

SUBSTITUTE FOR  
SENATE BILL NO. 767

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2025; and to provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2025, from the following funds:

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**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

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**APPROPRIATION SUMMARY**

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Full-time equated unclassified positions	6.0
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Full-time equated classified positions	15,883.5
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1	Average population	798.0	
2	<b>GROSS APPROPRIATION</b>		<b>\$ 37,710,684,000</b>
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and		
5	intradepartmental transfers		14,707,900
6	<b>ADJUSTED GROSS APPROPRIATION</b>		<b>\$ 37,695,976,100</b>
7	Federal revenues:		
8	Capped federal revenues		515,906,300
9	Social security act, temporary assistance for		
10	needy families		593,014,000
11	Total other federal revenues		25,615,478,900
12	Special revenue funds:		
13	Total local revenues		154,189,500
14	Total private revenues		179,764,200
15	Michigan merit award trust fund		92,268,700
16	Total other state restricted revenues		3,862,237,000
17	<b>State general fund/general purpose</b>		<b>\$ 6,683,117,500</b>
18	<b>Sec. 102. DEPARTMENTAL ADMINISTRATION AND</b>		
19	<b>SUPPORT</b>		
20	Full-time equated unclassified positions	6.0	
21	Full-time equated classified positions	959.4	
22	Unclassified salaries-FTEs	6.0	\$ 1,363,400
23	Administrative hearings officers		9,995,400
24	Child welfare institute-FTEs	55.0	9,552,100
25	Demonstration projects-FTEs	7.0	7,070,800
26	Departmental administration and management-FTEs	660.4	110,361,300
27	Legal services		100,000
28	Office of inspector general-FTEs	211.0	29,165,400

1	Property management		62,608,700
2	State employee retirement system implementation		
3	costs - DHHS		12,000,000
4	Terminal leave payments		7,091,300
5	Training and program support--FTEs	26.0	3,751,700
6	Warehouse operations		1,400,000
7	Worker's compensation		7,662,000
8	<b>GROSS APPROPRIATION</b>		<b>\$ 262,122,100</b>
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG from department of lifelong education,		
12	advancement, and potential		1,839,800
13	IDG from department of technology, management,		
14	and budget - office of retirement services		600
15	Federal revenues:		
16	Social security act, temporary assistance for		
17	needy families		27,456,600
18	Capped federal revenues		19,632,800
19	Total other federal revenues		76,341,100
20	Special revenue funds:		
21	Total local revenues		86,000
22	Total private revenues		3,846,900
23	Total other state restricted revenues		1,330,300
24	<b>State general fund/general purpose</b>		<b>\$ 131,588,000</b>
25	<b>Sec. 103. CHILD SUPPORT ENFORCEMENT</b>		
26	Full-time equated classified positions	193.7	
27	Child support enforcement operations--FTEs	187.7	\$ 26,773,600
28	Child support incentive payments		24,409,600

1	Legal support contracts		132,600,300
2	State disbursement unit--FTEs	6.0	7,381,400
3	<b>GROSS APPROPRIATION</b>		<b>\$ 191,164,900</b>
4	Appropriated from:		
5	Federal revenues:		
6	Capped federal revenues		16,273,100
7	Total other federal revenues		149,397,500
8	<b>State general fund/general purpose</b>		<b>\$ 25,494,300</b>
9	<b>Sec. 104. COMMUNITY SERVICES AND OUTREACH</b>		
10	Full-time equated classified positions	56.0	
11	Bureau of community services and outreach--FTEs	24.0	\$ 3,569,800
12	Community services and outreach administration--		
13	-FTEs	20.0	12,682,000
14	Community services block grant		25,840,000
15	Diaper assistance grant		14,404,400
16	Homeless programs--FTE	1.0	54,754,100
17	Housing and support services		13,031,000
18	Kids' food basket		525,000
19	Runaway and homeless youth grants		13,126,100
20	School success partnership program		1,525,000
21	Senior university		400,000
22	Volunteer income tax assistance grants		100
23	Weatherization assistance		21,860,300
24	Weatherization assistance IIJA--FTEs	11.0	40,013,000
25	<b>GROSS APPROPRIATION</b>		<b>\$ 201,730,800</b>
26	Appropriated from:		
27	Federal revenues:		

1	Social security act, temporary assistance for		
2	needy families		59,415,800
3	Capped federal revenues		98,063,300
4	Total other federal revenues		14,661,200
5	<b>State general fund/general purpose</b>	<b>\$</b>	<b>29,590,500</b>
6	<b>Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD</b>		
7	<b>WELFARE</b>		
8	Full-time equated classified positions	4,111.2	
9	Adoption subsidies		\$ 217,479,500
10	Adoption support services--FTEs	10.0	41,631,400
11	Attorney general contract		5,191,100
12	Child abuse and neglect - children's justice		
13	act--FTE	1.0	628,900
14	Child care fund		260,203,700
15	Child care fund - indirect cost allotment		3,500,000
16	Child protection		2,050,300
17	Child welfare administration travel		390,000
18	Child welfare field staff - noncaseload		
19	compliance--FTEs	353.0	42,404,300
20	Child welfare licensing--FTEs	59.0	7,570,100
21	Child welfare medical/psychiatric evaluations		9,428,500
22	Children's protective services - caseload		
23	staff--FTEs	1,615.0	176,060,700
24	Children's protective services supervisors--		
25	FTEs	387.0	49,359,000
26	Children's services administration--FTEs	212.2	27,638,100
27	Children's trust fund--FTEs	12.0	5,059,800
28	Contractual services, supplies, and materials		9,567,600

1	Court-appointed special advocates		1,000,000
2	Education planners--FTEs	15.0	1,990,000
3	Family preservation and prevention services		
4	administration--FTEs	9.0	1,422,400
5	Family preservation programs--FTEs	34.0	57,023,700
6	Foster care payments		308,288,600
7	Foster care services - caseload staff--FTEs	966.0	100,870,900
8	Foster care services supervisors--FTEs	227.0	31,894,700
9	Guardianship assistance program		11,665,100
10	Interstate compact		179,600
11	Peer coaches--FTEs	45.5	6,476,300
12	Performance-based funding implementation--FTEs	3.0	560,400
13	Permanency resource managers--FTEs	28.0	3,599,400
14	Prosecuting attorney contracts		8,142,800
15	Second line supervisors and technical staff--		
16	FTEs	126.0	20,335,200
17	Settlement monitor		2,709,800
18	Strong families/safe children		11,600,000
19	Title IV-E compliance and accountability		
20	office--FTEs	4.0	471,900
21	Youth in transition--FTEs	4.5	8,194,200
22	<b>GROSS APPROPRIATION</b>		<b>\$ 1,434,588,000</b>
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG from department of lifelong education,		
26	advancement, and potential		244,400
27	Federal revenues:		

1	Social security act, temporary assistance for		
2	needy families		281,263,000
3	Capped federal revenues		104,467,300
4	Total other federal revenues		268,481,500
5	Special revenue funds:		
6	Local funds - county chargeback		28,189,300
7	Private - collections		1,503,300
8	Children's trust fund		2,895,300
9	Total other state restricted revenues		3,615,800
10	<b>State general fund/general purpose</b>	<b>\$</b>	<b>743,928,100</b>
11	<b>Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE</b>		
12	<b>JUSTICE</b>		
13	Full-time equated classified positions	132.5	
14	Bay Pines Center--FTEs	53.0	\$ 6,710,600
15	Committee on juvenile justice administration--		
16	FTEs	2.5	368,200
17	Committee on juvenile justice grants		3,000,000
18	Community support services--FTEs	3.0	1,513,200
19	County juvenile officers		3,977,600
20	Juvenile justice, administration and		
21	maintenance--FTEs	21.0	3,875,600
22	Shawono Center--FTEs	53.0	6,724,000
23	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>26,169,200</b>
24	Appropriated from:		
25	Federal revenues:		
26	Capped federal revenues		7,709,300
27	Total other federal revenues		223,200
28	Special revenue funds:		

1	Local funds - state share education funds		1,374,400
2	Local funds - county chargeback		5,343,300
3	<b>State general fund/general purpose</b>	<b>\$</b>	<b>11,519,000</b>
4	<b>Sec. 107. PUBLIC ASSISTANCE</b>		
5	Full-time equated classified positions	1.0	
6	Emergency services local office allocations	\$	8,813,500
7	Family independence program		65,272,100
8	Family independence program - clothing		
9	allowance		10,000,000
10	Family independence program - child		
11	supplemental payment		30,740,100
12	Food assistance program benefits		4,018,370,000
13	Food Bank Council of Michigan		12,045,000
14	Indigent burial		4,869,100
15	Low-income home energy assistance program		174,951,600
16	Michigan energy assistance program--FTE	1.0	50,000,000
17	Refugee assistance program		7,954,200
18	State disability assistance payments		7,057,200
19	State supplementation		54,770,700
20	State supplementation administration		1,806,100
21	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>4,446,649,600</b>
22	Appropriated from:		
23	Federal revenues:		
24	Social security act, temporary assistance for		
25	needy families		103,343,100
26	Capped federal revenues		182,905,800
27	Total other federal revenues		4,013,660,000
28	Special revenue funds:		



1	Child support collections		8,751,200
2	Low-income energy assistance fund		50,000,000
3	Public assistance recoupment revenue		4,868,300
4	Supplemental security income recoveries		1,569,000
5	<b>State general fund/general purpose</b>	<b>\$</b>	<b>81,552,200</b>
6	<b>Sec. 108. LOCAL OFFICE OPERATIONS AND SUPPORT</b>		
7	<b>SERVICES</b>		
8	Full-time equated classified positions	5,758.5	
9	Administrative support workers--FTEs	167.0	\$ 14,934,500
10	Adult services local office staff--FTEs	550.0	68,661,300
11	Contractual services, supplies, and materials		31,051,000
12	Donated funds positions--FTEs	237.0	29,274,400
13	Elder Law of Michigan MiCAFE contract		450,000
14	Electronic benefit transfer (EBT)		9,714,000
15	Employment and training support services		5,719,100
16	Food assistance reinvestment--FTEs	16.0	3,775,100
17	Local office policy and administration--FTEs	125.0	20,565,600
18	Local office staff travel		8,252,400
19	Medical/psychiatric evaluations		1,120,100
20	Nutrition education--FTEs	2.0	33,040,900
21	Pathways to potential--FTEs	231.0	26,143,300
22	Public assistance local office staff--FTEs	4,430.5	501,434,500
23	SSI advocacy legal services grant		975,000
24	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>755,111,200</b>
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	IDG from department of corrections		120,200

