sec. 1060. (1) The department shall continue to convene a  
16 workgroup that meets at least quarterly in collaboration with the  
17 chairs of the house and senate appropriations subcommittees on the  
18 department budget or their designees, labor union representation,  
19 civil service, and any other appropriate parties to recommend  
20 solutions to address mandatory overtime, staff turnover, and staff  
21 retention at the state psychiatric hospitals and centers,  
22 including, but not limited to, permitting retired workers to  
23 return, permitting 12-hour shifts, and permitting hiring of part-  
24 time workers.

25 (2) By March 1 of the current fiscal year, the department  
26 shall provide a status update on the department's implementation of  
27 the workgroup's recommendations to the senate and house

1 appropriations subcommittees on the department budget, the senate  
2 and house fiscal agencies, and the state budget office. The report  
3 shall include descriptions of the measures being implemented,  
4 descriptions of the measures not being implemented and barriers  
5 preventing implementation, the number of direct care and clinical  
6 staff positions that are currently vacant by hospital, and a  
7 breakdown of voluntary and mandatory overtime hours worked by  
8 position and by hospital.

9       Sec. 1061. The funds appropriated in part 1 for Caro Regional  
10 Mental Health Center shall only be utilized to support a  
11 psychiatric hospital located at its current location. It is the  
12 intent of the legislature that the Caro Regional Mental Health  
13 Center shall remain open and operational at its current location on  
14 an ongoing basis. Capital outlay funding shall be utilized for  
15 planning and construction of a new or updated facility at the  
16 current location instead of at a new location.

17 **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

18       Sec. 1140. From the funds appropriated in part 1 for primary  
19 care services, \$400,000.00 shall be allocated to free health  
20 clinics operating in the state. The department shall distribute the  
21 funds equally to each free health clinic. For the purpose of this  
22 appropriation, "free health clinics" means nonprofit organizations  
23 that use volunteer health professionals to provide care to  
24 uninsured individuals.

25       Sec. 1142. The department shall continue to seek means to  
26 increase retention of Michigan medical school students for

1 completion of their primary care residency requirements within this  
2 state and ultimately, for some period of time, to remain in this  
3 state and serve as primary care physicians. The department is  
4 encouraged to work with Michigan institutions of higher education.

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

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

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

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

25       (3) On a semiannual basis, the department shall submit a  
26 written report to the house and senate appropriations subcommittees  
27 on the department budget, the house and senate fiscal agencies, and

1 the state budget office on the status of the program and progress  
2 made since the prior report.

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

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

10 (b) The data aggregator must be governed by a nonprofit  
11 entity.

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

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

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

24 Sec. 1145. The department will take steps necessary to work  
25 with Indian Health Service, tribal health program facilities, or  
26 Urban Indian Health Program facilities that provide services under  
27 a contract with a Medicaid managed care entity to ensure that those

1 facilities receive the maximum amount allowable under federal law  
2 for Medicaid services.

3       Sec. 1150. The department shall coordinate with the department  
4 of licensing and regulatory affairs, the department of the attorney  
5 general, all appropriate law enforcement agencies, and the Medicaid  
6 health plans to reduce fraud related to opioid prescribing within  
7 Medicaid, and to address other appropriate recommendations of the  
8 prescription drug and opioid abuse task force outlined in its  
9 report of October 2015. By October 1 of the current fiscal year,  
10 the department shall submit a report to the senate and house  
11 appropriations subcommittees on the department budget, the senate  
12 and house fiscal agencies, the senate and house policy offices, and  
13 the state budget office on steps the department has taken to  
14 coordinate with the entities listed in this section and other  
15 stakeholders to reduce fraud related to opioid prescribing, and to  
16 address other appropriate recommendations of the task force.

17       Sec. 1151. The department shall coordinate with the department  
18 of licensing and regulatory affairs, the department of the attorney  
19 general, all appropriate law enforcement agencies, and the Medicaid  
20 health plans to work with local substance use disorder agencies and  
21 addiction treatment providers to help inform Medicaid beneficiaries  
22 of all medically appropriate treatment options for opioid addiction  
23 when their treating physician stops prescribing prescription opioid  
24 medication for pain, and to address other appropriate  
25 recommendations of the prescription drug and opioid abuse task  
26 force outlined in its report of October 2015. By October 1 of the  
27 current fiscal year, the department shall submit a report to the

1 senate and house appropriations subcommittees on the department  
2 budget, the senate and house fiscal agencies, the senate and house  
3 policy offices, and the state budget office on how the department  
4 is working with local substance use disorder agencies and addiction  
5 treatment providers to ensure that Medicaid beneficiaries are  
6 informed of all available and medically appropriate treatment  
7 options for opioid addiction when their treating physician stops  
8 prescribing prescription opioid medication for pain, and to address  
9 other appropriate recommendations of the task force. The report  
10 shall include any potential barriers to medication-assisted  
11 treatment, as recommended by the Michigan medication-assisted  
12 treatment guidelines, for Medicaid beneficiaries in both office-  
13 based opioid treatment and opioid treatment program facility  
14 settings.

15       Sec. 1152. The Michigan rehabilitation services shall work  
16 collaboratively with the bureau of services for blind persons,  
17 service organizations, and government entities to identify  
18 qualified match dollars to maximize use of available federal  
19 vocational rehabilitation funds.

20       Sec. 1153. The department shall provide an annual report by  
21 February 1 to the house and senate appropriations subcommittees on  
22 the department budget, the house and senate fiscal agencies, the  
23 house and senate policy offices, and the state budget office on  
24 efforts taken to improve the Michigan rehabilitation services. The  
25 report shall include all of the following items:

26       (a) Reductions and changes in administration costs and  
27 staffing.

1 (b) Service delivery plans and implementation steps achieved.

2 (c) Reorganization plans and implementation steps achieved.

3 (d) Plans to integrate Michigan rehabilitative services  
4 programs into other services provided by the department.

5 (e) Quarterly expenditures by major spending category.

6 (f) Employment and job retention rates from both Michigan  
7 rehabilitation services and its nonprofit partners.

8 (g) Success rate of each district in achieving the program  
9 goals.

10 Sec. 1154. (1) From the funds appropriated in part 1 for  
11 Michigan rehabilitation services, the department shall allocate  
12 \$50,000.00 along with available federal match to support the  
13 provision of vocational rehabilitation services to eligible  
14 agricultural workers with disabilities. Authorized services shall  
15 assist agricultural workers with disabilities in acquiring or  
16 maintaining quality employment and independence.

17 (2) By March 1 of the current fiscal year, the department  
18 shall report to the senate and house appropriations subcommittees  
19 on the department budget, the senate and house fiscal agencies, the  
20 senate and house policy offices, and the state budget office on the  
21 total number of clients served and the total amount of federal  
22 matching funds obtained throughout the duration of the program.

23 Sec. 1155. (1) It is the intent of the legislature that  
24 Michigan rehabilitation services shall not implement an order of  
25 selection for vocational and rehabilitative services. If the  
26 department is at risk of entering into an order of selection for  
27 services, the department shall notify the chairs of the senate and



1 house appropriations subcommittees on the department budget and the  
2 senate and house fiscal agencies and policy offices within 2 weeks  
3 of receiving notification.

4 (2) It is the intent of the legislature that the department  
5 coordinate with Michigan rehabilitation services, Michigan Works!,  
6 local technological and trade schools and programs, local community  
7 mental health offices, and other local entities, public and  
8 private, in order to fully utilize open Michigan rehabilitation  
9 services programming space, regardless of eligibility criteria.

10 Sec. 1156. From the funds appropriated in part 1 for Michigan  
11 rehabilitation services, the department shall allocate  
12 \$6,100,300.00, including federal matching funds, to service  
13 authorizations with community-based rehabilitation organizations  
14 for an array of needed services throughout the rehabilitation  
15 process.

16 Sec. 1158. (1) Funds appropriated in part 1 for independent  
17 living shall be used to support the general operations of centers  
18 for independent living in delivering mandated independent living  
19 services in compliance with federal rules and regulations for the  
20 centers, by existing centers for independent living to serve  
21 underserved areas, and for projects to build the capacity of  
22 centers for independent living to deliver independent living  
23 services. Applications for the funds shall be reviewed in  
24 accordance with criteria and procedures established by the  
25 department. The funds appropriated in part 1 may be used to  
26 leverage federal vocational rehabilitation innovation and expansion  
27 funds consistent with 34 CFR 361.35 up to \$5,543,000.00, if

1 available. If the possibility of matching federal funds exists, the  
2 centers for independent living network will negotiate a mutually  
3 beneficial contractual arrangement with Michigan rehabilitation  
4 services. Funds shall be used in a manner consistent with the state  
5 plan for independent living. Services provided should assist people  
6 with disabilities to move toward self-sufficiency, including  
7 support for accessing transportation and health care, obtaining  
8 employment, community living, nursing home transition, information  
9 and referral services, education, youth transition services,  
10 veterans, and stigma reduction activities and community education.  
11 This includes the independent living guide services that  
12 specifically focus on economic self-sufficiency.

13 (2) The Michigan centers for independent living shall provide  
14 a report by March 1 of the current fiscal year to the house and  
15 senate appropriations subcommittees on the department budget, the  
16 house and senate fiscal agencies, the house and senate policy  
17 offices, and the state budget office on direct customer and system  
18 outcomes and performance measures.

#### 19 **EPIDEMIOLOGY AND POPULATION HEALTH**

20 Sec. 1180. From the funds appropriated in part 1 for  
21 epidemiology administration and for childhood lead program, the  
22 department shall maintain a public health drinking water unit and  
23 maintain enhanced efforts to monitor child blood lead levels. The  
24 public health drinking water unit shall ensure that appropriate  
25 investigations of potential health hazards occur for all community  
26 and noncommunity drinking water supplies where chemical exceedances

1 of action levels, health advisory levels, or maximum contaminant  
2 limits are identified. The goals of the childhood lead program  
3 shall include improving the identification of affected children,  
4 the timeliness of case follow-up, and attainment of nurse care  
5 management for children with lead exposure, and to achieve a long-  
6 term reduction in the percentage of children in this state with  
7 elevated blood lead levels.

8       Sec. 1181. From the funds appropriated in part 1 for  
9 epidemiology administration, the department shall maintain a vapor  
10 intrusion response unit. The vapor intrusion response unit shall  
11 assess risks to public health at vapor intrusion sites and respond  
12 to vapor intrusion risks where appropriate. The goals of the vapor  
13 intrusion response unit shall include reducing the number of  
14 residents of this state exposed to toxic substances through vapor  
15 intrusion and improving health outcomes for individuals that are  
16 identified as having been exposed to vapor intrusion.

17       Sec. 1182. (1) From the funds appropriated in part 1 for the  
18 healthy homes program, no less than \$4,607,400.00 of general  
19 fund/general purpose funds and \$20,942,600.00 of federal funds  
20 shall be allocated for lead abatement of homes.

21       (2) By January 1 of the current fiscal year, the department  
22 shall provide a 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 on the expenditures and  
25 activities undertaken by the lead abatement program in the previous  
26 fiscal year from the funds appropriated in part 1 for the healthy  
27 homes program. The report shall include, but is not limited to, a

1 funding allocation schedule, expenditures by category of  
2 expenditure and by subcontractor, revenues received, description of  
3 program elements, and description of program accomplishments and  
4 progress.

5 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

6 Sec. 1220. The amount appropriated in part 1 for  
7 implementation of the 1993 additions of or amendments to sections  
8 9161, 16221, 16226, 17014, 17015, and 17515 of the public health  
9 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,  
10 333.17015, and 333.17515, shall be used to reimburse local health  
11 departments for costs incurred related to implementation of section  
12 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

13 Sec. 1221. If a county that has participated in a district  
14 health department or an associated arrangement with other local  
15 health departments takes action to cease to participate in such an  
16 arrangement after October 1 of the current fiscal year, the  
17 department shall have the authority to assess a penalty from the  
18 local health department's operational accounts in an amount equal  
19 to no more than 6.25% of the local health department's essential  
20 local public health services funding. This penalty shall only be  
21 assessed to the local county that requests the dissolution of the  
22 health department.