1	IDG from department of lifelong education,		
2	advancement, and potential		8,315,800
3	Federal revenues:		
4	Social security act, temporary assistance for		
5	needy families		73,233,900
6	Capped federal revenues		55,328,300
7	Total other federal revenues		286,552,800
8	Special revenue funds:		
9	Local funds - donated funds		4,378,900
10	Private funds - donated funds		9,969,200
11	Private revenues		250,000
12	<b>State general fund/general purpose</b>	<b>\$</b>	<b>316,962,100</b>
13	<b>Sec. 109. DISABILITY DETERMINATION SERVICES</b>		
14	Full-time equated classified positions	628.4	
15	Disability determination operations--FTEs	624.3	\$ 125,947,100
16	Retirement disability determination--FTEs	4.1	643,300
17	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>126,590,400</b>
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG from department of technology, management,		
21	and budget - office of retirement services		819,900
22	IDG from department of lifelong education,		
23	advancement, and potential		16,000
24	Federal revenues:		
25	Total other federal revenues		121,909,300
26	Total private revenues		900
27	Total other state restricted revenues		5,300
28	<b>State general fund/general purpose</b>	<b>\$</b>	<b>3,839,000</b>

1	<b>Sec. 110. BEHAVIORAL HEALTH PROGRAM</b>			
2	<b>ADMINISTRATION AND SPECIAL PROJECTS</b>			
3	Full-time equated classified positions	85.0		
4	Behavioral health program administration--FTEs	45.0	\$	53,768,600
5	Community substance use disorder prevention,			
6	education, and treatment--FTEs	9.0		79,626,200
7	Family support subsidy			15,670,900
8	Federal and other special projects			2,535,600
9	Gambling addiction--FTEs	4.0		9,521,300
10	Mental health diversion council			3,850,000
11	Michigan clinical consultation and care			5,289,000
12	Office of recipient rights--FTEs	25.0		3,502,800
13	Opioid response activities--FTEs	2.0		90,359,700
14	Protection and advocacy services support			194,400
15	<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>264,318,500</b>
16	Appropriated from:			
17	Federal revenues:			
18	Social security act, temporary assistance for			
19	needy families			15,670,900
20	Total other federal revenues			170,794,300
21	Special revenue funds:			
22	Total private revenues			2,904,700
23	Total other state restricted revenues			36,007,800
24	<b>State general fund/general purpose</b>		<b>\$</b>	<b>38,940,800</b>
25	<b>Sec. 111. BEHAVIORAL HEALTH SERVICES</b>			
26	Full-time equated classified positions	11.0		
27	Autism services		\$	364,644,800

1	Behavioral health community supports and		
2	services--FTEs	7.0	44,469,700
3	Certified community behavioral health clinic		
4	demonstration		501,837,800
5	Civil service charges		297,500
6	Community mental health non-Medicaid services		125,578,200
7	Federal mental health block grant--FTEs	4.0	24,471,700
8	Health homes		53,418,500
9	Healthy Michigan plan - behavioral health		522,670,500
10	Medicaid mental health services		3,298,151,800
11	Medicaid substance use disorder services		102,141,400
12	Multicultural integration funding		17,284,900
13	Nursing home PAS/ARR-OBRA		15,213,600
14	State disability assistance program substance		
15	use disorder services		2,018,800
16	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>5,072,199,200</b>
17	Appropriated from:		
18	Federal revenues:		
19	Social security act, temporary assistance for		
20	needy families		421,000
21	Capped federal revenues		184,500
22	Total other federal revenues		3,435,697,000
23	Special revenue funds:		
24	Total local revenues		10,190,500
25	Total other state restricted revenues		70,205,900
26	<b>State general fund/general purpose</b>	<b>\$</b>	<b>1,555,500,300</b>
27	<b>Sec. 112. STATE PSYCHIATRIC HOSPITALS AND</b>		
28	<b>FORENSIC MENTAL HEALTH SERVICES</b>		

1	Full-time equated classified positions	2,546.6	
2	Average population	798.0	
3	Caro Regional Mental Health Center -		
4	psychiatric hospital - adult--FTEs	530.7	\$ 61,299,100
5	Average population	145.0	
6	Center for forensic psychiatry--FTEs	624.5	102,649,400
7	Average population	240.0	
8	Developmental disabilities council and		
9	projects--FTEs	10.0	3,196,800
10	Gifts and bequests for patient living and		
11	treatment environment		1,000,000
12	IDEA, federal special education		120,000
13	Kalamazoo Psychiatric Hospital - adult--FTEs	561.2	72,573,300
14	Average population	170.0	
15	Purchase of medical services for residents of		
16	hospitals and centers		445,600
17	Revenue recapture		750,100
18	Special maintenance		924,600
19	State employees retirement system		
20	implementation costs		700,000
21	State hospital administration--FTEs	34.0	5,735,000
22	Walter P. Reuther Psychiatric Hospital - adult,		
23	children, and adolescents--FTEs	786.2	123,069,900
24	Average population	243.0	
25	<b>GROSS APPROPRIATION</b>		<b>\$ 372,463,800</b>
26	Appropriated from:		
27	Federal revenues:		
28	Total other federal revenues		46,642,000

1	Special revenue funds:		
2	Total local revenues		23,283,200
3	Total private revenues		1,000,000
4	Total other state restricted revenues		15,189,200
5	<b>State general fund/general purpose</b>	<b>\$</b>	<b>286,349,400</b>
6	<b>Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND</b>		
7	<b>INITIATIVES</b>		
8	Full-time equated classified positions	74.3	
9	Cellular therapy for Versiti Michigan	\$	750,000
10	Certificate of need program administration--		
11	FTEs	11.3	2,744,600
12	Child advocacy centers		1,407,000
13	Child advocacy centers - supplemental grants		2,000,000
14	Community health programs		10,000,100
15	Crime victim grants administration services--		
16	FTEs	17.0	3,092,300
17	Crime victim justice assistance grants		78,579,300
18	Crime victim rights services grants		19,869,900
19	Crime victim rights sustaining grants		30,000,000
20	Domestic violence prevention and treatment--		
21	FTEs	15.6	19,383,500
22	Human trafficking intervention services--FTE	1.0	200,000
23	Michigan essential health provider		3,519,600
24	Minority health grants and contracts--FTEs	3.0	1,434,700
25	Nurse education and research program--FTEs	3.0	823,600
26	Policy and planning administration--FTEs	19.9	2,768,500
27	Primary care services--FTEs	3.0	3,809,200
28	Rape prevention and services--FTEs	0.5	7,097,300

1	Rural health services	175,000
2	Uniform statewide sexual assault evidence kit	
3	tracking system	369,500
4	<b>GROSS APPROPRIATION</b>	<b>\$ 188,024,100</b>
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG from department of lifelong education,	
8	advancement, and potential	2,400
9	IDG from department of licensing and regulatory	
10	affairs	823,600
11	IDG from department of treasury, Michigan	
12	finance authority	117,700
13	Federal revenues:	
14	Social security act, temporary assistance for	
15	needy families	6,736,000
16	Capped federal revenues	10,704,100
17	Total other federal revenues	86,260,100
18	Special revenue funds:	
19	Total private revenues	865,000
20	Child advocacy centers fund	1,407,000
21	Compulsive gaming prevention fund	1,040,500
22	Crime victims rights fund	18,784,900
23	Sexual assault victims' prevention and	
24	treatment fund	3,000,000
25	Total other state restricted revenues	3,309,500
26	<b>State general fund/general purpose</b>	<b>\$ 54,973,300</b>
27	<b>Sec. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL</b>	
28	<b>SERVICES, AND LABORATORY</b>	

1	Full-time equated classified positions	449.9		
2	Bioterrorism preparedness--FTEs	53.0	\$	31,009,800
3	Childhood lead program--FTEs	4.5		2,342,900
4	Emergency medical services program--FTEs	27.0		9,030,000
5	Epidemiology administration--FTEs	73.5		26,350,100
6	Healthy homes program--FTEs	66.0		56,569,600
7	Laboratory services--FTEs	102.0		31,002,000
8	Newborn screening follow-up and treatment			
9	services--FTEs	10.5		9,837,500
10	PFAS and environmental contamination response--			
11	FTEs	43.0		20,530,400
12	Vital records and health statistics--FTEs	70.4		11,573,100
13	<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>198,245,400</b>
14	Appropriated from:			
15	Interdepartmental grant revenues:			
16	IDG from department of environment, Great			
17	Lakes, and energy			1,797,800
18	Federal revenues:			
19	Capped federal revenues			81,100
20	Total other federal revenues			77,506,000
21	Special revenue funds:			
22	Total private revenues			1,342,600
23	Total other state restricted revenues			32,478,400
24	<b>State general fund/general purpose</b>		<b>\$</b>	<b>85,039,500</b>
25	<b>Sec. 115. LOCAL HEALTH AND ADMINISTRATIVE</b>			
26	<b>SERVICES</b>			
27	Full-time equated classified positions	190.1		



1	AIDS prevention, testing, and care programs--		
2	FTEs	79.5 \$	110,825,500
3	Cancer prevention and control program--FTEs	18.0	15,911,400
4	Chronic disease control and health promotion		
5	administration--FTEs	28.4	10,429,500
6	Diabetes and kidney program--FTEs	8.0	4,198,800
7	Essential local public health services		76,419,300
8	Implementation of 1993 PA 133, MCL 333.17015		20,000
9	Local health services--FTEs	3.3	10,724,200
10	Medicaid outreach cost reimbursement to local		
11	health departments		12,500,000
12	Public health administration--FTEs	9.0	2,289,200
13	Sexually transmitted disease control program--		
14	FTEs	20.0	8,555,700
15	Smoking prevention program--FTEs	15.0	5,664,700
16	Violence prevention--FTEs	8.9	15,762,100
17	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>273,300,400</b>
18	Appropriated from:		
19	Federal revenues:		
20	Social security act, temporary assistance for		
21	needy families		2,300
22	Total other federal revenues		90,556,700
23	Special revenue funds:		
24	Total local revenues		5,150,000
25	Total private revenues		74,556,600
26	Total other state restricted revenues		11,925,200
27	<b>State general fund/general purpose</b>	<b>\$</b>	<b>91,109,600</b>
28	<b>Sec. 116. FAMILY HEALTH SERVICES</b>		

1	Full-time equated classified positions	136.1	
2	Child and adolescent health care and centers		\$ 41,242,700
3	Dental programs--FTEs	5.3	7,546,800
4	Drinking water declaration of emergency		4,771,000
5	Family, maternal, and child health		
6	administration--FTEs	49.0	10,337,300
7	Family planning local agreements		15,810,700
8	Immunization program--FTEs	20.8	20,696,600
9	Local MCH services		7,018,100
10	Pregnancy prevention program		1,297,900
11	Prenatal care outreach and service delivery		
12	support--FTEs	19.0	43,820,800
13	Special projects		7,289,100
14	Sudden and unexpected infant death and		
15	suffocation prevention program		321,300
16	Women, infants, and children program		
17	administration and special projects--FTEs	42.0	19,673,900
18	Women, infants, and children program local		
19	agreements and food costs		251,285,000
20	<b>GROSS APPROPRIATION</b>		<b>\$ 431,111,200</b>
21	Appropriated from:		
22	Federal revenues:		
23	Social security act, temporary assistance for		
24	needy families		1,000,000
25	Total other federal revenues		268,760,500
26	Special revenue funds:		
27	Total local revenues		42,817,700
28	Total private revenues		64,785,700

1	Total other state restricted revenues		4,049,500
2	<b>State general fund/general purpose</b>	<b>\$</b>	<b>49,697,800</b>
3	<b>Sec. 117. CHILDREN'S SPECIAL HEALTH CARE</b>		
4	<b>SERVICES</b>		
5	Full-time equated classified positions	51.8	
6	Bequests for care and services--FTEs	9.8	\$ 2,087,100
7	Children's special health care services		
8	administration--FTEs	42.0	8,743,800
9	Medical care and treatment		288,843,200
10	Outreach and advocacy		6,722,200
11	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>306,396,300</b>
12	Appropriated from:		
13	Federal revenues:		
14	Total other federal revenues		160,045,100
15	Special revenue funds:		
16	Total private revenues		1,044,100
17	Total other state restricted revenues		4,433,300
18	<b>State general fund/general purpose</b>	<b>\$</b>	<b>140,873,800</b>
19	<b>Sec. 118. AGING SERVICES</b>		
20	Community services	\$	57,706,900
21	Employment assistance		3,500,000
22	Nutrition services		51,004,200
23	Respite care program		7,268,700
24	Senior volunteer service programs		4,765,300
25	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>124,245,100</b>
26	Appropriated from:		
27	Federal revenues:		
28	Total other federal revenues		67,787,400

1	Special revenue funds:		
2	Total private revenues		300,000
3	Michigan merit award trust fund		4,068,700
4	Total other state restricted revenues		2,800,000
5	<b>State general fund/general purpose</b>	<b>\$</b>	<b>49,289,000</b>
6	<b>Sec. 119. HEALTH AND AGING SERVICES</b>		
7	<b>ADMINISTRATION</b>		
8	Full-time equated classified positions	487.0	
9	Aging services administration--FTEs	59.0	\$ 11,129,400
10	Health services administration--FTEs	428.0	123,914,200
11	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>135,043,600</b>
12	Appropriated from:		
13	Federal revenues:		
14	Total other federal revenues		88,000,600
15	Special revenue funds:		
16	Total local revenues		37,700
17	Total private revenues		1,721,300
18	Total other state restricted revenues		336,300
19	<b>State general fund/general purpose</b>	<b>\$</b>	<b>44,947,700</b>
20	<b>Sec. 120. HEALTH SERVICES</b>		
21	Adult home help services	\$	540,996,100
22	Ambulance services		23,768,100
23	Auxiliary medical services		6,723,400
24	Dental clinic program		1,000,000
25	Dental services		297,199,000
26	Federal Medicare pharmaceutical program		426,126,000
27	Federally qualified health centers		224,664,100
28	Health plan services		7,979,096,400

1	Healthy Michigan plan	6,306,620,200
2	Home health services	3,750,500
3	Hospice services	167,506,900
4	Hospital services and therapy	613,513,600
5	Integrated care organizations	370,574,900
6	Long-term care services	2,393,668,900
7	Maternal and child health	26,340,400
8	Medicaid home- and community-based services	
9	waiver	515,378,100
10	Medicaid orthodontic benefit	10,754,200
11	Medicare premium payments	926,166,300
12	Personal care services	6,196,100
13	Pharmaceutical services	299,205,800
14	Physician services	256,531,100
15	Plan first	6,567,500
16	Program of all-inclusive care for the elderly	299,357,000
17	Recuperative care	297,600
18	School-based services	174,647,500
19	Special Medicaid reimbursement	308,992,500
20	Transportation	21,476,400
21	<b>GROSS APPROPRIATION</b>	<b>\$ 22,207,118,600</b>
22	Appropriated from:	
23	Federal revenues:	
24	Total other federal revenues	15,856,203,300
25	Special revenue funds:	
26	Total local revenues	33,331,800
27	Total private revenues	10,423,900
28	Michigan merit award trust fund	88,200,000

1	Total other state restricted revenues		3,519,223,900
2	<b>State general fund/general purpose</b>	<b>\$</b>	<b>2,699,735,700</b>
3	<b>Sec. 121. INFORMATION TECHNOLOGY</b>		
4	Full-time equated classified positions	11.0	
5	Bridges information system--FTEs	10.0	\$ 114,678,900
6	Child support automation		44,243,200
7	Comprehensive child welfare information system		8,274,700
8	Information technology services and projects		243,107,200
9	Michigan Medicaid information system--FTE	1.0	102,482,000
10	Michigan statewide automated child welfare		
11	information system		21,555,400
12	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>534,341,400</b>
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	IDG from department of lifelong education,		
16	advancement, and potential		609,700
17	Federal revenues:		
18	Social security act, temporary assistance for		
19	needy families		24,471,400
20	Capped federal revenues		20,556,700
21	Total other federal revenues		335,999,300
22	Special revenue funds:		
23	Total local revenues		6,700
24	Total private revenues		5,250,000
25	Total other state restricted revenues		2,010,400
26	<b>State general fund/general purpose</b>	<b>\$</b>	<b>145,437,200</b>
27	<b>Sec. 122. ONE-TIME APPROPRIATIONS</b>		
28	Adolescent hair loss	\$	250,000

1	Behavioral health urgent care	1,700,000
2	Biomedical research and science education	750,000
3	Center for independent living relocation	500,000
4	Certified community behavioral health clinics	
5	study	250,000
6	Children's campus renovation	3,000,000
7	Children's mental health center	3,000,000
8	Community health programs	100
9	Community impact center	5,000,000
10	Community opportunity hub	1,000,000
11	Community violence prevention - community grant	
12	program	5,000,000
13	Court-appointed special advocates	750,000
14	Disability and independent living program	250,000
15	Doula training and continuing education	100
16	Faith-based service grants	5,000,000
17	Firefighter health care	100
18	Fitness and wellness programming	1,200,000
19	Food pantry grants	2,429,400
20	Great Lakes recovery center	3,620,000
21	Home help caregiver council	1,000,000
22	Homeless shelter infrastructure grant	100
23	Housing and childcare project	100
24	Infrastructure grants	6,000,200
25	Juvenile justice infrastructure pool	14,000,000
26	Kids' food basket	2,000,000
27	Local food infrastructure grant	5,000,000
28	Medicaid outreach	250,000

1	Medicaid rate comparison study	250,000
2	Medical debt relief pilot program	8,000,000
3	Medically underserved area services	700,000
4	Michigan Energy Assistance Program	
5	stabilization fund	24,750,000
6	Mobile vision clinic	3,000,000
7	Multicultural integration funding	8,600,000
8	Narcotics awareness program	2,500,000
9	Native American health services	4,000,000
10	Permanent supportive recovery housing	3,000,000
11	Pharmacogenomic testing pilot project	100
12	Recovery residence program	2,000,000
13	Reproductive health grant	2,500,000
14	Surgical robot	2,000,000
15	Trauma recovery center pilot program	8,000,000
16	Underserved healthcare facility project	3,500,000
17	Uterine fibroid study	250,000
18	Water affordability	24,750,000
19	<b>GROSS APPROPRIATION</b>	<b>\$ 159,750,200</b>
20	Appropriated from:	
21	Michigan opioid healing and recovery	5,000,000
22	Work project lapse funds	58,000,000
23	<b>State general fund/general purpose</b>	<b>\$ 96,750,200</b>

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

## FOR FISCAL YEAR 2024-2025

**GENERAL SECTIONS**

Sec. 201. In accordance with section 30 of article IX of the



state constitution of 1963, for the current fiscal year, total state spending under part 1 from state sources is \$10,637,623,200.00 and state spending under part 1 from state sources to be paid to local units of government is \$1,841,088,600.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

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**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

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**CHILD SUPPORT ENFORCEMENT**

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Child support incentive payments	\$	9,570,000
Legal support contracts		1,300

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**COMMUNITY SERVICES AND OUTREACH**

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Community services and outreach administration	3,100
Homeless programs	9,900
Housing and support services	124,700

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

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Child care fund	181,742,300
Child care fund - indirect cost allotment	3,500,000
Child welfare licensing	68,300
Children's trust fund	60,800
Contractual services, supplies, and materials	10,500
Family preservation programs	2,000
Foster care payments	3,344,200
Prosecuting attorney contracts	1,269,100
Strong families/safe children	65,400

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

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Bay Pines Center	49,700
Community support services	333,500

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1	County juvenile officers	73,300
2	Shawono Center	2,000
3	<b>PUBLIC ASSISTANCE</b>	
4	Emergency services local office allocations	2,200,000
5	Indigent burial	4,800
6	Michigan energy assistance program	200,000
7	State disability assistance payments	174,200
8	<b>LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES</b>	
9	Contractual services, supplies, and materials	91,700
10	Employment and training support services	6,200
11	<b>DISABILITY DETERMINATION SERVICES</b>	
12	Disability determination operations	2,000
13	<b>BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND</b>	
14	<b>SPECIAL PROJECTS</b>	
15	Behavioral health program administration	121,700
16	Community substance use disorder prevention,	
17	education, and treatment	8,783,500
18	Gambling addiction	1,333,700
19	Mental health diversion council	255,100
20	Opioid response activities	1,770,500
21	<b>BEHAVIORAL HEALTH SERVICES</b>	
22	Autism services	84,842,200
23	Behavioral health community supports and	
24	services	171,800
25	Certified community behavioral health clinic	
26	demonstration	95,041,100
27	Community mental health non-Medicaid services	125,578,200
28	Health homes	4,725,900

1	Healthy Michigan plan - behavioral health	63,747,700
2	Medicaid mental health services	937,703,100
3	Medicaid substance use disorder services	29,067,900
4	Multicultural integration funding	1,064,400
5	Nursing home PAS/ARR-OBRA	4,476,100
6	State disability assistance program substance	
7	use disorder services	1,807,300
8	<b>STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL</b>	
9	<b>HEALTH SERVICES</b>	
10	Caro Regional Mental Health Center -	
11	psychiatric hospital - adult	183,600
12	Center for forensic psychiatry	674,000
13	Kalamazoo Psychiatric Hospital - adult	66,200
14	Walter P. Reuther Psychiatric Hospital - adult,	
15	children, and adolescents	109,900
16	<b>HEALTH AND HUMAN SERVICES POLICY AND</b>	
17	<b>INITIATIVES</b>	
18	Crime victim rights services grants	11,593,000
19	Domestic violence prevention and treatment	163,000
20	Primary care services	79,800
21	<b>EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND</b>	
22	<b>LABORATORY</b>	
23	Emergency medical services program	4,800
24	Epidemiology administration	448,700
25	Healthy homes program	1,301,700
26	PFAS and environmental contamination response	200
27	<b>LOCAL HEALTH AND ADMINISTRATIVE SERVICES</b>	
28	AIDS prevention, testing, and care programs	2,705,800