23 Sec. 1222. (1) Funds appropriated in part 1 for essential  
24 local public health services shall be prospectively allocated to  
25 local health departments to support immunizations, infectious  
26 disease control, sexually transmitted disease control and

1 prevention, hearing screening, vision services, food protection,  
2 public water supply, private groundwater supply, and on-site sewage  
3 management. Food protection shall be provided in consultation with  
4 the department of agriculture and rural development. Public water  
5 supply, private groundwater supply, and on-site sewage management  
6 shall be provided in consultation with the department of  
7 environmental quality.

8 (2) Local public health departments shall be held to  
9 contractual standards for the services in subsection (1).

10 (3) Distributions in subsection (1) shall be made only to  
11 counties that maintain local spending in the current fiscal year of  
12 at least the amount expended in fiscal year 1992-1993 for the  
13 services described in subsection (1).

14 (4) By December 1 of the current fiscal year, the department  
15 shall provide a report to the house and senate appropriations  
16 subcommittees on the department budget, the house and senate fiscal  
17 agencies, and the state budget director on the planned allocation  
18 of the funds appropriated for essential local public health  
19 services.

20 Sec. 1225. The department shall work with the Michigan health  
21 endowment fund corporation established under section 653 of the  
22 nonprofit health care corporation reform act, 1980 PA 350, MCL  
23 550.1653, to explore ways to fund and evaluate current and future  
24 policies and programs.

25 Sec. 1227. The department shall establish criteria for all  
26 funds allocated under part 1 for health and wellness initiatives.  
27 The criteria must include a requirement that all programs funded be

1 evidence-based and supported by research, include interventions  
2 that have been shown to demonstrate outcomes that lower cost and  
3 improve quality, and be designed for statewide impact. Preference  
4 must be given to programs that utilize the funding as match for  
5 additional resources, including, but not limited to, federal  
6 sources.

7       Sec. 1231. (1) From the funds appropriated for local health  
8 services, up to \$4,750,000.00 shall be allocated for grants to  
9 local public health departments to support PFAS response and  
10 emerging public health threat activities. A portion of the funding  
11 shall be allocated by the department in a collaborative fashion  
12 with local public health departments in jurisdictions experiencing  
13 PFAS contamination. The remainder of the funding shall be allocated  
14 to address infectious and vector-borne disease threats, and other  
15 environmental contamination issues such as vapor intrusion,  
16 drinking water contamination, and lead exposure. The funding shall  
17 be allocated to address issues including, but not limited to,  
18 staffing, planning and response, and creation and dissemination of  
19 materials related to PFAS contamination issues and other emerging  
20 public health issues and threats.

21       (2) By February 1 of the current fiscal year, the department  
22 shall provide a 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 on actual expenditures in the  
25 previous fiscal year and planned spending in the current fiscal  
26 year of the funds described in subsection (1), including recipient  
27 entities, amount of allocation, general category of allocation, and

1 detailed uses.

2       Sec. 1232. It is the intent of the legislature that the United  
3 States Department of Defense shall reimburse the state for costs  
4 associated with PFAS and environmental contamination response at  
5 military training sites and support facilities.

6       Sec. 1233. General fund and state restricted fund  
7 appropriations in part 1 shall not be expended for PFAS and  
8 environmental contamination response where federal funding or  
9 private grant funding is available for the same expenditures.

10       Sec. 1237. From the funds appropriated in part 1 for cancer  
11 prevention and control program, chronic disease control and health  
12 program administration, diabetes and kidney program, and health and  
13 wellness initiatives, a total of no less than \$563,000.00 shall be  
14 allocated to the National Kidney Foundation of Michigan for kidney  
15 disease prevention programming including early identification and  
16 education programs.

17       Sec. 1238. The department shall establish a workgroup to  
18 determine the cost of establishing lead elimination and response as  
19 an essential local public health service. The goal is to ensure  
20 that all children in this state live in a lead-free environment,  
21 and that all local health departments receive adequate funding to  
22 educate and serve lead-impacted families. By March 1 of the current  
23 fiscal year, the department shall provide a report on the findings  
24 of the workgroup to the house and senate appropriations  
25 subcommittees on the department budget, the house and senate fiscal  
26 agencies, and the state budget director.

27       Sec. 1239. The department shall participate in and give

1 necessary assistance to the Michigan PFAS action response team  
2 (MPART) pursuant to Executive Order No. 2019-03. The department  
3 shall collaborate with MPART and other departments to carry out  
4 appropriate activities, actions, and recommendations as coordinated  
5 by MPART. Efforts shall be continuous to ensure that the  
6 department's activities are not duplicative with activities of  
7 another department or agency.

8 **FAMILY HEALTH SERVICES**

9 Sec. 1301. (1) Before April 1 of the current fiscal year, the  
10 department shall submit a report to the house and senate fiscal  
11 agencies and the state budget director on planned allocations from  
12 the amounts appropriated in part 1 for local MCH services, prenatal  
13 care outreach and service delivery support, family planning local  
14 agreements, and pregnancy prevention programs. Using applicable  
15 federal definitions, the report shall include information on all of  
16 the following:

17 (a) Funding allocations.

18 (b) Actual number of women, children, and adolescents served  
19 and amounts expended for each group for the immediately preceding  
20 fiscal year.

21 (c) A breakdown of the expenditure of these funds between  
22 urban and rural communities.

23 (2) The department shall ensure that the distribution of funds  
24 through the programs described in subsection (1) takes into account  
25 the needs of rural communities.

26 (3) For the purposes of this section, "rural" means a county,



1 city, village, or township with a population of 30,000 or less,  
2 including those entities if located within a metropolitan  
3 statistical area.

4 Sec. 1302. Each family planning program receiving federal  
5 title X family planning funds under 42 USC 300 to 300a-8 shall be  
6 in compliance with all performance and quality assurance indicators  
7 that the office of population affairs within the United States  
8 Department of Health and Human Services specifies in the program  
9 guidelines for project grants for family planning services. An  
10 agency not in compliance with the indicators shall not receive  
11 supplemental or reallocated funds.

12 Sec. 1303. The department shall not contract with an  
13 organization that provides elective abortions, abortion counseling,  
14 or abortion referrals, for services that are to be funded with  
15 state restricted or state general fund/general purpose funds  
16 appropriated in part 1 for family planning local agreements. An  
17 organization under contract with the department shall not  
18 subcontract with an organization that provides elective abortions,  
19 abortion counseling, or abortion referrals, for services that are  
20 to be funded with state restricted or state general fund/general  
21 purpose funds appropriated in part 1 for family planning local  
22 agreements.

23 Sec. 1304. The department shall not use state restricted funds  
24 or state general funds appropriated in part 1 in the pregnancy  
25 prevention program or family planning local agreements  
26 appropriation line items for abortion counseling, referrals, or  
27 services.

1       Sec. 1305. (1) From the funds appropriated in part 1 for  
2 family planning local agreements and the pregnancy prevention  
3 program, the department shall not contract with or award grants to  
4 an entity that engages in 1 or more of the activities described in  
5 section 1(2) of 2002 PA 360, MCL 333.1091, if the entity is located  
6 in a county or health district where family planning or pregnancy  
7 prevention services are provided by the county, the health  
8 district, or a qualified entity that does not engage in any of the  
9 activities described in section 1(2) of 2002 PA 360, MCL 333.1091.

10       (2) The department shall give priority to counties or health  
11 districts where no contracts or grants currently exist for family  
12 planning or pregnancy prevention services before contracting with  
13 or awarding grants to an entity that engages in 1 or more of the  
14 activities described in section 1(2) of 2002 PA 360, MCL 333.1091,  
15 if that entity is located in a county where family planning and  
16 pregnancy prevention services are provided by the county, the  
17 health district, or another qualified entity that does not engage  
18 in the activities described in section 1(2) of 2002 PA 360, MCL  
19 333.1091.

20       Sec. 1307. From the funds appropriated in part 1 for prenatal  
21 care outreach and service delivery support, \$700,000.00 shall be  
22 allocated for a pregnancy and parenting support services program,  
23 which must promote childbirth, alternatives to abortion, and grief  
24 counseling. The department shall establish a program with a  
25 qualified contractor that will contract with qualified service  
26 providers to provide free counseling, support, and referral  
27 services to eligible women during pregnancy through 12 months after

1 birth. As appropriate, the goals for client outcomes shall include  
2 an increase in client support, an increase in childbirth choice, an  
3 increase in adoption knowledge, an improvement in parenting skills,  
4 and improved reproductive health through abstinence education. The  
5 contractor of the program shall provide for program training,  
6 client educational material, program marketing, and annual service  
7 provider site monitoring. The department shall submit a report to  
8 the house and senate appropriations subcommittees on the department  
9 budget and the house and senate fiscal agencies by April 1 of the  
10 current fiscal year on the number of clients served.

11       Sec. 1308. From the funds appropriated in part 1 for prenatal  
12 care outreach and service delivery support, not less than  
13 \$500,000.00 of funding shall be allocated for evidence-based  
14 programs to reduce infant mortality including nurse family  
15 partnership programs. The funds shall be used for enhanced support  
16 and education to nursing teams or other teams of qualified health  
17 professionals, client recruitment in areas designated as  
18 underserved for obstetrical and gynecological services and other  
19 high-need communities, strategic planning to expand and sustain  
20 programs, and marketing and communications of programs to raise  
21 awareness, engage stakeholders, and recruit nurses.

22       Sec. 1309. The department shall allocate funds appropriated in  
23 section 117 of part 1 for family, maternal, and child health  
24 according to section 1 of 2002 PA 360, MCL 333.1091.

25       Sec. 1311. From the funds appropriated in part 1 for prenatal  
26 care outreach and service delivery support, not less than  
27 \$2,750,000.00 state general fund/general purpose funds shall be

1 allocated for a rural home visit program. Equal consideration shall  
2 be given to all eligible evidence-based providers in all regions in  
3 contracting for rural home visitation services.

4       Sec. 1313. (1) The department shall continue developing an  
5 outreach program on fetal alcohol syndrome services, targeting  
6 health promotion, prevention, and intervention as described in the  
7 Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

8       (2) The department shall explore federal grant funding to  
9 address prevention services for fetal alcohol syndrome and reduce  
10 alcohol consumption among pregnant women.

11       (3) By February 1 of the current fiscal year, the department  
12 shall provide a report to the house and senate appropriations  
13 subcommittees on the department budget, the house and senate fiscal  
14 agencies, and the state budget office on planned spending of  
15 appropriations within the department budget for fetal alcohol  
16 syndrome projects and services, including appropriation line item,  
17 agency or recipient entities, amount and purpose of allocation, and  
18 detailed uses.

19       Sec. 1314. The department shall seek to enhance education and  
20 outreach efforts that encourage women of childbearing age to seek  
21 confirmation at the earliest indication of possible pregnancy and  
22 initiate continuous and routine prenatal care upon confirmation of  
23 pregnancy. The department shall seek to ensure that department  
24 programs, policies, and practices promote prenatal and obstetrical  
25 care by doing the following:

26       (a) Supporting access to care.

27       (b) Reducing and eliminating barriers to care.

1 (c) Supporting recommendations for best practices.

2 (d) Encouraging optimal prenatal habits such as prenatal  
3 medical visits, use of prenatal vitamins, and cessation of use of  
4 tobacco, alcohol, or drugs.

5 (e) Tracking of birth outcomes to study improvements in  
6 prevalence of fetal drug addiction, fetal alcohol syndrome, and  
7 other preventable neonatal disease.

8 (f) Tracking of maternal increase in healthy behaviors  
9 following childbirth.

10 Sec. 1315. (1) From the funds appropriated in part 1 for  
11 dental programs, \$150,000.00 shall be allocated to the Michigan  
12 Dental Association for the administration of a volunteer dental  
13 program that provides dental services to the uninsured.

14 (2) By December 1 of the current fiscal year, the department  
15 shall report to the senate and house appropriations subcommittees  
16 on the department budget, the senate and house standing committees  
17 on health policy, the senate and house fiscal agencies, and the  
18 state budget office the number of individual patients treated,  
19 number of procedures performed, and approximate total market value  
20 of those procedures from the previous fiscal year.

21 Sec. 1316. The department shall use revenue from mobile  
22 dentistry facility permit fees received under section 21605 of the  
23 public health code, 1978 PA 368, MCL 333.21605, to offset the cost  
24 of the permit program.

25 Sec. 1319. From the funds appropriated in part 1 for dental  
26 programs, \$2,000,000.00 shall be allocated for an oral health  
27 assessment program for children entering public school

1 kindergarten. The program format includes serving children who do  
2 not have dental insurance and assessments provided at no charge to  
3 children and their families.

4 Sec. 1320. It is the intent of the legislature that funds  
5 appropriated in part 1 that may be expended for a public media  
6 campaign regarding publicly funded family planning or pregnancy  
7 prevention services shall not be used to communicate in that media  
8 campaign any message that implies, states, or can be interpreted to  
9 mean that abortion is a method of family planning or pregnancy  
10 prevention.

11 Sec. 1340. The department shall include national brand peanut  
12 butter on the list of approved women, infants, and children special  
13 supplemental nutrition program basket items.

14 Sec. 1341. The department shall utilize income eligibility and  
15 verification guidelines established by the Food and Nutrition  
16 Service agency of the United States Department of Agriculture in  
17 determining eligibility of individuals for the special supplemental  
18 nutrition program for women, infants, and children (WIC) as stated  
19 in current WIC policy.

#### 20 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

21 Sec. 1360. The department may do 1 or more of the following:

22 (a) Provide special formula for eligible clients with  
23 specified metabolic and allergic disorders.

24 (b) Provide medical care and treatment to eligible patients  
25 with cystic fibrosis who are 21 years of age or older.

26 (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. 1505. On a semiannual basis, the department shall submit  
11 a report to the senate and house appropriations subcommittees on  
12 the department budget, the senate and house fiscal agencies, and  
13 the state budget office including both of the following:

14 (a) The department's projected annual increase in  
15 reimbursement savings and cost offsets that will result from the  
16 funds appropriated in part 1 for the office of inspector general  
17 and third party liability efforts.

18 (b) The actual increase in reimbursement savings and cost  
19 offsets that have resulted from the funds appropriated in part 1  
20 for the office of inspector general and third party liability  
21 efforts.

22 Sec. 1506. 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 quarterly reports on the implementation  
26 status of the public assistance call center that include all of the  
27 following information:

1 (a) Call volume during the prior quarter.

2 (b) Percentage of calls resolved through the public assistance  
3 call center.

4 (c) Percentage of calls transferred to a local department  
5 office or other office for resolution.

6 Sec. 1507. From the funds appropriated in part 1 for office of  
7 inspector general, the inspector general shall audit and recoup  
8 inappropriate or fraudulent payments from Medicaid managed care  
9 organizations to health care providers. Unless authorized by  
10 federal or state law, the department shall not fine, temporarily  
11 halt operations of, disenroll as a Medicaid provider, or terminate  
12 a managed care organization or health care provider from providing  
13 services due to the discovery of an inappropriate or fraudulent  
14 payment found during the course of an audit.

15 Sec. 1508. From the funds appropriated in part 1 for medical  
16 services administration, \$500,000.00 is appropriated for the  
17 operation and maintenance of the Michigan dental registry in  
18 support of the enhanced dental benefit for the Healthy Kids Dental  
19 program. Additionally, the department shall explore the expansion  
20 of the scope of the Michigan dental registry to enhance the  
21 Medicaid adult dental benefit for pregnant women.

22 Sec. 1509. By September 30 of the current fiscal year, the  
23 department shall report to the senate and house appropriations  
24 subcommittees on the department budget, the senate and house fiscal  
25 agencies, the senate and house policy offices, and the state budget  
26 office on the number of recipients who are noncompliant with the  
27 required self-sufficiency goals, an explanation of the actions

1 undertaken, and the number of recipients subject to employment-  
2 related activity requirements.

3 Sec. 1513. (1) The department shall create and participate in  
4 a workgroup to determine an equitable and adequate reimbursement  
5 methodology for Medicaid inpatient psychiatric hospital care. The  
6 workgroup shall include representatives from the department,  
7 CMHSPs, PIHPs, the Michigan Association of Health Plans, the  
8 Michigan Health and Hospital Association, inpatient psychiatric  
9 facilities, Blue Cross Blue Shield of Michigan, the Community  
10 Mental Health Association of Michigan, and other individuals or  
11 organizations as determined appropriate by the department.

12 (2) By September 30 of the current fiscal year, the department  
13 shall provide the workgroup's report to the house and senate  
14 appropriations subcommittees on the department budget, the house  
15 and senate fiscal agencies, the house and senate policy offices,  
16 and the state budget office. The report produced by the workgroup  
17 shall include all of the following:

18 (a) Recommended statewide per diem rate covering professional  
19 and facility costs.

20 (b) A list of factors, with assigned weights, that impact the  
21 provision of care in the inpatient psychiatric hospital care.  
22 Factors to be considered must include, but are not limited to, the  
23 following:

24 (i) Patient severity level, based on APR-DRGs.

25 (ii) Patient acuity level.

26 (iii) Involuntary stay.

27 (iv) Patient violence level.

1 (v) Presence of a developmental disability.

2 (vi) Need for 1-1 care.

3 (vii) State bed transfer for patients awaiting transfer to a  
4 state bed.

5 (c) The recommended state funding level for inpatient  
6 psychiatric hospital care to ensure inpatient psychiatric hospital  
7 reimbursement is equitable across hospitals and adequately covers  
8 hospital costs.

9 (d) Recommendations for separate additional reimbursement for  
10 the following:

11 (i) High-cost capital improvements including nonfunded  
12 government mandates.

13 (ii) Costs to bring involuntary patients to court or  
14 telecourt.

15 (iii) Costs to cover the 2 weeks of medications at discharge.

16 (iv) Transitions of care interventions by a hospital social  
17 worker if there are additional needs above standard discharge  
18 planning.

19 (v) Telehealth services, including preadmission screening on  
20 inpatient units, assessments by a nonphysician provider, and  
21 ongoing psychiatric care.

22 (vi) Provide funding support for emergency department stays  
23 while patients await appropriate transfer or admission.

24 (vii) Provide reimbursement for mental health evaluation  
25 consultations conducted by specialists in the emergency department.

26 (3) The department shall assist in providing data to inform  
27 the workgroup discussion, assist in modeling appropriate

1 reimbursement methods, and assist in developing the final report.

2 **MEDICAL SERVICES**

3 Sec. 1601. The cost of remedial services incurred by residents  
4 of licensed adult foster care homes and licensed homes for the aged  
5 shall be used in determining financial eligibility for the  
6 medically needy. Remedial services include basic self-care and  
7 rehabilitation training for a resident.

8 Sec. 1605. The protected income level for Medicaid coverage  
9 determined pursuant to section 106(1)(b)(iii) of the social welfare  
10 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public  
11 assistance standard.

12 Sec. 1606. For the purpose of guardian and conservator  
13 charges, the department may deduct up to \$83.00 per month as an  
14 allowable expense against a recipient's income when determining  
15 medical services eligibility and patient pay amounts.

16 Sec. 1607. (1) An applicant for Medicaid, whose qualifying  
17 condition is pregnancy, shall immediately be presumed to be  
18 eligible for Medicaid coverage unless the preponderance of evidence  
19 in her application indicates otherwise. The applicant who is  
20 qualified as described in this subsection shall be allowed to  
21 select or remain with the Medicaid participating obstetrician of  
22 her choice.

23 (2) All qualifying applicants shall be entitled to receive all  
24 medically necessary obstetrical and prenatal care without  
25 preauthorization from a health plan. All claims submitted for  
26 payment for obstetrical and prenatal care shall be paid at the

1 Medicaid fee-for-service rate in the event a contract does not  
2 exist between the Medicaid participating obstetrical or prenatal  
3 care provider and the managed care plan. The applicant shall  
4 receive a listing of Medicaid physicians and managed care plans in  
5 the immediate vicinity of the applicant's residence.

6 (3) In the event that an applicant, presumed to be eligible  
7 pursuant to subsection (1), is subsequently found to be ineligible,  
8 a Medicaid physician or managed care plan that has been providing  
9 pregnancy services to an applicant under this section is entitled  
10 to reimbursement for those services until such time as they are  
11 notified by the department that the applicant was found to be  
12 ineligible for Medicaid.

13 (4) If the preponderance of evidence in an application  
14 indicates that the applicant is not eligible for Medicaid, the  
15 department shall refer that applicant to the nearest public health  
16 clinic or similar entity as a potential source for receiving  
17 pregnancy-related services.

18 (5) The department shall develop an enrollment process for  
19 pregnant women covered under this section that facilitates the  
20 selection of a managed care plan at the time of application.

21 (6) The department shall mandate enrollment of women, whose  
22 qualifying condition is pregnancy, into Medicaid managed care  
23 plans.

24 (7) The department shall encourage physicians to provide  
25 women, whose qualifying condition for Medicaid is pregnancy, with a  
26 referral to a Medicaid participating dentist at the first  
27 pregnancy-related appointment.

1       Sec. 1611. (1) For care provided to medical services  
2 recipients with other third-party sources of payment, medical  
3 services reimbursement shall not exceed, in combination with such  
4 other resources, including Medicare, those amounts established for  
5 medical services-only patients. The medical services payment rate  
6 shall be accepted as payment in full. Other than an approved  
7 medical services co-payment, no portion of a provider's charge  
8 shall be billed to the recipient or any person acting on behalf of  
9 the recipient. Nothing in this section shall be considered to  
10 affect the level of payment from a third-party source other than  
11 the medical services program. The department shall require a  
12 nonenrolled provider to accept medical services payments as payment  
13 in full.

14       (2) Notwithstanding subsection (1), medical services  
15 reimbursement for hospital services provided to dual  
16 Medicare/medical services recipients with Medicare part B coverage  
17 only shall equal, when combined with payments for Medicare and  
18 other third-party resources, if any, those amounts established for  
19 medical services-only patients, including capital payments.

20       Sec. 1620. (1) For fee-for-service Medicaid recipients, the  
21 professional dispensing fee for drugs indicated as specialty  
22 medications on the Michigan pharmaceutical products list is \$20.02  
23 or the pharmacy's usual or customary cash charge, whichever is  
24 less.

25       (2) For fee-for-service Medicaid recipients, for drugs not  
26 indicated as specialty drugs on the Michigan pharmaceutical  
27 products list, the professional dispensing fee for medications is



1 as follows:

2 (a) For medications indicated as preferred on the department's  
3 preferred drug list, \$10.80 or the pharmacy's usual or customary  
4 cash charge, whichever is less.

5 (b) For medications not on the department's preferred drug  
6 list, \$10.64 or the pharmacy's usual or customary cash charge,  
7 whichever is less.

8 (c) For medications indicated as nonpreferred on the  
9 department's preferred drug list, \$9.00 or the pharmacy's usual or  
10 customary cash charge, whichever is less.

11 (3) The department shall require a prescription co-payment for  
12 Medicaid recipients not enrolled in the Healthy Michigan plan or  
13 with an income less than 100% of the federal poverty level of \$1.00  
14 for a generic drug indicated as preferred on the department's  
15 preferred drug list and \$3.00 for a brand-name drug indicated as  
16 nonpreferred on the department's preferred drug list, except as  
17 prohibited by federal or state law or regulation.

18 (4) The department shall require a prescription co-payment for  
19 Medicaid recipients enrolled in the Healthy Michigan plan with an  
20 income of at least 100% of the federal poverty level of \$4.00 for a  
21 generic drug indicated as preferred on the department's preferred  
22 drug list and \$8.00 for a brand-name drug indicated as nonpreferred  
23 on the department's preferred drug list, except as prohibited by  
24 federal or state law or regulation.