1	Cancer prevention and control program	43,600
2	Essential local public health services	71,269,300
3	Local health services	1,928,900
4	Public health administration	200
5	Sexually transmitted disease control program	775,400
6	Smoking prevention program	242,100
7	<b>FAMILY HEALTH SERVICES</b>	
8	Dental programs	25,000
9	Drinking water declaration of emergency	136,500
10	Family planning local agreements	224,000
11	Immunization program	2,155,600
12	Pregnancy prevention program	65,000
13	Prenatal care outreach and service delivery	
14	support	8,806,900
15	<b>CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>	
16	Medical care and treatment	796,700
17	Outreach and advocacy	2,708,200
18	<b>AGING SERVICES</b>	
19	Community services	30,526,500
20	Nutrition services	12,849,100
21	Respite care program	5,800,000
22	Senior volunteer service programs	954,100
23	<b>HEALTH AND AGING SERVICES ADMINISTRATION</b>	
24	Aging services administration	200,200
25	<b>HEALTH SERVICES</b>	
26	Adult home help services	81,900
27	Ambulance services	840,600
28	Dental services	787,000

1	Healthy Michigan plan	896,700
2	Hospital services and therapy	400,000
3	Long-term care services	88,061,900
4	Medicaid home- and community-based services	
5	waiver	14,314,200
6	Personal care services	17,600
7	Physician services	2,854,200
8	Transportation	597,300
9	<b>ONE-TIME APPROPRIATIONS</b>	
10	Water affordability	12,000,000
11	<b>TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT</b>	<b>\$ 1,841,088,600</b>

12       Sec. 202. The appropriations under this part and part 1 are  
13 subject to the management and budget act, 1984 PA 431, MCL 18.1101  
14 to 18.1594.

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

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

17       (b) "CCBHC" means certified community behavioral health  
18 clinic.

19       (c) "CMHSP" means a community mental health services program  
20 as that term is defined in section 100a of the mental health code,  
21 1974 PA 258, MCL 330.1100a.

22       (d) "CMS" means the Centers for Medicare and Medicaid  
23 Services.

24       (e) "CPT" means current procedural terminology.

25       (f) "Current fiscal year" means the fiscal year ending  
26 September 30, 2025.

27       (g) "Department" means the department of health and human  
28 services.

29       (h) "Director" means the director of the department.

- 1 (i) "DSH" means disproportionate share hospital.
- 2 (j) "EPSDT" means early and periodic screening, diagnosis, and  
3 treatment.
- 4 (k) "Federal poverty level" means the poverty guidelines  
5 revised periodically and published in the Federal Register by the  
6 Secretary of the United States Department of Health and Human  
7 Services under the Secretary's authority to revise the poverty line  
8 under 42 USC 9902.
- 9 (l) "FQHC" means federally qualified health center.
- 10 (m) "FTE" means full-time equated.
- 11 (n) "GME" means graduate medical education.
- 12 (o) "Health plan" means, at a minimum, an organization that  
13 meets the criteria for delivering the comprehensive package of  
14 services under the department's comprehensive health plan.
- 15 (p) "HEDIS" means health care effectiveness data and  
16 information set.
- 17 (q) "HMO" means health maintenance organization.
- 18 (r) "IDEA" means the individuals with disabilities education  
19 act, 20 USC 1400 to 1482.
- 20 (s) "IDG" means interdepartmental grant.
- 21 (t) "MCH" means maternal and child health.
- 22 (u) "Medicaid" means subchapter XIX of the social security  
23 act, 42 USC 1396 to 1396w-7.
- 24 (v) "Medicare" means subchapter XVIII of the social security  
25 act, 42 USC 1395 to 1395III.
- 26 (w) "MiCAFE" means Michigan's coordinated access to food for  
27 the elderly.
- 28 (x) "MIChild" means the program described in section 1670 of  
29 this part.

1 (y) "MiSACWIS" means Michigan statewide automated child  
2 welfare information system.

3 (z) "PACE" means program of all-inclusive care for the  
4 elderly.

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

9 (bb) "PATH" means Partnership. Accountability. Training. Hope.

10 (cc) "PFAS" means perfluoroalkyl and polyfluoroalkyl  
11 substances.

12 (dd) "PIHP" means an entity designated by the department as a  
13 regional entity or a specialty prepaid inpatient health plan for  
14 Medicaid mental health services, services to individuals with  
15 developmental disabilities, and substance use disorder services.  
16 Regional entities are described in section 204b of the mental  
17 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid  
18 inpatient health plans are described in section 232b of the mental  
19 health code, 1974 PA 258, MCL 330.1232b.

20 (ee) "Previous fiscal year" means the fiscal year ending  
21 September 30, 2024.

22 (ff) "Quarterly basis" means February 1, April 1, July 1, and  
23 September 30 of the current fiscal year.

24 (gg) "Semiannual basis" means March 1 and September 30 of the  
25 current fiscal year.

26 (hh) "Settlement" means the settlement agreement entered in  
27 the case of *Dwayne B. v Snyder*, Docket No. 2:06-cv-13548 in the  
28 United States District Court for the Eastern District of Michigan.

29 (ii) "SSI" means supplemental security income.

1 (jj) "Standard report recipients" means the senate and house  
2 of representatives appropriations subcommittees on the department  
3 budget, the senate and house fiscal agencies, the senate and house  
4 of representatives policy offices, and the state budget office.

5 (kk) "Temporary assistance for needy families" or "TANF" or  
6 "title IV-A" means part A of subchapter IV of the social security  
7 act, 42 USC 601 to 619.

8 (ll) "Title IV-B" means part B of title IV of the social  
9 security act, 42 USC 621 to 629m.

10 (mm) "Title IV-D" means part D of title IV of the social  
11 security act, 42 USC 651 to 669b.

12 (nn) "Title IV-E" means part E of title IV of the social  
13 security act, 42 USC 670 to 679c.

14 (oo) "Title X" means subchapter VIII of the public health  
15 service act, 42 USC 300 to 300a-8, which establishes grants to  
16 states for family planning services.

17 Sec. 204. The department shall use the internet to fulfill the  
18 reporting requirements of this part. This requirement includes  
19 transmitting reports to the standard report recipients and any  
20 other required recipients by email and posting the reports on an  
21 internet site.

22 Sec. 205. To the extent permissible under section 261 of the  
23 management and budget act, 1984 PA 431, MCL 18.1261, all of the  
24 following apply to the expenditure of funds appropriated in part 1:

25 (a) The funds must not be used for the purchase of foreign  
26 goods or services, or both, if competitively priced and of  
27 comparable quality American goods or services, or both, are  
28 available.

29 (b) Preference must be given to goods or services, or both,



1 manufactured or provided by Michigan businesses, if they are  
2 competitively priced and of comparable quality.

3 (c) Preference must be given to goods or services, or both,  
4 that are manufactured or provided by Michigan businesses owned and  
5 operated by veterans, if they are competitively priced and of  
6 comparable quality.

7 Sec. 206. To the extent permissible under the management and  
8 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall  
9 take all reasonable steps to ensure geographically-disadvantaged  
10 business enterprises compete for and perform contracts to provide  
11 services or supplies, or both. The director shall strongly  
12 encourage firms with which the department contracts to subcontract  
13 with certified geographically-disadvantaged business enterprises  
14 for services, supplies, or both. As used in this section,  
15 "geographically-disadvantaged business enterprises" means that term  
16 as defined in Executive Directive No. 2023-1.

17 Sec. 207. Consistent with section 217 of the management and  
18 budget act, 1984 PA 431, MCL 18.1217, the department shall prepare  
19 a report on out-of-state travel expenses not later than January 1.  
20 The report must list all travel by classified and unclassified  
21 employees outside this state in the previous fiscal year that was  
22 funded in whole or in part with funds appropriated in the  
23 department's budget. The department shall submit the report to the  
24 standard report recipients and to the senate and house of  
25 representatives appropriations committees. The report must include  
26 all of the following information:

27 (a) The dates of each travel occurrence.

28 (b) The total transportation and related expenses of each  
29 travel occurrence and the proportions funded with state general

1 fund/general purpose revenues, state restricted revenues, federal  
2 revenues, and other revenues.

3 Sec. 208. The department shall not use funds appropriated in  
4 part 1 to hire a person to provide legal services that are the  
5 responsibility of the attorney general. This section does not apply  
6 to legal services for bonding activities or to outside services  
7 that the attorney general authorizes.

8 Sec. 209. Not later than December 15, the state budget office  
9 shall prepare and submit a report that provides estimates of the  
10 total general fund/general purpose appropriation lapses at the  
11 close of the previous fiscal year. The report must summarize the  
12 projected year-end general fund/general purpose appropriation  
13 lapses by major departmental program or program areas. The state  
14 budget office shall submit the report to the standard report  
15 recipients and to the chairpersons of the senate and house of  
16 representatives appropriations committees.

17 Sec. 210. (1) In addition to the funds appropriated in part 1,  
18 there is appropriated an amount not to exceed \$100,000.00 for  
19 federal contingency authorization. Amounts appropriated under this  
20 subsection are not available for expenditure until they have been  
21 transferred to another line item in part 1 under section 393(2) of  
22 the management and budget act, 1984 PA 431, MCL 18.1393. Federal  
23 contingency authorization must not be made available to increase  
24 TANF authorization.

25 (2) In addition to the funds appropriated in part 1, there is  
26 appropriated an amount not to exceed \$50,000,000.00 for state  
27 restricted contingency authorization. Amounts appropriated under  
28 this subsection are not available for expenditure until they have  
29 been transferred to another line item in part 1 under section

1 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

2 (3) In addition to the funds appropriated in part 1, there is  
3 appropriated an amount not to exceed \$30,000,000.00 for local  
4 contingency authorization. Amounts appropriated under this  
5 subsection are not available for expenditure until they have been  
6 transferred to another line item in part 1 under section 393(2) of  
7 the management and budget act, 1984 PA 431, MCL 18.1393.

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

14 Sec. 211. The department shall cooperate with the department  
15 of technology, management, and budget to maintain a searchable  
16 website accessible by the public at no cost that includes, but is  
17 not limited to, all of the following for the department:

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

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

20 (c) Fiscal year-to-date payments to a selected vendor,  
21 including the vendor name, payment date, payment amount, and  
22 payment description.

23 (d) The number of active department employees by job  
24 classification.

25 (e) Job specifications and wage rates.

26 Sec. 212. Not later than 14 days after the release of the  
27 executive budget recommendation, the department shall cooperate  
28 with the state budget office to provide an annual report on  
29 estimated state restricted fund balances, state restricted fund

1 projected revenues, and state restricted fund expenditures for the  
2 previous 2 fiscal years. The report must be submitted to the  
3 standard report recipients and to the chairpersons of the senate  
4 and house of representatives appropriations committees.