25 Sec. 1621. By March 1 of the current fiscal year, the  
26 department shall report to the house and senate appropriations  
27 subcommittees on the department budget, the house and senate fiscal

1 agencies, and the state budget office on strategies the department  
2 is using to minimize the state cost of specialty drugs. Also, the  
3 department may take additional measures in order to further reduce  
4 state costs, while also ensuring that appropriate clinical care is  
5 being utilized. The report shall also include information on  
6 savings generated as a result of these additional measures that may  
7 include additional cost sharing, step therapy, and prior  
8 authorization.

9       Sec. 1625. (1) The department shall not enter into any  
10 contract with a Medicaid managed care organization that relies on a  
11 pharmacy benefits manager that does not do all of the following:

12       (a) Utilizes a pharmacy reimbursement methodology that is the  
13 same as Medicaid fee-for-service of the National Average Drug  
14 Acquisition Cost plus a professional dispensing fee comparable to  
15 those provided through section 1620.

16       (b) Permits pharmacists in good standing, who are willing to  
17 accept the set professional dispensing fees, to be part of the  
18 network.

19       (c) Reimburses for a legally valid claim at a rate not less  
20 than the rate in effect at the time the original claim adjudication  
21 as submitted at the point of sale.

22       (d) Agrees to move to a transparent "pass-through" pricing  
23 model, in which the pharmacy benefits manager discloses the  
24 administrative fee as a percentage of the professional dispensing  
25 costs to the department.

26       (2) The pharmaceutical administrative savings in part 1 for  
27 health plan services and Healthy Michigan plan is assumed to be a

1 shared reduction of administrative costs across both pharmacy  
2 benefit manager administrative costs and Medicaid managed care  
3 organization administrative costs.

4 Sec. 1629. The department shall utilize maximum allowable cost  
5 pricing for generic drugs that is based on wholesaler pricing to  
6 providers that is available from at least 2 wholesalers who deliver  
7 in this state.

8 Sec. 1631. (1) The department shall require co-payments on  
9 dental, podiatric, and vision services provided to Medicaid  
10 recipients, except as prohibited by federal or state law or  
11 regulation.

12 (2) Except as otherwise prohibited by federal or state law or  
13 regulation, the department shall require Medicaid recipients not  
14 enrolled in the Healthy Michigan plan or with an income less than  
15 100% of the federal poverty level to pay not less than the  
16 following co-payments:

17 (a) Two dollars for a physician office visit.

18 (b) Three dollars for a hospital emergency room visit.

19 (c) Fifty dollars for the first day of an inpatient hospital  
20 stay.

21 (d) Two dollars for an outpatient hospital visit.

22 (3) Except as otherwise prohibited by federal or state law or  
23 regulation, the department shall require Medicaid recipients  
24 enrolled in the Healthy Michigan plan with an income of at least  
25 100% of the federal poverty level to pay the following co-payments:

26 (a) Four dollars for a physician office visit.

27 (b) Eight dollars for a hospital emergency room visit.

1 (c) One hundred dollars for the first day of an inpatient  
2 hospital stay.

3 (d) Four dollars for an outpatient hospital visit or any other  
4 medical provider visit to the extent allowed by federal or state  
5 law or regulation.

6 Sec. 1641. An institutional provider that is required to  
7 submit a cost report under the medical services program shall  
8 submit cost reports completed in full within 5 months after the end  
9 of its fiscal year.

10 Sec. 1645. (1) For the current fiscal year, the department  
11 shall establish the class I nursing facility current asset value  
12 bed limit based on the rolling 15-year history of new construction.

13 (2) For the fiscal year beginning October 1, 2020, the  
14 increase in the current asset value bed limit shall not exceed the  
15 limit for the inflation-adjusted current fiscal year. The limit for  
16 fiscal year 2019-2020 shall be adjusted by multiplying by a  
17 fraction, the numerator of which is the average United States  
18 Consumer Price Index for All Urban Consumers for the period from  
19 July 2019 through June 2020 and the denominator of which is the  
20 average United States Consumer Price Index for All Urban Consumers  
21 for the period from July 2018 through June 2019.

22 Sec. 1646. The department and nursing facility representatives  
23 shall evaluate the quality measure incentive program's  
24 effectiveness on quality, measured by the change in the CMS 5-star  
25 quality measure domain rating since the implementation of quality  
26 measure incentive program. By March 1 of the current fiscal year,  
27 the department shall report to the senate and house appropriations

1 subcommittees on the department budget, the senate and house fiscal  
2 agencies, and the senate and house policy offices on the findings  
3 of the evaluation.

4       Sec. 1657. (1) Reimbursement for medical services to screen  
5 and stabilize a Medicaid recipient, including stabilization of a  
6 psychiatric crisis, in a hospital emergency room shall not be made  
7 contingent on obtaining prior authorization from the recipient's  
8 HMO. If the recipient is discharged from the emergency room, the  
9 hospital shall notify the recipient's HMO within 24 hours of the  
10 diagnosis and treatment received.

11       (2) If the treating hospital determines that the recipient  
12 will require further medical service or hospitalization beyond the  
13 point of stabilization, that hospital shall receive authorization  
14 from the recipient's HMO prior to admitting the recipient.

15       (3) Subsections (1) and (2) do not require an alteration to an  
16 existing agreement between an HMO and its contracting hospitals and  
17 do not require an HMO to reimburse for services that are not  
18 considered to be medically necessary.

19       Sec. 1659. The following sections of this part are the only  
20 ones that shall apply to the following Medicaid managed care  
21 programs, including the comprehensive plan, MIChoice long-term care  
22 plan, and the mental health, substance use disorder, and  
23 developmentally disabled services program: 904, 911, 918, 920, 924,  
24 928, 942, 974, 994, 999, 1008, 1009, 1607, 1625, 1657, 1662, 1670,  
25 1673, 1677, 1696, 1697, 1700, 1702, 1704, 1764, 1790, 1791, 1801,  
26 1806, 1810, 1820, 1850, 1871, 1875, and 1888.

27       Sec. 1662. (1) The department shall ensure that an external

1 quality review of each contracting HMO is performed that results in  
2 an analysis and evaluation of aggregated information on quality,  
3 timeliness, and access to health care services that the HMO or its  
4 contractors furnish to Medicaid beneficiaries.

5 (2) The department shall require Medicaid HMOs to provide  
6 EPSDT utilization data through the encounter data system, and HEDIS  
7 well child health measures in accordance with the National  
8 Committee for Quality Assurance prescribed methodology.

9 (3) The department shall provide a copy of the analysis of the  
10 Medicaid HMO annual audited HEDIS reports and the annual external  
11 quality review report to the senate and house of representatives  
12 appropriations subcommittees on the department budget, the senate  
13 and house fiscal agencies, and the state budget director, within 30  
14 days of the department's receipt of the final reports from the  
15 contractors.

16 Sec. 1670. (1) The appropriation in part 1 for the MIChild  
17 program is to be used to provide comprehensive health care to all  
18 children under age 19 who reside in families with income at or  
19 below 212% of the federal poverty level, who are uninsured and have  
20 not had coverage by other comprehensive health insurance within 6  
21 months of making application for MIChild benefits, and who are  
22 residents of this state. The department shall develop detailed  
23 eligibility criteria through the medical services administration  
24 public concurrence process, consistent with the provisions of this  
25 part and part 1.

26 (2) The department may provide up to 1 year of continuous  
27 eligibility to children eligible for the MIChild program unless the

1 family fails to pay the monthly premium, a child reaches age 19, or  
2 the status of the children's family changes and its members no  
3 longer meet the eligibility criteria as specified in the state  
4 plan.

5 (3) The department may make payments on behalf of children  
6 enrolled in the MICHild program as described in the MICHild state  
7 plan approved by the United States Department of Health and Human  
8 Services, or from other medical services.

9 Sec. 1673. The department may establish premiums for MICHild  
10 eligible individuals in families with income at or below 212% of  
11 the federal poverty level. The monthly premiums shall be \$10.00 per  
12 month.

13 Sec. 1677. The MICHild program shall provide, at a minimum,  
14 all benefits available under the Michigan benchmark plan that are  
15 delivered through contracted providers and consistent with federal  
16 law, including, but not limited to, the following medically  
17 necessary services:

18 (a) Inpatient mental health services, other than substance use  
19 disorder treatment services, including services furnished in a  
20 state-operated mental hospital and residential or other 24-hour  
21 therapeutically planned structured services.

22 (b) Outpatient mental health services, other than substance  
23 use disorder services, including services furnished in a state-  
24 operated mental hospital and community-based services.

25 (c) Durable medical equipment and prosthetic and orthotic  
26 devices.

27 (d) Dental services as outlined in the approved MICHild state

1 plan.

2 (e) Substance use disorder treatment services that may include  
3 inpatient, outpatient, and residential substance use disorder  
4 treatment services.

5 (f) Care management services for mental health diagnoses.

6 (g) Physical therapy, occupational therapy, and services for  
7 individuals with speech, hearing, and language disorders.

8 (h) Emergency ambulance services.

9 Sec. 1682. (1) In addition to the appropriations in part 1,  
10 the department is authorized to receive and spend penalty money  
11 received as the result of noncompliance with medical services  
12 certification regulations. Penalty money, characterized as private  
13 funds, received by the department shall increase authorizations and  
14 allotments in the long-term care accounts.

15 (2) Any unexpended penalty money, at the end of the year,  
16 shall carry forward to the following year.

17 Sec. 1692. (1) The department is authorized to pursue  
18 reimbursement for eligible services provided in Michigan schools  
19 from the federal Medicaid program. The department and the state  
20 budget director are authorized to negotiate and enter into  
21 agreements, together with the department of education, with local  
22 and intermediate school districts regarding the sharing of federal  
23 Medicaid services funds received for these services. The department  
24 is authorized to receive and disburse funds to participating school  
25 districts pursuant to such agreements and state and federal law.

26 (2) From the funds appropriated in part 1 for medical services  
27 school-based services payments, the department is authorized to do



1 all of the following:

2 (a) Finance activities within the medical services  
3 administration related to this project.

4 (b) Reimburse participating school districts pursuant to the  
5 fund-sharing ratios negotiated in the state-local agreements  
6 authorized in subsection (1).

7 (c) Offset general fund costs associated with the medical  
8 services program.

9 Sec. 1693. The special Medicaid reimbursement appropriation in  
10 part 1 may be increased if the department submits a medical  
11 services state plan amendment pertaining to this line item at a  
12 level higher than the appropriation. The department is authorized  
13 to appropriately adjust financing sources in accordance with the  
14 increased appropriation.

15 Sec. 1694. From the funds appropriated in part 1 for special  
16 Medicaid reimbursement, \$966,700.00 of general fund/general purpose  
17 revenue and any associated federal match shall be distributed for  
18 poison control services to an academic health care system that has  
19 a high indigent care volume.

20 Sec. 1696. It is the intent of the legislature that, beginning  
21 in the fiscal year beginning October 1, 2019, if an applicant for  
22 Medicaid coverage through the Healthy Michigan plan received  
23 medical coverage in the previous fiscal year through traditional  
24 Medicaid, and is still eligible for coverage through traditional  
25 Medicaid, the applicant is not eligible to receive coverage through  
26 the Healthy Michigan plan.

27 Sec. 1697. The department shall require that Medicaid health

1 plans administering Healthy Michigan plan benefits maintain a  
2 network of dental providers in sufficient numbers, mix, and  
3 geographic locations throughout their respective service areas in  
4 order to provide adequate dental care for Healthy Michigan plan  
5 enrollees.

6       Sec. 1699. (1) The department may make separate payments in  
7 the amount of \$45,000,000.00 directly to qualifying hospitals  
8 serving a disproportionate share of indigent patients and to  
9 hospitals providing GME training programs. If direct payment for  
10 GME and DSH is made to qualifying hospitals for services to  
11 Medicaid recipients, hospitals shall not include GME costs or DSH  
12 payments in their contracts with HMOs.

13       (2) The department shall allocate \$45,000,000.00 in DSH  
14 funding using the distribution methodology used in fiscal year  
15 2003-2004.

16       Sec. 1700. (1) By December 1 of the current fiscal year, the  
17 department shall report to the senate and house appropriations  
18 subcommittees on the department budget, the senate and house fiscal  
19 agencies, and the state budget office on the distribution of  
20 funding provided, and the net benefit if the special hospital  
21 payment is not financed with general fund/general purpose revenue,  
22 to each eligible hospital during the previous fiscal year from the  
23 following special hospital payments:

24       (a) DSH, separated out by unique DSH pool.

25       (b) GME.

26       (c) Special rural hospital payments provided under section  
27 1802(2) of this part.

1 (d) Lump-sum payments to rural hospitals for obstetrical care  
2 provided under section 1802(1) of this part.

3 (e) Critical access hospital payments provided under section  
4 1802(3) of this part.

5 (2) By August 1 of the current fiscal year, the department  
6 shall report to the senate and house appropriations subcommittees  
7 on the department budget, the senate and house fiscal agencies, and  
8 the state budget office on the projected distribution of funding,  
9 and the projected net benefit if the special hospital payment is  
10 not financed with general fund/general purpose revenue, to each  
11 eligible hospital from the following special hospital payments:

12 (a) DSH, separated out by unique DSH pool.

13 (b) GME.

14 (c) Special rural hospital payments provided under section  
15 1802(2) of this part.

16 (d) Lump-sum payments to rural hospitals for obstetrical care  
17 provided under section 1802(1) of this part.

18 (e) Critical access hospital payments provided under section  
19 1802(3) of this part.

20 Sec. 1702. From the funds appropriated in part 1, the  
21 department shall maintain the 15% rate increase provided during the  
22 fiscal year ending September 30, 2017 for private duty nursing  
23 services for Medicaid beneficiaries under the age of 21. These  
24 additional funds must be used to attract and retain highly  
25 qualified registered nurses and licensed practical nurses to  
26 provide private duty nursing services so that medically frail  
27 children can be cared for in the most homelike setting possible.

1       Sec. 1704. (1) From the funds appropriated in part 1 for  
2 health plan services, the department shall maintain the Medicaid  
3 adult dental benefit for pregnant women enrolled in a Medicaid  
4 program.

5       (2) The department shall report to the house and senate  
6 appropriations subcommittees on the department budget, the house  
7 and senate fiscal agencies, and the state budget office on the  
8 following:

9       (a) The number of pregnant women enrolled in Medicaid who  
10 visited a dentist over the prior year.

11       (b) The number of dentists statewide who participate in  
12 providing dental services to pregnant women enrolled in Medicaid.

13       Sec. 1730. The department shall continue to maintain enhanced  
14 assessment tools established in collaboration with the department  
15 of education that promote literacy development of pregnant women  
16 and new mothers in the maternal infant health program. When  
17 possible, the department shall include new fathers of the infants  
18 in the literacy promotion efforts that are included in the  
19 assessment tools and in the subsequent services provided. The  
20 assessment tools shall expand the assessment of maternal and  
21 parental literacy and provide support and referrals to resources to  
22 enable program participants to achieve an increase in literacy that  
23 may contribute to improvements in family health, economic, and life  
24 outcomes.

25       Sec. 1757. The department shall obtain proof from all Medicaid  
26 recipients that they are legal United States citizens or otherwise  
27 legally residing in this country and that they are residents of

1 this state before approving Medicaid eligibility.

2       Sec. 1764. The department shall annually certify whether rates  
3 paid to Medicaid health plans and specialty PIHPs are actuarially  
4 sound in accordance with federal requirements and shall provide a  
5 copy of the rate certification and approval of rates paid to  
6 Medicaid health plans and specialty PIHPs within 5 business days  
7 after certification or approval to the senate and house  
8 appropriations subcommittees on the department budget, the senate  
9 and house fiscal agencies, and the state budget office. Following  
10 the rate certification, the department shall ensure that no new or  
11 revised state Medicaid policy bulletin that is promulgated  
12 materially impacts the capitation rates that have been certified in  
13 a negative manner.

14       Sec. 1775. (1) By March 1 of the current fiscal year, the  
15 department shall report to the senate and house appropriations  
16 subcommittees on the department budget, the senate and house fiscal  
17 agencies, and the state budget office on progress in implementing  
18 the waiver to implement managed care for individuals who are  
19 eligible for both Medicare and Medicaid, known as MI Health Link,  
20 including any problems and potential solutions as identified by the  
21 ombudsman described in subsection (2).

22       (2) The department shall ensure the existence of an ombudsman  
23 program that is not associated with any project service manager or  
24 provider to assist MI Health Link beneficiaries with navigating  
25 complaint and dispute resolution mechanisms and to identify  
26 problems in the demonstrations and in the complaint and dispute  
27 resolution mechanisms.

1       Sec. 1782. Subject to federal approval, from the funds  
2 appropriated in part 1 for health plan services, the department  
3 shall allocate \$740,000.00 general fund/general purpose plus any  
4 available work project funds and federal match through an  
5 administered contract with oversight from Medical Services  
6 Administration and Population Health. The funds shall be used to  
7 support a statewide media campaign for improving this state's  
8 immunization rates.

9       Sec. 1790. From the funds appropriated in part 1 for health  
10 plan services and physician services, the department shall provide  
11 Medicaid reimbursement rates for pediatric psychiatry services at  
12 up to 80% of the Medicare rate received for those services in  
13 effect on the date the services are provided to eligible Medicaid  
14 recipients.

15       Sec. 1791. From the funds appropriated in part 1 for health  
16 plan services and physician services, the department shall provide  
17 Medicaid reimbursement rates for neonatal services at 80% of the  
18 Medicare rate received for those services in effect on the date the  
19 services are provided to eligible Medicaid recipients. The current  
20 procedural terminology (CPT) codes that are eligible for this  
21 reimbursement rate increase are 99468, 99469, 99471, 99472, 99475,  
22 99476, 99477, 99478, 99479, and 99480.

23       Sec. 1792. By April 30 of the current fiscal year, the  
24 department shall evaluate encounter data through the end of the  
25 previous fiscal year. By May 30 of the current fiscal year, the  
26 department shall report the evaluation results to the senate and  
27 house appropriations subcommittees on the department budget, the

1 senate and house fiscal agencies, the senate and house policy  
2 offices, the state budget office, and the Medicaid health plans.

3 Sec. 1800. For the distribution of each of the pools within  
4 the \$85,000,000.00 outpatient disproportionate share hospital  
5 payment, the department shall maintain a formula for the  
6 distribution of each pool based on the quality of care, cost,  
7 traditional disproportionate share hospital factors such as  
8 Medicaid utilization and uncompensated care, and any other factor  
9 that the department determines should be considered.

10 Sec. 1801. (1) From the funds appropriated in part 1 for  
11 physician services and health plan services, the department shall  
12 continue the increase to Medicaid rates for primary care services  
13 provided only by primary care providers. For the purpose of this  
14 section, a primary care provider is a physician, or a practitioner  
15 working under the personal supervision of a physician, who is  
16 either licensed under part 170 or part 175 of the public health  
17 code, 1978 PA 368, MCL 333.17001 to 333.17097 and 333.17501 to  
18 333.17556, and working as a primary care provider in general  
19 practice or board-eligible or certified with a specialty  
20 designation of family medicine, general internal medicine, or  
21 pediatric medicine, or a provider who provides the department with  
22 documentation of equivalency. Providers performing a service and  
23 whose primary practice is as a non-primary-care subspecialty is not  
24 eligible for the increase. The department shall establish policies  
25 that most effectively limit the increase to primary care providers  
26 for primary care services only.

27 (2) By March 1 of the current fiscal year, the department

1 shall provide to the senate and house appropriations subcommittees  
2 on the department budget, the senate and house fiscal agencies, the  
3 senate and house policy offices, and the state budget office a list  
4 of medical specialties and licensed providers that were paid  
5 enhanced primary care rates in the fiscal year ending September 30,  
6 2018.

7       Sec. 1802. (1) From the funds appropriated in part 1 for  
8 hospital services and therapy, \$7,978,300.00 in general  
9 fund/general purpose revenue shall be provided as lump-sum payments  
10 to hospitals that qualified for rural hospital access payments in  
11 fiscal year 2013-2014 and that provide obstetrical care in the  
12 current fiscal year. Payment amounts shall be based on the volume  
13 of obstetrical care cases and newborn care cases for all such cases  
14 billed by each qualified hospital in the most recent year for which  
15 data is available. Payments shall be made by January 1 of the  
16 current fiscal year.

17       (2) From the funds appropriated in part 1 for hospital  
18 services and therapy and Healthy Michigan plan, \$18,000,000.00 in  
19 general fund/general purpose revenue and any associated federal  
20 match shall be awarded as rural access payments to hospitals that  
21 meet criteria established by the department for services to low-  
22 income rural residents. One of the reimbursement components of the  
23 distribution formula shall be assistance with labor and delivery  
24 services. No hospital or hospital system shall receive more than  
25 10.0% of the total funding referenced in this subsection. To allow  
26 hospitals to understand their rural payment amounts under this  
27 subsection, the department shall provide hospitals with the



1 methodology for distribution under this subsection and provide each  
2 hospital with its applicable data that are used to determine the  
3 payment amounts by August 1 of the current fiscal year. The  
4 department shall publish the distribution of payments for the  
5 current fiscal year and the immediately preceding fiscal year.

6 (3) From the funds appropriated in part 1 for critical access  
7 hospitals, \$15,000,000.00 in general fund/general purpose revenue  
8 and any associated federal match shall be awarded as critical  
9 access payments. To allow hospitals to understand their payment  
10 amounts under this subsection, the department shall provide  
11 hospitals with the methodology for distribution under this  
12 subsection and provide each hospital with its applicable data that  
13 are used to determine the payment amounts by August 1 of the  
14 current fiscal year. The department shall publish the distribution  
15 of payments for the current fiscal year and the immediately  
16 preceding fiscal year.

17 Sec. 1803. The department shall establish a Medicaid provider  
18 type for the enrollment of providers of portable X-ray and  
19 ultrasound services to nursing home and homebound beneficiaries as  
20 "portable X-ray and ultrasound providers" under the "Michigan  
21 Department of Health and Human Services Current-Typical Provider  
22 Type Enrollment Grid", using provider language substantially  
23 similar to Medicare requirements. The department shall treat this  
24 service as a covered service. By December 1 of the current fiscal  
25 year, the department shall report to the senate and house  
26 subcommittees on the department budget, the senate and house fiscal  
27 agencies, the senate and house policy offices, and the state budget

1 office, on the information required in this section.

2       Sec. 1804. The department, in cooperation with the department  
3 of military and veterans affairs, shall work with the federal  
4 public assistance reporting information system to identify Medicaid  
5 recipients who are veterans and who may be eligible for federal  
6 veterans health care benefits or other benefits.

7       Sec. 1805. Hospitals receiving medical services payments for  
8 graduate medical education shall submit fully completed quality  
9 data to a nonprofit organization with extensive experience in  
10 collecting and reporting hospital quality data on a public website.  
11 The reporting must utilize consensus-based nationally endorsed  
12 standards that meet National Quality Forum-endorsed safe practices.  
13 The organization collecting the data must be an organization that  
14 uses severity-adjusted risk models and measures that will help  
15 patients and payers identify hospital campuses likely to have  
16 superior outcomes. The public website shall provide information to  
17 allow consumers to compare safe practices by hospital campus,  
18 including, but not limited to, perinatal care, hospital-acquired  
19 infection, and serious reportable events. Hospitals receiving  
20 medical services payments for graduate medical education shall also  
21 make their fully completed quality data available on the hospital's  
22 website. The department shall withhold 25% of a hospital's graduate  
23 medical education payment if the hospital does not submit the data  
24 to a qualifying nonprofit organization described in this section by  
25 January 1 of the current fiscal year.

26       Sec. 1806. (1) The department shall contractually require the  
27 Medicaid health plans to report to the department by February 1 of

1 the current fiscal year on the following:

2 (a) The progress of implementing the Medicaid health plan  
3 common formulary.

4 (b) The participation by the Medicaid health plans in the  
5 Medicaid health plan common formulary.

6 (c) The timeliness of prior authorization approvals or  
7 disapprovals.