5 Sec. 213. (1) It is the intent of the legislature that the  
6 state budget director use their authority under section 451a of the  
7 management and budget act, 1984 PA 431, MCL 18.1451a, to lapse the  
8 amounts identified in this subsection for the following work  
9 project accounts:

10 (a) Clinical integration fund (TW3615023), 2022 PA 166,  
11 (\$25,000,000.00).

12 (b) Community mental health service programs integration  
13 readiness (TW3619523), 2022 PA 166, (\$25,000,000.00).

14 (c) ARP - nursing facility room conversion pilot project  
15 (TW3123522), 2022 PA 9, (\$8,000,000.00).

16 (2) Funds appropriated in part 1 from work project lapse funds  
17 are available for expenditure for the purposes identified in part 1  
18 using proceeds of work project lapses listed in subsection (1).

19 (3) An appropriation using the proceeds from a lapsed work  
20 project identified under subsection (1) may only be spent if the  
21 appropriation is for a purpose that is an allowable use of the fund  
22 source for the work projects identified to be lapsed under  
23 subsection (1).

24 Sec. 214. The department shall make timely reimbursement to  
25 the department of the attorney general for legal services provided  
26 by the department of the attorney general to the department. If the  
27 department fails to make timely reimbursement, the department of  
28 the attorney general may increase the amount billed to include a  
29 penalty for late reimbursement. As used in this section, "timely

1 reimbursement" means reimbursement not later than 60 days after the  
2 department receives a bill for the legal services from the  
3 department of the attorney general.

4 Sec. 215. If either of the following events occurs, not later  
5 than 30 days after the event occurs, the department shall notify  
6 the standard report recipients of that fact:

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

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

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

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

24 Sec. 217. Not later than February 1 of the current fiscal  
25 year, the department shall submit, to the standard report  
26 recipients, a report on the detailed names and amounts of estimated  
27 federal, restricted, private, and local sources of revenue that  
28 support the appropriations in each of the line items in part 1 for  
29 the previous fiscal year. The report must itemize, rather than

1 aggregate, specific revenue sources deposited into the generic  
2 statewide integrated governmental management application (SIGMA)  
3 fund numbers 1200, 1274, 4000, and 5000.

4 Sec. 218. As required under part 23 of the public health code,  
5 1978 PA 368, MCL 333.2301 to 333.2321, the appropriations in part 1  
6 must include the following:

7 (a) Immunizations.

8 (b) Communicable disease control.

9 (c) Sexually transmitted infection control.

10 (d) Tuberculosis control.

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

12 (f) Screening newborn infants for the conditions listed in  
13 section 5431 of the public health code, 1978 PA 368, MCL 333.5431,  
14 or recommended by the newborn screening quality assurance advisory  
15 committee created under section 5430 of the public health code,  
16 1978 PA 368, MCL 333.5430.

17 (g) Health and human services annex of the Michigan Emergency  
18 Management Plan.

19 (h) Prenatal care.

20 (i) Mental health.

21 Sec. 219. (1) The department may contract with the Michigan  
22 Public Health Institute for the design and implementation of  
23 projects and for other public health-related activities prescribed  
24 in section 2611 of the public health code, 1978 PA 368, MCL  
25 333.2611. The department may develop a master agreement with the  
26 Michigan Public Health Institute to carry out the activities  
27 described in this subsection for up to a 1-year period.

28 (2) On a semiannual basis, the department shall submit, to the  
29 standard report recipients, a report that includes all of the

1 following:

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

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

6 (c) The expected project duration.

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

10 (3) On a semiannual basis, the department shall provide, to  
11 the standard report recipients, a copy of all reports, studies, and  
12 publications produced by the Michigan Public Health Institute, its  
13 subcontractors, or the department with the funds appropriated in  
14 the department's budget in the previous fiscal year and allocated  
15 to the Michigan Public Health Institute.

16 Sec. 220. The department shall ensure that faith-based  
17 organizations are able to apply and compete for services, programs,  
18 or contracts that the organizations are qualified and suitable to  
19 fulfill. The department shall not disqualify faith-based  
20 organizations solely on the basis of the religious nature of the  
21 organizations or the guiding principles or statements of faith for  
22 the organizations.

23 Sec. 221. In accordance with section 1b of the social welfare  
24 act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and  
25 this part as a time-limited addendum to the social welfare act,  
26 1939 PA 280, MCL 400.1 to 400.119b.

27 Sec. 222. (1) Not later than 30 days before the implementation  
28 date of a major policy change, the department shall report the  
29 change to the standard report recipients.

1           (2) The department shall make the department's entire policy  
2 and procedures manual available and accessible to the public on the  
3 department's website.

4           (3) Not later than April 1 of the current fiscal year, the  
5 department shall report on each specific policy change made to  
6 implement a public act affecting the department that took effect  
7 during the previous calendar year. The department shall submit the  
8 report to the standard report recipients, the senate and house of  
9 representatives appropriations committees, and to the joint  
10 committee on administrative rules.

11           (4) The department shall attach each policy bulletin issued  
12 during the previous calendar year to the report under subsection  
13 (3).

14           Sec. 223. The department may establish and collect fees for  
15 publications, videos and related materials, conferences, and  
16 workshops. Collected fees are appropriated when received and must  
17 be used to offset expenditures for publication printing and  
18 mailing, costs of the publications, videos and related materials,  
19 conferences, and workshops. The department shall not collect fees  
20 under this section that exceed the cost of the expenditures. If  
21 collected fees are appropriated under this section in an amount  
22 that exceeds the current fiscal year appropriation, not later than  
23 30 days after the collected fee appropriation, the department shall  
24 notify the standard report recipients of that fact.

25           Sec. 224. The department may retain all of this state's share  
26 of food assistance overissuance collections as an offset to general  
27 fund/general purpose costs. Retained collections must be applied  
28 against federal funds deductions in all appropriation units where  
29 department costs related to the investigation and recoupment of



1 food assistance overissuances are incurred. Retained collections in  
2 excess of the investigation and recoupment costs must be applied  
3 against the federal funds deducted in the departmental  
4 administration and support appropriation unit.

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

11 Sec. 227. If the department receives tobacco tax funds and  
12 Healthy Michigan fund revenue from part 1, not later than April 1  
13 of the current fiscal year, the department shall submit, to the  
14 standard report recipients, a report on both of the following  
15 activities during the previous fiscal year:

16 (a) Tobacco tax revenue appropriations in the Medicaid  
17 program.

18 (b) Information for each project implemented with revenue  
19 under this section, including all of the following:

20 (i) The project's name.

21 (ii) The appropriation line item and amount.

22 (iii) The project's target population.

23 (iv) A description of the project.

24 (v) The outcomes or accomplishments of the project.

25 Sec. 228. If the department is authorized under federal law or  
26 the law of this state to collect an overpayment owed to the  
27 department, beginning 60 days after the initial notification date  
28 of the overpayment amount, the department may assess a penalty of  
29 1% per month. If an overpayment is caused by department error, a

1 penalty may be assessed 6 months after the initial notification  
2 date of the overpayment amount. The department shall not collect  
3 penalty interest in an amount that exceeds the amount of the  
4 original overpayment. This state's share of any funds collected  
5 under this section must be deposited in the general fund of this  
6 state.

7 Sec. 230. Not later than December 31 and May 1 of the current  
8 fiscal year, the department shall submit, to the standard report  
9 recipients, a report on the status of the implementation of any  
10 noninflationary, noncaseload, programmatic funding increases in the  
11 current fiscal year from the previous fiscal year. The report must  
12 confirm the implementation of already-implemented funding increases  
13 and provide an explanation for any planned implementation of  
14 funding increases that have not yet occurred. For any planned  
15 implementation of funding increases that have not yet occurred, the  
16 report must include an expected implementation date and the reason  
17 for delayed implementation.

18 Sec. 231. (1) The department shall not expend the funds  
19 appropriated in part 1 to enter into any contract with a Medicaid  
20 managed care organization of MI Choice Waiver, MI Health Link, or  
21 behavioral health unless the Medicaid managed care organization  
22 agrees to do all of the following:

23 (a) Continue the direct care wage increase funded at the same  
24 level as the previous fiscal year for the services noted in the  
25 department's Medicaid provider letter L 21-76 under the Medicaid  
26 managed care organization's relevant program.

27 (b) Ensure, to the greatest extent possible, that the full  
28 amount of funds appropriated for direct care worker wages, except  
29 for costs incurred by the employer, including payroll taxes, is

1 provided to direct care workers through maintained increased wages.

2 (c) Permit a direct care worker to elect, in writing or  
3 electronically, to not receive the wage increase provided in this  
4 section.

5 (d) Require each direct care worker agency that the Medicaid  
6 managed care organization subcontracts with to track and report  
7 annually the total amount and percentage of Medicaid reimbursements  
8 paid to the direct care worker agency that are used to pay direct  
9 care worker wages.

10 (e) Require each direct care worker agency that the Medicaid  
11 managed care provider subcontracts with to track and report  
12 annually the hourly wages paid for each direct care worker hired by  
13 the direct care worker agency.

14 (f) Track annually the hourly wages paid to each direct care  
15 worker hired directly by the Medicaid managed care organization or  
16 CMHSP.

17 (g) Submit, to the department, a report that includes the  
18 information tracked or reported under subdivisions (d), (e), and  
19 (f).

20 (2) The department shall provide to the standard report  
21 recipients the report required under subsection (1)(g) not later  
22 than 30 days after receipt.

23 Sec. 232. The department shall provide the approved spending  
24 plan for each line item receiving an appropriation in the current  
25 fiscal year to the senate and house of representatives  
26 appropriations subcommittees on the department budget and the  
27 senate and house fiscal agencies not later than 60 days after  
28 approval by the department or not later than January 15 of the  
29 current fiscal year, whichever is earlier. In all places that a

1 line-item appropriation number is listed, a line-item appropriation  
2 name must be included. The spending plan must include the following  
3 information regarding planned expenditures for each category:  
4 allocation in the previous period, change in the allocation, and  
5 new allocation. The spending plan must include the following  
6 information regarding each revenue source for the line item:  
7 category of the fund source indicated by general fund/general  
8 purpose, state restricted, local, private, or federal. Figures  
9 included in the approved spending plan must not be assumed to  
10 constitute the actual final expenditures, as line items may be  
11 updated on an as-needed basis to reflect changes in projected  
12 expenditures and projected revenue. The department shall supplement  
13 the spending plan information by providing a list of all active  
14 contracts and grants in the department's contract system. For  
15 amounts listed in the other contracts category of each spending  
16 plan, the department shall include the name of the line item and  
17 the name of the fund source for each contract, grant, and amount  
18 for the current fiscal year. For amounts listed in the all other  
19 costs category of each spending plan, the department shall provide  
20 a list detailing planned expenditures and amounts for the current  
21 fiscal year and include the name of the line item and the name of  
22 the fund source related to each expenditure and amount.

23       Sec. 234. The department shall receive and retain copies of  
24 all reports funded from appropriations in part 1. The department  
25 shall follow federal and state guidelines for short-term and long-  
26 term retention of records. The department may electronically retain  
27 copies of reports unless otherwise required by federal and state  
28 guidelines.

29       Sec. 235. (1) Funds appropriated in part 1 must not be used to

1 restrict or impede a marginalized community's access to government  
2 resources, programs, or facilities.

3 (2) From the funds appropriated in part 1, local governments  
4 shall report any action or policy that attempts to restrict or  
5 interfere with the duties of the local health officer.

6 Sec. 236. (1) From the funds appropriated in part 1, the  
7 department shall do the following:

8 (a) Report any amounts of severance pay for a department  
9 director, deputy director, or other high-ranking department  
10 official not later than 14 days after a severance agreement with  
11 the director or official is signed. The name of the director or  
12 official and the amount of severance pay must be included in the  
13 report required by this subdivision.

14 (b) Not later than February 1, report on the total amount of  
15 severance pay remitted to former department employees during the  
16 previous fiscal year and the total number of former department  
17 employees that were remitted severance pay during the previous  
18 fiscal year.

19 (2) Reports required by this section must be submitted to the  
20 standard report recipients and to the senate and house of  
21 representatives appropriations committees.

22 (3) As used in this section, "severance pay" means  
23 compensation that is both payable or paid on the termination of  
24 employment and in addition to either wages or benefits earned  
25 during the course of employment or generally applicable retirement  
26 benefits.

27 Sec. 239. For behavioral and physical health services provided  
28 through managed care or the fee-for-service program, the department  
29 shall require, for the nonfacility component of the reimbursement

1 rate, at least the same reimbursement for that service, if that  
2 service is provided through telemedicine, as if the service  
3 involved face-to-face contact between the health care professional  
4 and the patient.

5 Sec. 240. To the extent possible, the department shall not  
6 expend appropriations under part 1 until all existing authorized  
7 work project funds available for the same purposes are exhausted.

8 Sec. 241. Not later than March 1 of the current fiscal year,  
9 the department shall submit, to the standard report recipients, a  
10 report on total actual expenditures in the previous fiscal year for  
11 advertising and media outreach, including the purpose, amount, and  
12 fund source by program or appropriation line item.

13 Sec. 242. Not later than March 1 of the current fiscal year,  
14 the department shall submit a description of programs report to the  
15 standard report recipients. For each program, the report must  
16 include the appropriation unit; the line item name and number; the  
17 appropriation history; the program name; the program overview; a  
18 financing summary; and, where applicable, the program's legal  
19 basis, effectiveness, and outcomes.

20 Sec. 244. On a monthly basis, the department shall submit, to  
21 the standard report recipients, a report on any line-item  
22 appropriation for which the department estimates total annual  
23 expenditures would exceed the funds appropriated for the line-item  
24 appropriation by 5% or more. The department shall provide a  
25 detailed explanation for any relevant line-item appropriation  
26 exceedance and identify the corrective actions undertaken to  
27 mitigate line-item appropriation expenditures from exceeding the  
28 funds appropriated for the line-item appropriation by a greater  
29 amount. This section does not apply for line-item appropriations

1 that are part of the May revenue estimating conference caseload and  
2 expenditure estimates.

3 Sec. 250. (1) For any grant program or project funded in part  
4 1 intended for a single recipient organization or unit of local  
5 government, the grant program or project is for a public purpose  
6 and the department shall follow procurement statutes of this state,  
7 including any bidding requirements, unless the department can fully  
8 validate, through information detailed in this part or public  
9 supporting documents, both of the following:

10 (a) The specific organization or unit of local government that  
11 will receive or administer the funds.

12 (b) How the funds will be administered and expended.

13 (2) Notwithstanding any other conditions or requirements for  
14 direct appropriation grants, the department shall perform at least  
15 all of the following activities to administer the grants described  
16 in subsection (1):

17 (a) Develop a standard application process, grantee reporting  
18 requirements, and any other necessary documentation, including  
19 sponsorship information as specified under subsection (3).

20 (b) Establish a process to review, complete, and execute a  
21 grant agreement with a grant recipient. The department shall not  
22 execute a grant agreement unless all necessary documentation has  
23 been submitted and reviewed.

24 (c) Verify to the extent possible that a grant recipient will  
25 utilize funds for a public purpose that serves the economic  
26 prosperity, health, safety, or general welfare of the residents of  
27 this state.

28 (d) Review and verify all necessary information to ensure the  
29 grant recipient is reasonably able to execute the grant agreement,

1 perform its fiduciary duty, and comply with all applicable state  
2 and federal statutes. The department may deduct the cost of  
3 background checks performed as part of this verification from the  
4 amount of the designated grant award.

5 (e) Establish a standard timeline to review all documents  
6 submitted by grant recipients and provide a response within 45  
7 business days stating whether submitted documents by a grant  
8 recipient are sufficient or in need of additional information.

9 (3) A sponsor of a grant described in subsection (1) must be a  
10 legislator or the department. A legislative sponsor must be  
11 identified through a letter submitted by that legislator's office  
12 to the department and state budget director containing the name of  
13 the grant recipient, the intended amount of the grant, a  
14 certification from that legislator that the grant is for a public  
15 purpose, and specific citation of the section and subsection of the  
16 public act that authorizes the grant, as applicable. If a  
17 legislative sponsor is not identified before January 15, 2025, the  
18 department shall do 1 of the following:

19 (a) Identify the department as the sponsor.

20 (b) Decline to execute the grant agreement.

21 (4) An executed grant agreement under this section between the  
22 department and a grant recipient must include at least all of the  
23 following:

24 (a) All necessary identifying information for the grant  
25 recipient, including any tax and financial information for the  
26 department to administer funds under this section.

27 (b) A description of the project for which the grant funds  
28 will be expended, including tentative timelines and the estimated  
29 budget. The department shall not reimburse expenditures that are



1 outside of the project purpose, as stated in the executed grant  
2 agreement, from appropriations in part 1.

3 (c) Unless otherwise specified in department policy, a  
4 requirement that funds appropriated for the grants described in  
5 subsection (1) may be used only for expenditures that occur on or  
6 after the effective date of this act.

7 (d) At the discretion of the department, a provision for an  
8 initial disbursement of 50% to the grant recipient on execution of  
9 the grant agreement consistent with part II, chapter 10, section  
10 200 of the Financial Management Guide.

11 (e) A requirement that after an initial 50% disbursement under  
12 subdivision (d), additional funds will be disbursed only after  
13 verification that the initial payment has been fully expended in  
14 accordance with the project purpose. The department shall disburse  
15 the remaining funds after the grantee has provided sufficient  
16 documentation, as determined by the department, to verify that all  
17 expenditures were made in accordance with the project purpose.

18 (f) A requirement for reporting by the grant recipient to the  
19 department that provides the status of the project and an  
20 accounting of all funds expended by the grant recipient, as  
21 determined by the department.

22 (g) A claw-back provision that allows the department of  
23 treasury to recoup or otherwise collect any funds that are  
24 declined, unspent, or otherwise misused.

25 (5) If appropriate to improve the administration or oversight  
26 of a grant described in subsection (1), the department may adopt a  
27 memorandum of understanding with another state department to  
28 perform the required duties under this section.

29 (6) A grant recipient shall respond to all reasonable

1 information requests from the department related to grant  
2 expenditures and retain grant records for not less than 7 years,  
3 and the grant may be subject to monitoring, site visits, and audits  
4 as determined by the department. The grant agreement required under  
5 this section must include signed assurance by the chief executive  
6 officer or other executive officer of the grant recipient that the  
7 requirements of this subsection will be met.

8 (7) The grant recipient shall expend all funds awarded and  
9 complete all projects not later than September 30, 2029. If at that  
10 time any unexpended funds remain, the grant recipient shall return  
11 those funds to the state treasury. If a grant recipient does not  
12 provide information sufficient to execute a grant agreement not  
13 later than June 1, 2025, the department shall return funds  
14 associated with the grant to the state treasury.

15 (8) The state budget director may, on a case-by-case basis,  
16 extend the deadline in subsection (7) on request by a grant  
17 recipient. The state budget director shall notify the chairs of the  
18 senate and house of representatives appropriations committees not  
19 later than 5 days after an extension is granted.

20 (9) Except as otherwise provided in subsection (10), beginning  
21 March 15 of the current fiscal year, the department shall post a  
22 report in a publicly accessible location on its website. The report  
23 must list the grant recipient, project purpose, and location of the  
24 project for each grant described in subsection (1), the status of  
25 funds allocated and disbursed under the grant agreement, and the  
26 legislative sponsor, if applicable. The department shall update the  
27 report not later than June 15 of the current fiscal year and again  
28 not later than September 15 of the current fiscal year. The  
29 department shall include in the report the most comprehensive

1 information the department has available at the time of posting for  
2 grants awarded.

3 (10) If the state budget office determines that it is more  
4 efficient for the state budget office to compile all affected  
5 departments' information and post the report required under  
6 subsection (9) rather than the report being posted by individual  
7 departments, the state budget office may compile that information  
8 across all affected departments and post the report required under  
9 subsection (9) on the same time schedule as identified in  
10 subsection (9).

11 (11) As applicable, the legislative sponsor of a grant  
12 described in subsection (1) shall comply with all applicable laws  
13 concerning conflicts of interest in seeking a direct grant. A  
14 legislative sponsor shall not seek a grant for a recipient if a  
15 conflict of interest exists.

16 (12) If the department reasonably determines that the funds  
17 allocated for an executed grant agreement under this section were  
18 misused or that use of the funds was misrepresented by the grant  
19 recipient, the department shall not award any additional funds  
20 under the executed grant agreement and shall refer the grant for  
21 review following internal audit protocols.

22 Sec. 253. (1) The department shall ensure that each federally  
23 recognized tribe is able to apply and compete for services,  
24 programs, grants, and contracts.

25 (2) For competitive grant programs described in this part,  
26 each federally recognized tribe is eligible to apply for grant  
27 funds made available to organizations exempt from federal income  
28 tax under section 501(c)(3) of the internal revenue code of 1986,  
29 26 USC 501, and to local units of government.

1           Sec. 263. (1) Except as provided in this subsection, before  
2 submission of a waiver, state plan amendment, or similar proposal  
3 to CMS or another federal agency, the department shall notify the  
4 standard report recipients of the planned submission. This  
5 subsection does not apply to the submission of a waiver, state plan  
6 amendment, or similar proposal that does not propose a material  
7 change or is outside of the ordinary course of a waiver, state plan  
8 amendment, or similar proposal.

9           (2) On a semiannual basis, the department shall submit, to the  
10 standard report recipients, a report that summarizes the status of  
11 any new or ongoing discussions with CMS, the United States  
12 Department of Health and Human Services, or another federal agency  
13 regarding any potential or future waiver applications and the  
14 status of any submitted waivers that have not yet received federal  
15 approval. If there is not a reportable item at the time that a  
16 semiannual report is due, a report is not required.