8 (2) By March 1 of the current fiscal year, the department  
9 shall provide the Medicaid health plan report provided in  
10 subsection (1) and identify any areas of inconsistency across the  
11 Medicaid health plans' implementation and utilization of the  
12 Medicaid health plan common formulary to the house and senate  
13 appropriations subcommittees on the department budget, the house  
14 and senate fiscal agencies, and the state budget office.

15 (3) The department shall maintain policies and procedures to  
16 govern the operations of the Michigan Medicaid health plan common  
17 formulary so that the department is able to receive fair and full  
18 public participation.

19 Sec. 1810. The department shall enhance encounter data  
20 reporting processes and develop rules that would make each health  
21 plan's encounter data as complete as possible, provide a fair  
22 measure of acuity for each health plan's enrolled population for  
23 risk adjustment purposes, capitation rate setting, diagnosis-  
24 related group rate setting, and research and analysis of program  
25 efficiencies while minimizing health plan administrative expense.  
26 In advance of the annual rate setting development, Medicaid health  
27 plans shall be given at least 60 days to dispute and correct any

1 discarded encounter data before rates are certified. The department  
2 shall notify each contracting Medicaid health plan of any encounter  
3 data that have not been accepted for the purposes of rate setting.

4 Sec. 1812. By June 1 of the current fiscal year, and using the  
5 most recent available cost reports, the department shall complete a  
6 report of all direct and indirect costs associated with residency  
7 training programs for each hospital that receives funds  
8 appropriated in part 1 for graduate medical education. The report  
9 shall be submitted to the house and senate appropriations  
10 subcommittees on the department budget, the house and senate fiscal  
11 agencies, and the state budget office.

12 Sec. 1820. (1) In order to avoid duplication of efforts, the  
13 department shall utilize applicable national accreditation review  
14 criteria to determine compliance with corresponding state  
15 requirements for Medicaid health plans that have been reviewed and  
16 accredited by a national accrediting entity for health care  
17 services.

18 (2) The department shall continue to comply with state and  
19 federal law and shall not initiate an action that negatively  
20 impacts beneficiary safety.

21 (3) As used in this section, "national accrediting entity"  
22 means the National Committee for Quality Assurance, the URAC,  
23 formerly known as the Utilization Review Accreditation Commission,  
24 or other appropriate entity, as approved by the department.

25 Sec. 1837. The department shall continue, and expand where  
26 appropriate, utilization of telemedicine and telepsychiatry as  
27 strategies to increase access to services for Medicaid recipients.

1       Sec. 1846. From the funds appropriated in part 1 for graduate  
2 medical education, the department shall distribute the funds with  
3 an emphasis on the following health care workforce goals:

4       (a) The encouragement of the training of physicians in  
5 specialties, including primary care, that are necessary to meet the  
6 future needs of residents of this state.

7       (b) The training of physicians in settings that include  
8 ambulatory sites and rural locations.

9       Sec. 1850. The department may allow Medicaid health plans to  
10 assist with maintaining eligibility through outreach activities to  
11 ensure continuation of Medicaid eligibility and enrollment in  
12 managed care. This may include mailings, telephone contact, or  
13 face-to-face contact with beneficiaries enrolled in the individual  
14 Medicaid health plan. Health plans may offer assistance in  
15 completing paperwork for beneficiaries enrolled in their plan.

16       Sec. 1851. From the funds appropriated in part 1 for adult  
17 home help services, the department shall allocate \$150,000.00 state  
18 general fund/general purpose revenue plus any associated federal  
19 match to develop and deploy a mobile electronic visit verification  
20 solution that shall include biometric identity verification to  
21 create administrative efficiencies, reduce error, and minimize  
22 fraud. The development of the solution shall be predicated on input  
23 from the results of the 2017 stakeholder survey.

24       Sec. 1855. From the funds appropriated in part 1 for program  
25 of all-inclusive care for the elderly (PACE), to the extent that  
26 funding is available in the PACE line item and unused program slots  
27 are available, the department may do the following:

1 (a) Increase the number of slots for an already-established  
2 local PACE program if the local PACE program has provided  
3 appropriate documentation to the department indicating its ability  
4 to expand capacity to provide services to additional PACE clients.

5 (b) Suspend the 10 member per month individual PACE program  
6 enrollment increase cap in order to allow unused and unobligated  
7 slots to be allocated to address unmet demand for PACE services.

8 Sec. 1856. (1) From the funds appropriated in part 1 for  
9 hospice services, \$3,318,000.00 shall be expended to provide room  
10 and board for Medicaid recipients who meet hospice eligibility  
11 requirements and receive services at Medicaid enrolled hospice  
12 residences in this state. The department shall distribute funds  
13 through grants based on the total beds located in all eligible  
14 residences that have been providing these services as of October 1,  
15 2017. Any eligible grant applicant may inform the department of  
16 their request to reduce the grant amount allocated for their  
17 residence and the funds shall be distributed proportionally to  
18 increase the total grant amount of the remaining grant-eligible  
19 residences. Grant amounts shall be paid out monthly with 1/12 of  
20 the total grant amount distributed each month to the grantees.

21 (2) By September 15 of the current fiscal year, each Medicaid-  
22 enrolled hospice with a residence that receives funds under this  
23 section shall provide a report to the department on the utilization  
24 of the grant funding provided in subsection (1). The report shall  
25 be provided in a format prescribed by the department and shall  
26 include the following:

27 (a) The number of patients served.

1 (b) The number of days served.

2 (c) The daily room and board rates for the patients served.

3 (d) If there is not sufficient funding to cover the total room  
4 and board need, the number of patients who did not receive care due  
5 to insufficient grant funding.

6 (3) If there is funding remaining at the end of the current  
7 fiscal year, the Medicaid-enrolled hospice with a residence shall  
8 return funding to the state.

9 Sec. 1857. By March 1 of the current fiscal year, the  
10 department shall explore the implementation of a managed care long-  
11 term support service, including expanding MI Health Link and  
12 program of all-inclusive care for the elderly into other geographic  
13 regions.

14 Sec. 1858. By April 1 of the current fiscal year, the  
15 department shall report to the senate and house appropriations  
16 subcommittees on the department budget and the senate and house  
17 fiscal agencies on all of the following elements related to the  
18 current Medicaid pharmacy carve-out of pharmaceutical products as  
19 provided for in section 109h of the social welfare act, 1939 PA  
20 280, MCL 400.109h:

21 (a) The number of prescriptions paid by the department during  
22 the previous fiscal year.

23 (b) The total amount of expenditures for prescriptions paid by  
24 the department during the previous fiscal year.

25 (c) The number of and total expenditures for prescriptions  
26 paid for by the department for generic equivalents during the  
27 previous fiscal year.

1       Sec. 1859. The department shall partner with the Michigan  
2 Association of Health Plans (MAHP) and Medicaid health plans to  
3 develop and implement strategies for the use of information  
4 technology services for Medicaid research activities. The  
5 department shall make available state medical assistance program  
6 data, including Medicaid behavioral data, to MAHP and Medicaid  
7 health plans or any vendor considered qualified by the department  
8 for the purpose of research activities consistent with this state's  
9 goals of improving health; increasing the quality, reliability,  
10 availability, and continuity of care; and reducing the cost of care  
11 for the eligible population of Medicaid recipients.

12       Sec. 1860. By March 1 of the current fiscal year, the  
13 department shall provide a report to the senate and house  
14 appropriations subcommittees, the senate and house fiscal agencies,  
15 and the state budget office on uncollected co-pays and premiums in  
16 the Healthy Michigan plan. The report shall include information on  
17 the number of participants who have not paid their co-pays and  
18 premiums, the total amount of uncollected co-pays and premiums, and  
19 steps taken by the department and health plans to ensure greater  
20 collection of co-pays and premiums.

21       Sec. 1862. From the funds appropriated in part 1, the  
22 department shall maintain payment rates for Medicaid obstetrical  
23 services at 95% of Medicare levels effective October 1, 2014.

24       Sec. 1867. (1) The department shall continue a workgroup that  
25 includes psychiatrists, other relevant prescribers, and pharmacists  
26 to identify best practices and to develop a protocol for  
27 psychotropic medications. Any changes proposed by the workgroup



1 shall protect a Medicaid beneficiary's current psychotropic  
2 pharmaceutical treatment regimen by not requiring a physician  
3 currently prescribing any treatment to alter or adjust that  
4 treatment.

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

9 Sec. 1870. (1) From the funds appropriated in part 1 for  
10 hospital services and therapy, the department shall appropriate  
11 \$1,300,000.00 in general fund/general purpose revenue plus any  
12 contributions from public entities, up to \$5,000,000.00, and any  
13 associated federal match to the MiDocs consortium to create new  
14 primary care residency slots in underserved communities. The new  
15 primary care residency slots must be in 1 of the following  
16 specialties: family medicine, general internal medicine, general  
17 pediatrics, general OB-GYN, psychiatry, or general surgery.

18 (2) The department shall seek any necessary approvals from CMS  
19 to allow the department to implement the program described in this  
20 section.

21 (3) Assistance with repayment of medical education loans, loan  
22 interest payments, or scholarships provided by MiDocs shall be  
23 contingent upon a minimum 2-year commitment to practice in an  
24 underserved community in this state post-residency and an agreement  
25 to forego any sub-specialty training for at least 2 years post-  
26 residency.

27 (4) The MiDocs shall work with the department to integrate the

1 Michigan inpatient psychiatric admissions discussion (MIPAD)  
2 recommendations and, when possible, prioritize training  
3 opportunities in state psychiatric hospitals and community mental  
4 health organizations.

5 (5) In collaboration with the Michigan Health Council, the  
6 MiDocs consortium shall reserve at least 3 residency slots per  
7 class to be used for the Michigan early primary care incentive  
8 program.

9 (6) The department shall create a MiDocs initiative advisory  
10 council to help support implementation of the program described in  
11 this section, and provide oversight. The advisory council shall be  
12 composed of the MiDocs consortium, the Michigan Area Health  
13 Education Centers, the Michigan Primary Care Association, the  
14 Michigan Center for Rural Health, the Michigan Academy of Family  
15 Physicians, and any other appointees designated by the department.

16 (7) By September 1 of the current fiscal year, MiDocs shall  
17 report to the senate and house appropriations subcommittees on the  
18 department budget, the senate and house fiscal agencies, the senate  
19 and house policy offices, and the state budget office, on the  
20 following:

21 (a) Audited financial statement of per-resident costs.

22 (b) Education and clinical quality data.

23 (c) Roster of trainees, including areas of specialty and  
24 locations of training.

25 (d) Medicaid revenue by training site.

26 (8) Outcomes and performance measures for this program  
27 include, but are not limited to, the following:

1 (a) Increasing this state's ability to recruit, train, and  
2 retain primary care physicians and other select specialty  
3 physicians in underserved communities.

4 (b) Maximizing training opportunities with community health  
5 centers, rural critical access hospitals, solo or group private  
6 practice physician practices, schools, and other community-based  
7 clinics, in addition to required rotations at inpatient hospitals.

8 (c) Increasing the number of residency slots for family  
9 medicine, general internal medicine, general pediatrics, general  
10 OB-GYN, psychiatry, and general surgery.

11 (9) Unexpended and unencumbered funds up to a maximum  
12 \$1,300,000.00 in general fund/general purpose revenue plus any  
13 contributions from public entities, up to \$5,000,000.00, and any  
14 associated federal match remaining in accounts appropriated in part  
15 1 for hospital services and therapy are designated as work project  
16 appropriations, and any unencumbered or unallotted funds shall not  
17 lapse at the end of the fiscal year and shall be available for  
18 expenditures for the MiDocs consortium to create new primary care  
19 residency slots in underserved communities under this section until  
20 the work project has been completed. All of the following are in  
21 compliance with section 451a(1) of the management and budget act,  
22 1984 PA 431, MCL 18.1451a:

23 (a) The purpose of the work project is to fund the cost of the  
24 MiDocs consortium to create new primary care residency slots in  
25 underserved communities.

26 (b) The work project will be accomplished by contracting with  
27 the MiDocs consortium to oversee the creation of new primary care

1 residency slots.

2 (c) The total estimated completion cost of the work project is  
3 \$12,600,000.00.

4 (d) The tentative completion date is September 30, 2024.

5 Sec. 1871. The funds appropriated in part 1 for the Healthy  
6 Michigan plan healthy behaviors incentives program shall only  
7 provide reductions in cost-sharing responsibilities and shall not  
8 include other financial rewards such as gift cards.

9 Sec. 1872. From the funds appropriated in part 1 for personal  
10 care services, the department shall maintain the monthly Medicaid  
11 personal care supplement paid to adult foster care facilities and  
12 homes for the aged that provide personal care services to Medicaid  
13 recipients in place during the previous fiscal year.

14 Sec. 1873. From the funds appropriated in part 1 for long-term  
15 care services, the department may allocate up to \$3,700,000.00 for  
16 the purpose of outreach and education to nursing home residents and  
17 the coordination of housing in order to move out of the facility.  
18 In addition, any funds appropriated shall be used for other quality  
19 improvement activities of the program. The department shall  
20 consider working with all relevant stakeholders to develop a plan  
21 for the ongoing sustainability of the nursing facility transition  
22 initiative.

23 Sec. 1874. The department shall ensure, in counties where  
24 program of all-inclusive care for the elderly or PACE services are  
25 available, that the program of all-inclusive care for the elderly  
26 (PACE) is included as an option in all options counseling and  
27 enrollment brokering for aging services and managed care programs,

1 including, but not limited to, Area Agencies on Aging, centers for  
2 independent living, and the MiChoice home and community-based  
3 waiver. Such options counseling must include approved marketing and  
4 discussion materials.

5       Sec. 1875. (1) The department and its contractual agents may  
6 not subject Medicaid prescriptions to prior authorization  
7 procedures during the current fiscal year if that drug is carved  
8 out or is not subject to prior authorization procedures as of May  
9 9, 2016, and is generally recognized in a standard medical  
10 reference or the American Psychiatric Association's Diagnostic and  
11 Statistical Manual for the Treatment of a Psychiatric Disorder.

12       (2) The department and its contractual agents may not subject  
13 Medicaid prescriptions to prior authorization procedures during the  
14 current fiscal year if that drug is carved out or is not subject to  
15 prior authorization procedures as of May 9, 2016 and is a  
16 prescription drug that is generally recognized in a standard  
17 medical reference for the treatment of human immunodeficiency virus  
18 or acquired immunodeficiency syndrome, epilepsy or seizure  
19 disorder, or organ replacement therapy.

20       (3) As used in this section, "prior authorization" means a  
21 process implemented by the department or its contractual agents  
22 that conditions, delays, or denies delivery or particular pharmacy  
23 services to Medicaid beneficiaries upon application of  
24 predetermined criteria by the department or its contractual agents  
25 to those pharmacy services. The process of prior authorization  
26 often requires that a prescriber do 1 or both of the following:

27       (a) Obtain preapproval from the department or its contractual

1 agents before prescribing a given drug.

2 (b) Verify to the department or its contractual agents that  
3 the use of a drug prescribed for an individual meets predetermined  
4 criteria from the department or its contractual agents for a  
5 prescription drug that is otherwise available under the Medicaid  
6 program in this state.

7 Sec. 1878. By March 1 of the current fiscal year, the  
8 department shall provide a report to the senate and house  
9 appropriations subcommittees on the department budget, the senate  
10 and house fiscal agencies, the senate and house policy offices, and  
11 the state budget office on hepatitis C tracking data. At a minimum,  
12 the report shall include information on the following for  
13 individuals treated with Harvoni or any other treatment used to  
14 cure hepatitis C during the current fiscal year or a previous  
15 fiscal year:

16 (a) The total number of people treated broken down by those  
17 treated through traditional Medicaid and those treated through the  
18 Healthy Michigan plan.

19 (b) The total cost of treatment.

20 (c) The total cost of treatment broken down by those treated  
21 through traditional Medicaid and those treated through the Healthy  
22 Michigan plan.

23 (d) The cure rate broken down by Metavir Score, genotype,  
24 Medicaid match rate, and drug used during treatment.

25 (e) The reinfection rate broken down by Metavir Score,  
26 genotype, Medicaid match rate, and drug used during treatment.

27 Sec. 1888. The department shall establish contract performance

standards associated with the capitation withhold provisions for Medicaid health plans at least 3 months in advance of the implementation of those standards. The determination of whether performance standards have been met shall be based primarily on recognized concepts such as 1-year continuous enrollment and the healthcare effectiveness data and information set, HEDIS, audited data.

Sec. 1894. (1) By July 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on outcomes and performance measures of the Healthy Kids Dental program.

(2) Outcomes and performance measures for the Healthy Kids Dental program include, but are not limited to, the following:

(a) The number of children enrolled in the Healthy Kids Dental program who visited the dentist during the previous fiscal year.

(b) The number of dentists who will accept payment from the Healthy Kids Dental program.

(c) The annual change in dental utilization of children enrolled in the Healthy Kids Dental program.

#### **INFORMATION TECHNOLOGY**

Sec. 1901. (1) The department shall provide a report on a semiannual basis 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 all of the following information:

1 (a) The process used to define requests for proposals for each  
2 expansion of information technology projects, including timelines,  
3 project milestones, and intended outcomes.

4 (b) If the department decides not to contract the services out  
5 to design and implement each element of the information technology  
6 expansion, the department shall submit its own project plan that  
7 includes, at a minimum, the requirements in subdivision (a).

8 (c) A recommended project management plan with milestones and  
9 time frames.

10 (d) The proposed benefits from implementing the information  
11 technology expansion, including customer service improvement, form  
12 reductions, potential time savings, caseload reduction, and return  
13 on investment.

14 (e) Details on the implementation of the integrated service  
15 delivery project, and the progress toward meeting the outcomes and  
16 performance measures listed in section 1904(2) of this part.

17 (2) Once an award for an expansion of information technology  
18 is made, the department shall 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 a projected cost of the expansion broken  
22 down by use and type of expense.

23 Sec. 1902. From the funds appropriated in part 1 for the  
24 Michigan Medicaid information system (MMIS) line item, private  
25 revenue may be received from and allocated for other states  
26 interested in participating as part of the broader MMIS initiative.  
27 By March 1 of the current fiscal year, the department shall provide



1 a report on the use of MMIS by other states for the previous fiscal  
2 year, including a list of states, type of use, and revenue and  
3 expenditures related to the agreements with the other states to use  
4 the MMIS. The report shall be provided to the house and senate  
5 appropriations subcommittees on the department budget, the house  
6 and senate fiscal agencies, and the state budget office.

7       Sec. 1903. (1) The department shall report to the senate and  
8 house appropriations subcommittees on the department budget, the  
9 senate and house fiscal agencies, the senate and house policy  
10 offices, and the state budget office by November 1 of the current  
11 fiscal year the status of an implementation plan regarding the  
12 appropriation in part 1 to modernize the MiSACWIS. The report shall  
13 include, but not be limited to, an update on the status of the  
14 settlement, and efforts to bring the system in compliance with the  
15 settlement and other federal guidelines set forth by the United  
16 States Department of Health and Human Services Administration for  
17 Children and Families.

18       (2) The department shall 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 by November 1, January 1, March 1, May 1,  
22 July 1, and September 1 of the current fiscal year a status report  
23 on the planning, implementation, and operation, regardless of the  
24 current operational status, regarding the appropriation in part 1  
25 to implement the MiSACWIS. The report shall provide details on the  
26 planning, implementation, and operation of the system, including,  
27 but not limited to, all of the following:

1 (a) Areas where implementation went as planned, and in each  
2 area including whether the implementation results in either  
3 enhanced user interface or portal access, conversion to new  
4 modules, or substantial operation improvement to the MiSACWIS  
5 system.

6 (b) The number of known issues.

7 (c) The average number of help tickets submitted per day.

8 (d) Any additional overtime or other staffing costs to address  
9 known issues and volume of help tickets.

10 (e) Any contract revisions to address known issues and volume  
11 of help tickets.

12 (f) Other strategies undertaken to improve implementation, and  
13 for each strategy area including whether the implementation results  
14 in either enhanced user interface or portal access, conversion to  
15 new modules, or substantial operation improvement to the MiSACWIS  
16 system.

17 (g) Progress developing cross-system trusted data exchange  
18 with MiSACWIS.

19 (h) Progress in moving away from a statewide automated child  
20 welfare information system (SACWIS) to a comprehensive child  
21 welfare information system (CCWIS).

22 (i) Progress developing and implementing a program to monitor  
23 data quality.

24 (j) Progress developing and implementing custom integrated  
25 systems for private agencies.

26 (k) A list of all change orders, planned or in progress.

27 (l) The status of all change orders, planned or in progress.

1 (m) The estimated costs for all planned change orders.

2 (n) The estimated and actual costs for all change orders in  
3 progress.

4 Sec. 1904. (1) From the funds appropriated in part 1 for the  
5 technology supporting integrated service delivery line item, the  
6 department shall maintain information technology tools and enhance  
7 existing systems to improve the eligibility and enrollment process  
8 for citizens accessing department administered programs. This  
9 information technology system will consolidate beneficiary  
10 information, support department caseworker efforts in building a  
11 success plan for beneficiaries, and better support department staff  
12 in supporting enrollees in assistance programs.

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

15 (a) Successful consolidation of data warehouses maintained by  
16 the department.

17 (b) The amount of time a department caseworker devotes to data  
18 entry when initiating an enrollee application.

19 (c) A reduction in wait times for persons enrolled in  
20 assistance programs to speak with department staff and get  
21 necessary changes made.

22 (d) A reduction in department caseworker workload.

23 Sec. 1905. (1) The department shall report on a monthly basis  
24 to the senate and house appropriations subcommittees on the  
25 department budget, the senate and house fiscal agencies, and the  
26 state budget office on all of the following:

27 (a) Fiscal year-to-date information technology spending for

1 the current fiscal year by service and project and by line-item  
2 appropriation.

3 (b) Planned information technology spending for the remainder  
4 of the current fiscal year by service and project and by line-item  
5 appropriation.

6 (c) Total fiscal year-to-date information technology spending  
7 and planned spending for the current fiscal year by service and  
8 project and by line-item appropriation.

9 (2) As used in subsection (1), "project" means all of, but not  
10 limited to, the following major projects:

11 (a) Community health automated Medicaid processing system  
12 (CHAMPS).

13 (b) Bridges and MiBridges eligibility determination.

14 (c) MiSACWIS.

15 (d) Integrated service delivery.

16 (3) By April 30 of the current fiscal year, the department, in  
17 coordination with the department of technology, management, and  
18 budget, shall provide to the senate and house appropriations  
19 subcommittees on the department budget, the senate and house fiscal  
20 agencies, and the state budget office a 5-year strategic plan for  
21 information technology services and projects for the department.  
22 The strategic plan shall identify any scheduled changes in the  
23 federal and state shares of costs related to information technology  
24 services and projects over the 5-year period.

25 Sec. 1906. (1) The department, in collaboration with the  
26 department of technology, management, and budget, the house and  
27 senate appropriations subcommittees on the department budget, the

1 house and senate fiscal agencies, the Michigan Federation of  
2 Children and Families, the Association of Accredited Child and  
3 Family Agencies, the Michigan Association of Counties, and the  
4 Michigan Association of Family Court Administrators shall establish  
5 a workgroup to review MiSACWIS.

6 (2) The director of the department of technology, management,  
7 and budget, or his or her designee, shall serve as the chair of the  
8 workgroup established under this section.

9 (3) The workgroup established under this section shall issue a  
10 report to the house and senate appropriation subcommittees on the  
11 department of budget, the house and senate fiscal agencies, the  
12 house and senate policy offices, and the state budget office not  
13 later than February 1 of the current fiscal year that must consist  
14 of, but is not limited to, the following:

15 (a) Recommendations for the future funding and operations of  
16 MiSACWIS.