17          Sec. 264. The department shall not take disciplinary action  
18 against an employee of the department for communicating with a  
19 member of the senate or house of representatives or a member's  
20 staff, unless the communication is prohibited by law and the  
21 department is exercising its authority as provided by law.

22          Sec. 270. The department shall advise the legislature of the  
23 receipt of a notification from the attorney general's office of a  
24 legal action in which expenses had been recovered under section  
25 106(6) of the social welfare act, 1939 PA 280, MCL 400.106. If  
26 applicable, not later than February 1 of the current fiscal year,  
27 the department shall submit, to the standard report recipients, a  
28 report that includes, but is not limited to, all of the following:

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

1 (b) The program or service for which the money was originally  
2 expended.

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

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

7 Sec. 274. On the day that is 1 week after the day that the  
8 governor submits the executive budget proposal for the ensuing  
9 fiscal year to the legislature, the department, in collaboration  
10 with the state budget office, shall submit, to the standard report  
11 recipients, a report on spending and revenue projections for each  
12 of the capped federal funds listed in this subsection. The report  
13 must contain actual spending and revenue in the previous fiscal  
14 year, spending and revenue projections for the current fiscal year  
15 as enacted, and spending and revenue projections in the executive  
16 budget proposal for the immediately ensuing fiscal year for each  
17 individual line item for the department budget. The report must  
18 also include federal funds transferred to other departments. The  
19 capped federal funds include, but are not limited to, all of the  
20 following:

21 (a) TANF.

22 (b) Title XX social services block grant.

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

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

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

27 Sec. 275. (1) On a quarterly basis, the department, with the  
28 approval of the state budget director, is authorized to realign  
29 sources between other federal, TANF, and capped federal financing

1 authorizations to maximize federal revenues. The realignment of  
2 financing must not produce any of the following:

3 (a) A gross increase or decrease in the department's total  
4 individual line item authorizations.

5 (b) A net increase or decrease in total federal revenues.

6 (c) A net increase in TANF authorization.

7 (2) On a quarterly basis, the department shall submit, to the  
8 standard report recipients, a report on the realignment of federal  
9 fund sources transacted to date in the current fiscal year under  
10 subsection (1), including the dates, line items, and amounts of the  
11 transactions. If, at the time a quarterly report is due, a  
12 transaction was not made under subsection (1), a report is not  
13 required.

14 (3) Not later than 30 days after the date on which year-end  
15 book closing is completed, the department shall submit, to the  
16 standard report recipients, a report on the realignment of federal  
17 fund sources that took place as part of the year-end closing  
18 process for the previous fiscal year.

19 Sec. 290. Any public advertisement for public assistance must  
20 inform the public of the welfare fraud hotline operated by the  
21 department.

22 Sec. 295. Not later than April 1 of the current fiscal year,  
23 the department shall submit, to the standard report recipients, a  
24 report on funds appropriated for the healthy moms, healthy babies  
25 initiative. The report must include the budgeted amount, year-to-  
26 date expenditures, remaining balance of appropriations, and the  
27 percent of budget spent for each appropriation related to the  
28 initiative. The report must also include information on how the  
29 funds have assisted with meeting the goals and outcomes of the

1 initiative.

2 Sec. 296. From the funds appropriated in part 1, the  
3 department, to the extent permissible under section 8 of 1964 PA  
4 170, MCL 691.1408, is responsible for the necessary and reasonable  
5 attorney fees and costs incurred by private and independent legal  
6 counsel chosen by current and former classified and unclassified  
7 department employees in the defense of the employees in any state  
8 or federal lawsuit or investigation related to the water system in  
9 a city or community in which a declaration of emergency was issued  
10 because of drinking water contamination.

11 Sec. 297. On a quarterly basis, the department shall report on  
12 the number of full-time equated positions in pay status by civil  
13 service classification, including a comparison by line item of the  
14 number of full-time equated positions authorized from funds  
15 appropriated in part 1 to the actual number of full-time equated  
16 positions employed by the department at the end of the reporting  
17 period. The report must be submitted to the senate and house of  
18 representatives appropriations committees and to the standard  
19 report recipients.

20  
21 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

22 Sec. 301. From the funds appropriated in part 1 for child  
23 welfare institute, the department shall train private child placing  
24 agency staff in the pre-service training requirements for child  
25 welfare caseworkers and supervisors. Private child placing agency  
26 staff must be provided an opportunity to complete the training in a  
27 virtual format at the staff's private child placing agency  
28 facility. If a private child placing agency prefers a hybrid  
29 training format that includes virtual and in-person instruction,

1 the training must be available to the private child placing agency  
2 staff.

3 Sec. 303. From the funds appropriated in part 1 for state  
4 employees retirement system implementation costs - DHHS, the  
5 department must remit those funds to the state employees retirement  
6 system in support of funding a limited defined benefit pension for  
7 all department employees classified as activities therapy aide,  
8 assistance payments worker, assistance payments supervisor, child  
9 care worker, departmental technician, family independence  
10 specialist, family independence manager, resident care aide,  
11 services specialist, services program manager, services specialist  
12 assistant, youth aide, and youth specialist. As used in this  
13 section, "limited defined benefit pension" means a retirement plan  
14 that promises a specified monthly benefit at retirement that is  
15 based on a fixed formula and calculation of the maximum annual  
16 benefit for a participant cannot exceed \$50,000.00 in final average  
17 compensation.

18  
19 **CHILD SUPPORT ENFORCEMENT**

20 Sec. 401. (1) The appropriations in part 1 assume a total  
21 federal child support incentive payment of \$26,500,000.00.

22 (2) From the federal money received for child support  
23 incentive payments, \$12,000,000.00 must be retained by this state  
24 and expended for child support program expenses.

25 (3) From the federal money received for child support  
26 incentive payments, \$14,500,000.00 must be paid to counties based  
27 on each county's performance level for each of the performance  
28 measures under 45 CFR 305.2.

29 (4) If the child support incentive payment to this state from



1 the federal government is greater than \$26,500,000.00, then 100% of  
2 the amount in excess must be retained by this state and is  
3 appropriated until the total retained by this state reaches  
4 \$15,397,400.00.

5 (5) If the child support incentive payment to this state from  
6 the federal government is greater than the amount needed to satisfy  
7 subsections (1), (2), (3), and (4), the additional funds are  
8 subject to appropriation by the legislature.

9 (6) If the child support incentive payment to this state from  
10 the federal government is less than \$26,500,000.00, then the state  
11 share and the county share must each be reduced by 50% of the  
12 shortfall.

13 Sec. 409. (1) If statewide retained child support collections  
14 exceed \$38,300,000.00, 75% of the amount in excess of  
15 \$38,300,000.00 is appropriated to legal support contracts. The  
16 excess appropriation may be distributed to eligible counties to  
17 supplement, but not supplant, county title IV-D funding.

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

24 Sec. 410. (1) If title IV-D-related child support collections  
25 are escheated, the state budget director is authorized to adjust  
26 the sources of financing for the funds appropriated in part 1 for  
27 legal support contracts to reduce federal authorization by 66% of  
28 the escheated amount and increase general fund/general purpose  
29 authorization by the same amount. The adjustment is required to

1 offset the loss of federal revenue due to the escheated amount  
2 being counted as title IV-D program income in accordance with 45  
3 CFR 304.50.

4 (2) Not later than 30 days after an adjustment under  
5 subsection (1), the department shall notify the standard report  
6 recipients of the adjustment.

7  
8 **COMMUNITY SERVICES AND OUTREACH**

9 Sec. 450. (1) From the funds appropriated in part 1 for school  
10 success partnership program, not later than December 1 of the  
11 current fiscal year, the department shall allocate \$1,525,000.00 of  
12 TANF revenue to support Northeast Michigan Community Service Agency  
13 programming. The department shall require the Northeast Michigan  
14 Community Service Agency to measure and report the following  
15 performance objectives for the duration of the state funding for  
16 the school success partnership program:

17 (a) Increasing school attendance and decreasing chronic  
18 absenteeism.

19 (b) Increasing grade-based academic performance, with emphasis  
20 on math and reading.

21 (c) Identifying barriers to attendance and success and  
22 connecting families with resources to reduce the barriers.

23 (d) Increasing parent involvement.

24 (2) Not later than July 15 of the current fiscal year, the  
25 Northeast Michigan Community Service Agency shall submit a report  
26 to the department on the number of children and families served and  
27 the services that were provided to families to meet the performance  
28 objectives identified in this section. Not later than 1 week after  
29 the department receives the report, the department shall distribute

1 the report to the standard report recipients.

2 Sec. 453. (1) From the funds appropriated in part 1 for  
3 homeless programs, the department shall allocate funds to the  
4 emergency shelter program to support efforts of shelter providers  
5 to move homeless individuals and households into permanent housing  
6 as quickly as possible. The funds must be equal to or exceed the  
7 amount that a provider would receive if the provider is paid a  
8 \$19.00 per diem rate. Expected outcomes are increased shelter  
9 discharges to stable housing destinations, decreased recidivism  
10 rates for shelter clients, and a reduction in the average length of  
11 stay in emergency shelters.

12 (2) Not later than March 1 of the current fiscal year, the  
13 department shall submit, to the standard report recipients, a  
14 report on the total amount expended for the emergency shelter  
15 program in the prior 2 fiscal years, the total number of shelter  
16 nights provided, and the average length of stay in an emergency  
17 shelter.

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

22 Sec. 455. As a condition of receipt of federal TANF revenue,  
23 after admitting a family to a homeless shelter, the homeless  
24 shelter and human services agencies shall collaborate with the  
25 department to obtain necessary TANF eligibility information on the  
26 family as soon as possible. From the funds appropriated in part 1  
27 for homeless programs, the department is authorized to make  
28 allocations of TANF revenue only to the homeless shelters and human  
29 services agencies that report necessary data to the department to

1 meet TANF eligibility reporting requirements. Homeless shelters or  
2 human services agencies that do not report necessary data to the  
3 department to meet TANF eligibility reporting requirements shall  
4 not receive reimbursements that exceed the per diem amount the  
5 homeless shelters or human service agencies received in fiscal year  
6 2000. The use of TANF revenue under this section is not an ongoing  
7 commitment of funding.

8 Sec. 456. From the funds appropriated in part 1 for homeless  
9 programs, the department shall allocate \$10,000.00 to reimburse  
10 public service agencies that provide documentation of paying birth  
11 certificate fees on behalf of category 1 homeless clients at county  
12 clerk's offices. Each public service agency must be reimbursed for  
13 the cost of the birth certificate fees quarterly until the  
14 allocation is fully spent.

15 Sec. 457. From the funds appropriated in part 1 for homeless  
16 programs, the department shall allocate \$10,750,000.00 of TANF  
17 revenue to support family shelters, individuals, or families who  
18 are homeless and at risk of being homeless. Funds appropriated  
19 under this section must be used as follows:

20 (a) \$2,750,000.00 for emergency hotels for families  
21 experiencing homelessness.