17 (b) Recommendations for any remedial actions that the  
18 workgroup, established under this section, considers necessary for  
19 the department to implement in order to improve the functions of  
20 MiSACWIS, and shall establish measures to determine the success of  
21 MiSACWIS.

22 (c) A recommended determination on the continued use of  
23 MiSACWIS, and, if applicable, any recommended courses of action for  
24 the replacement of MiSACWIS.

25 (d) Any other information the workgroup, established under  
26 this section, would like to provide regarding MiSACWIS.

27 (4) The department shall only encumber or expend funds for the

1 operation, maintenance, and improvements of MiSACWIS from the funds  
2 appropriated in part 1 for Michigan statewide automated child  
3 welfare information system.

4 Sec. 1907. By October 1 and March 1 of the current fiscal  
5 year, the department shall 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 office on all current, contracted information  
9 technology-related projects, total contractual costs, spending in  
10 previous fiscal years, planned spending for the current fiscal  
11 year, and fiscal year-to-date spending, by project.

#### 12 **ONE-TIME APPROPRIATIONS**

13 Sec. 1910. (1) From the funds appropriated in part 1 for the  
14 drinking water declaration of emergency, the department shall  
15 allocate funds to address needs in a city in which a declaration of  
16 emergency was issued because of drinking water contamination. These  
17 funds may support, but are not limited to, the following  
18 activities:

19 (a) Nutrition assistance, nutritional and community education,  
20 food bank resources, and food inspections.

21 (b) Epidemiological analysis and case management of  
22 individuals at risk of elevated blood lead levels.

23 (c) Support for child and adolescent health centers,  
24 children's healthcare access program, and pathways to potential  
25 programming.

26 (d) Nursing services, breastfeeding education, evidence-based

1 home visiting programs, intensive services, and outreach for  
2 children exposed to lead coordinated through local community mental  
3 health organizations.

4 (e) Department field operations costs.

5 (f) Lead poisoning surveillance, investigations, treatment,  
6 and abatement.

7 (g) Nutritional incentives provided to local residents through  
8 the Double Up Food Bucks Expansion Program.

9 (h) Genesee County health department food inspectors to  
10 perform water testing at local food service establishments.

11 (i) Transportation related to health care delivery.

12 (j) Senior initiatives.

13 (k) Lead abatement contractor workforce development.

14 (2) From the funds appropriated in part 1 for the drinking  
15 water declaration of emergency, the department shall allocate  
16 \$300,000.00 for Revive Community Health Center for health support  
17 services as the center pursues certification as a federally  
18 qualified health center.

19 (3) From the funds appropriated in part 1 for the drinking  
20 water declaration of emergency, the department shall allocate  
21 \$500,000.00 for Rides to Wellness through the Flint mass  
22 transportation authority.

23 Sec. 1911. From the funds appropriated in part 1 for child and  
24 adolescent health centers, the department shall allocate  
25 \$2,000,000.00 for the expansion of school-based child and  
26 adolescent health centers for the delivery of behavioral and  
27 physical health services. In awarding grants under this section the

1 department shall give priority to areas of the state that are  
2 underserved by school-based child and adolescent health centers.

3 Sec. 1912. From the funds appropriated in part 1 for co-  
4 responder crisis services pilot, \$60,000.00 is allocated for mobile  
5 crisis resolution services, to an existing mobile crisis resolution  
6 provider with an existing walk-in center, who is working in  
7 conjunction with a township police department within 6 miles of the  
8 walk-in center. The service provider shall be stationed in a county  
9 with a population of at least 1,500,000. The mobile crisis  
10 resolution service provider shall be engaged by the township police  
11 department when a call indicates a behavioral health concern that  
12 does not meet criteria for a criminal charge or petition for mental  
13 health evaluation. The mobile crisis provider shall provide crisis  
14 stabilization services, including assessment, care coordination,  
15 and referrals for ongoing treatment. The mobile crisis services  
16 provider shall collect and submit to the department data on the  
17 outcomes of the pilot project throughout the duration of the pilot  
18 project and shall provide a report on the pilot project's outcomes  
19 to the house and senate appropriations subcommittees on the  
20 department budget, the house and senate fiscal agencies, and the  
21 state budget office.

22 Sec. 1913. (1) From the funds appropriated in part 1 for  
23 Greenlawn campus behavioral health pilot project, the department  
24 shall appropriate \$100.00 to McLaren Greater Lansing for a pilot  
25 project located in a county with a population between 280,000 and  
26 281,000 according to the most recent federal decennial census for  
27 the purpose of operating a pilot project to ensure that the



1 behavioral and physical health needs of Michigan residents are  
2 addressed. The pilot 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 project, the department  
9 shall allow for the direct referral of patients to the pilot  
10 project. It is the intent of the legislature that this pilot  
11 project shall be designed to last 3 years and that the pilot  
12 project not exceed a maximum bed capacity of 45 beds.

13 (3) By March 1 of the current fiscal year, the managing entity  
14 of the pilot project shall submit a report to the department, the  
15 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. The report shall  
18 include, at a minimum, both of the following:

- 19 (a) The number of patients served by the pilot project.
- 20 (b) A breakdown of state expenditures for the pilot project.

21 Sec. 1914. From the funds appropriated in part 1 for primary  
22 care and dental health services, \$100.00 shall be allocated for  
23 primary care clinic and dental health clinic services for indigent  
24 individuals to be provided in clinic locations in the city of  
25 Detroit and Wayne County by a public nonprofit organization with a  
26 stated mission of providing medical, behavioral, and mental health  
27 services, as well as other related support services, to underserved

1 populations in Detroit, Wayne County, surrounding counties, and  
2 throughout Michigan.

3       Sec. 1915. From the funds appropriated in part 1 for healthy  
4 communities grant, \$300,000.00 shall be allocated for a 1-time  
5 grant to Leaders Advancing and Helping Communities for community  
6 healthy living, obesity prevention, and substance abuse prevention  
7 programs.

8       Sec. 1916. (1) From the funds appropriated in part 1 for human  
9 trafficking survivors' assistance, the department shall allocate  
10 \$500,000.00 of crime victim's rights fund to support a long-term  
11 women's shelter in southeastern Michigan for women aged 18 and  
12 older who are survivors of human trafficking that offers housing  
13 and comprehensive services to address the physical, psychological,  
14 and spiritual aspects of recovery through a voluntary 2-year  
15 program. Services provided by the shelter include counseling and  
16 therapy for both trauma and addiction, medical and dental  
17 evaluations and services, job training, GED or high school  
18 completion programs or college, skilled trade training, computer  
19 skills training, job placement counseling, legal assistance, health  
20 and wellness consulting, addiction recovery meetings, and  
21 opportunities for spiritual growth.

22       (2) From the funds appropriated in part 1 for human  
23 trafficking survivors' assistance, the department shall allocate  
24 \$200,000.00 of crime victim's rights fund to support a long-term  
25 women's shelter in a city with a population between 188,000 and  
26 189,000 according to the most recent decennial census. The shelter  
27 shall offer housing and comprehensive services to women who are

1 survivors of human trafficking.

2       Sec. 1917. From the funds appropriated in part 1 for lead  
3 exposure response and abatement, the department shall allocate  
4 \$3,434,500.00 to address statewide and community needs to respond  
5 to situations that have caused lead contamination in water, soil,  
6 or housing, and elevated human blood lead levels and health  
7 consequences due to lead poisoning. Eligible communities may  
8 include a city in which a declaration of emergency was issued  
9 because of drinking water contamination. These funds may support,  
10 but are not limited to, the following activities:

11       (a) Nutrition assistance, nutritional and community education,  
12 food bank resources, and food inspections.

13       (b) Epidemiological analysis and case management of  
14 individuals at risk of elevated blood lead levels.

15       (c) Support for access to health care for children and  
16 adolescents.

17       (d) Nursing services, breastfeeding education, evidence-based  
18 home visiting programs, intensive services, and outreach for  
19 children exposed to lead coordinated through local community mental  
20 health organizations.

21       (e) Department field operations costs.

22       (f) Lead poisoning surveillance, investigations, treatment,  
23 and abatement.

24       (g) Water testing at local food service establishments by  
25 local health department food inspectors.

26       (h) Transportation related to health care delivery.

27       (i) Senior initiatives.

1 (j) Lead abatement contractor workforce development.

2 Sec. 1918. From the funds appropriated in part 1 for substance  
3 abuse community and school outreach, the department shall allocate  
4 \$100,000.00 to a coalition located in a county with a population of  
5 at least 1,500,000 with an aim to lead and support communities to  
6 dispel the myths and stigmas about drug addiction through public  
7 education, sharing stories of recovery, partnering with local and  
8 state leaders, creating positive social changes, and providing  
9 recovery support services for those in need.

10 Sec. 1919. (1) From the funds appropriated in part 1 for  
11 unified clinics resiliency center for families and children, the  
12 department shall allocate \$3,000,000.00 to a 4-year state  
13 university located in a county with a population between 250,000  
14 and 251,000 according to the most recent decennial census to be  
15 used to develop and operate a resiliency center for families and  
16 children to address the multifaceted needs of those experiencing  
17 trauma, toxic stress, chronic disability, neurodevelopmental  
18 disorders, or addictions.

19 (2) Outcomes and performance measures for the resiliency  
20 center funded under this section shall include, but not be limited  
21 to, the following:

22 (a) The number of children and families who received services  
23 from the center.

24 (b) The types of screening offered by the center and the  
25 number of clients that received each screening type.

26 (c) The number of trauma assessments completed through the  
27 center's programs and the average cost of a trauma assessment for

1 each type of client, including children, adults, and families.

2 (d) The types of services offered by the center and the number  
3 of clients that received each service type.

4 (e) The number of referrals for services made to children and  
5 families.

6 (f) A breakdown of the expenditures made for the development  
7 of the resiliency center for families and children by major  
8 category.

9 (3) By March 1 of the current fiscal year, the resiliency  
10 center for families and children shall report to the house and  
11 senate appropriations subcommittees on the department budget, the  
12 house and senate fiscal agencies, the house and senate policy  
13 offices, and the state budget office on the status of the  
14 development of the resiliency center funded under this section and  
15 on the information required in subsection (2).

16 (4) The unexpended portion of funds appropriated in part 1 for  
17 unified clinics resiliency center for families and children is  
18 designated as a work project appropriation. Any unencumbered or  
19 unallotted funds shall not lapse at the end of the fiscal year and  
20 shall be available for expenditure for the project under this  
21 section until the project has been completed. The following is in  
22 compliance with section 451a(1) of the management and budget act,  
23 1984 PA 431, MCL 18.1451a:

24 (a) The purpose of the work project is to provide funding for  
25 the operation and maintenance of a unified clinics resiliency  
26 center for families and children as provided by this section.

27 (b) The project will be accomplished through funding to a 4-

1 year state university for the operation and maintenance of the  
2 center.

3 (c) The total estimated cost of the work project is  
4 \$3,000,000.00 of general fund/general purpose revenue.

5 (d) The estimated completion date is September 30, 2022.

6 Sec. 1920. (1) From the funds appropriated in part 1 for  
7 autism navigator, the department shall require any contractor  
8 receiving funds from this line item to comply with performance-  
9 related metrics to maintain eligibility for funding. The  
10 organizational metrics shall include, but not be limited to, all of  
11 the following:

12 (a) Each contractor shall have accreditations that attest to  
13 their competency and effectiveness in providing services.

14 (b) Each contractor shall demonstrate cost-effectiveness.

15 (c) Each contractor shall ensure their ability to leverage  
16 private dollars to strengthen and maximize service provision.

17 (d) Each contractor shall provide quarterly reports to the  
18 department regarding the number of clients served, units of service  
19 provision, and ability to meet their stated goals.

20 (2) The department shall require an annual report from any  
21 contractor receiving funding from the autism navigator line item.  
22 The annual report, due to the department 60 days following the end  
23 of the contract period, shall include specific information on  
24 services and programs provided, the client base to which the  
25 services and programs were provided, and the expenditures for those  
26 services. The department shall provide the annual reports to the  
27 senate and house appropriations subcommittees on the department

1 budget, the senate and house fiscal agencies, and the state budget  
2 office.