22 (b) \$6,000,000.00 for case management services and supports to  
23 families engaged with child welfare. This may include, but is not  
24 limited to, eviction diversion, first month's rent and deposit, and  
25 utility arrears.

26 (c) \$2,000,000.00 for creating additional spaces at family  
27 homeless shelters.

28 Sec. 458. From the funds appropriated in part 1 for homeless  
29 programs, the department shall require any entities receiving

1 direct or indirect state funds to report data to a Homeless  
2 Management Information System that satisfies the baseline data  
3 collection requirements.

4 Sec. 459. (1) From the funds appropriated in part 1 for  
5 homeless programs, the department shall allocate \$10,000,000.00 of  
6 TANF revenue to create 2 tiny home villages that operate under a  
7 Housing First model that prioritize providing stable and permanent  
8 housing to individuals experiencing homelessness without  
9 preconditions or requirements, such as sobriety or participation in  
10 treatment programs. One of the tiny home villages must be located  
11 in the United States Department of Housing and Urban Development's  
12 continuum of care program MI-501. One of the tiny home villages  
13 must be located in the United States Department of Housing and  
14 Urban Development's continuum of care program MI-506. As used in  
15 this subsection, "tiny home village" means a collection of 15 or  
16 more small homes, each with floor plans of less than 500 square  
17 feet, which may be constructed on either a mobile platform or a  
18 permanent house foundation.

19 (2) From the funds appropriated in part 1 for homeless  
20 programs, the department shall allocate \$10,000,000.00 of TANF  
21 revenue to acquire and develop for individuals and families  
22 noncongregate shelter that utilizes options under a Housing First  
23 model and prioritizes providing stable and permanent housing  
24 without preconditions or requirements, such as sobriety or  
25 participation in treatment programs. Eligible uses for this funding  
26 may include, but are not limited to, hotels, motels, dormitories,  
27 medical respite or recuperative care facilities, and other  
28 facilities that offer noncongregate shelter.

29 Sec. 460. From the funds appropriated in part 1 for kids' food

1 basket, the department shall allocate \$525,000.00 to fund a project  
2 with a nonprofit, community-based organization organized under the  
3 laws of this state that is exempt from federal income tax under  
4 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,  
5 and is located in a city with a population between 185,000 and  
6 200,000 and in a county with a population between 600,000 and  
7 700,000, according to the most recent federal decennial census. The  
8 nonprofit organization recipient must have an existing network of  
9 food delivery to low-income children in not less than 3 counties in  
10 this state. The nonprofit organization shall use the funds to  
11 expand its services to additional schools and communities. The  
12 funding may be used to cover employee costs, food and supplies,  
13 equipment, and other operational costs identified by the  
14 organization to support its mission and goals.

15 Sec. 462. From the funds appropriated in part 1 for senior  
16 university, the department shall allocate \$400,000.00 to a  
17 community action alliance located in a city with a population over  
18 500,000 according to the most recent federal decennial census to  
19 improve connectivity and computer skills to seniors.

20 Sec. 463. From the funds appropriated in part 1 for runaway  
21 and homeless youth grants and domestic violence prevention and  
22 treatment, the department is authorized to make allocations of TANF  
23 revenue only to agencies that report necessary data to the  
24 department to meet TANF eligibility reporting requirements.

25 Sec. 464. (1) From the funds appropriated in part 1 for diaper  
26 assistance grant, the department shall purchase diapering supplies  
27 in bulk and allocate those supplies to diaper assistance programs,  
28 maternity homes, local county offices, and other nonprofit agencies  
29 that distribute diapers free of charge and were established as of

1 January 1, 2020. The funds must be used only to purchase diapering  
2 supplies and to cover related administrative costs. Not more than  
3 15% of the funds appropriated in part 1 are expendable for  
4 administrative purposes.

5 (2) Not later than March 1 of the current fiscal year, the  
6 department shall submit, to the standard report recipients, a  
7 report on the distribution of diapering supplies that includes, but  
8 is not limited to, the names and locations of the entities  
9 described in subsection (1) that distribute diaper supplies and the  
10 total amount of diapering supplies distributed to each entity.

11 (3) Funds appropriated for diaper assistance grant are  
12 considered work project funds, do not lapse at the end of the  
13 fiscal year, and are available for expenditures for projects under  
14 this section until the projects have been completed. The following  
15 is in compliance with section 451a of the management and budget  
16 act, 1984 PA 431, MCL 18.1451a:

17 (a) The purpose of the work project is to provide funding for  
18 grants for eligible entities to distribute diapers free of charge.

19 (b) The work project will be accomplished through partnerships  
20 with diaper assistance programs, maternity homes, and other  
21 nonprofit agencies.

22 (c) The total estimated cost of the work project is  
23 \$4,404,400.00.

24 (d) The tentative completion date for the work project is  
25 September 30, 2028.

26 Sec. 465. (1) From the funds appropriated in part 1 for  
27 community services and outreach administration, \$7,950,000.00 must  
28 be distributed as provided in subsection (2). The amount  
29 distributed as provided in subsection (2) must not exceed 50% of

1 the total operating expenses of Michigan 2-1-1, which is described  
2 in subsection (2), with the remaining 50% paid by local United Way  
3 organizations and other nonprofit organizations and foundations.

4 (2) Funds distributed under subsection (1) must be distributed  
5 to Michigan 2-1-1, a nonprofit corporation organized under the laws  
6 of this state that is exempt from federal income tax under section  
7 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and  
8 whose mission is to coordinate and support a statewide 2-1-1  
9 system. Michigan 2-1-1 shall use the funds only to fulfill the  
10 Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January  
11 2005.

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

15 (4) Michigan 2-1-1 shall submit, to the department, the senate  
16 and house of representatives standing committees with primary  
17 jurisdiction over matters relating to human services and  
18 telecommunications on 2-1-1 system performance, and the standard  
19 report recipients, a report that includes, but is not limited to,  
20 call volume by health and human service needs and unmet needs  
21 identified through caller data and number and the percentage of  
22 callers referred to public or private provider types.

23 Sec. 466. From the funds appropriated in part 1 for runaway  
24 and homeless youth grants, the department shall allocate  
25 \$5,342,100.00 that consists of \$1,146,900.00 in general  
26 fund/general purpose revenue and \$4,195,200.00 of TANF revenue to  
27 support the expansion of runaway and homeless youth capacity. The  
28 funding must be allocated as follows:

29 (a) \$3,205,300.00 to cover the 18 counties that are presently



1 unserved by any runaway and homeless youth program and to expand  
2 the capacity for counties that are underserved.

3 (b) \$1,068,400.00 across 19 providers statewide to provide  
4 infrastructure support for expanded staff, supervision, and  
5 training to continue to meet the complex mental health needs of the  
6 population served.

7 (c) \$1,068,400.00 across 19 providers statewide to support  
8 upgrading technology and facilities to maintain safety in  
9 environments where youth are sheltered.

10 Sec. 467. From the funds appropriated in part 1 for volunteer  
11 income tax assistance grants, the department shall allocate \$100.00  
12 in general fund/general purpose revenue to expand the service  
13 coverage area for access to free tax preparation services.

14  
15 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

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

20 (2) Not later than March 1 of the current fiscal year, the  
21 department shall submit, to the standard report recipients, a  
22 report describing the steps that will be taken to achieve the goal  
23 under subsection (1).

24 Sec. 502. From the funds appropriated in part 1 for foster  
25 care, the department shall reimburse Indian tribal governments for  
26 50% of the foster care expenditures for children who are under the  
27 jurisdiction of Indian tribal courts and are not otherwise eligible  
28 for federal foster care cost sharing. However, the department may  
29 reimburse up to 100% of the foster care expenditures for an Indian

1 tribal government that enters into a state-tribal title IV-E  
2 agreement allowed under this state's title IV-E state plan.

3 Sec. 503. In accordance with the final report of the Michigan  
4 child welfare performance-based funding task force issued in  
5 response to section 503 of article X of 2013 PA 59, the department  
6 shall review, update, or develop actuarially sound case rates for  
7 necessary child welfare foster care case management services that  
8 achieve permanency by the department and private child placing  
9 agencies in a prospective payment system under a performance-based  
10 funding model.

11 Sec. 504. (1) From the funds appropriated in part 1, the  
12 department shall implement a 3-year master agreement, with an  
13 option for 2 additional years, with the West Michigan Partnership  
14 for Children Consortium to maintain a performance-based child  
15 welfare contracting program. The Consortium must consist of a  
16 network of affiliated child welfare service providers that will  
17 accept and comprehensively assess referred youth, assign cases to  
18 its members or leverage services from other entities, and make  
19 appropriate case management decisions during the duration of a  
20 case.

21 (2) As a condition for receiving the funding in part 1, the  
22 West Michigan Partnership of Children Consortium shall maintain a  
23 contract agreement with the department that supports a global  
24 capitated payment model. The capitated payment amount must be based  
25 on historical averages of both the number of children served in  
26 Kent County and the costs per foster care case. The West Michigan  
27 Partnership for Children Consortium shall manage the cost of the  
28 child population it serves. The administrative portion of the  
29 contracted agreement must reflect the cumulative annual percentage

1 change in the Detroit Consumer Price Index from the previous year.  
2 The capitated payment amount must be reviewed and adjusted not less  
3 than 2 times during the current fiscal year or for 1 or more of the  
4 following:

5 (a) Changes implemented by the department that result in a  
6 volume of placements that differ in a statistically significant  
7 manner from the amount allocated in the annual contract between the  
8 department and the West Michigan Partnership for Children  
9 Consortium, as determined by an independent actuary.

10 (b) Changes in case volumes and any statewide rate increases  
11 that are implemented.

12 (3) The contract agreement under this section must require the  
13 following stipulations and conditions:

14 (a) That the service component of the capitated payment will  
15 be calculated under the assumption that rates paid to providers  
16 under the program are generally consistent with the department's  
17 payment policies for providers throughout the rest of this state.

18 (b) That the West Michigan Partnership for Children Consortium  
19 maintain a risk reserve of not less than \$1,500,000.00 to ensure it  
20 can meet unanticipated expenses within a given fiscal year.

21 (c) That the West Michigan Partnership for Children Consortium  
22 cooperate with the department on an independent fiscal analysis of  
23 costs incurred and revenues received.

24 (4) Not later than March 1 of the current fiscal year, the  
25 Consortium shall submit, to the standard report recipients, a  
26 report on the Consortium, including, but not limited to, its actual  
27 expenditures, the number of children placed by agencies in the  
28 Consortium, the fund balance of the Consortium, and the outcomes  
29 measured.

1           Sec. 505. Not later than March 1 of the current fiscal year,  
2 the department shall submit, to the standard report recipients, a  
3 report on youth referred or committed to the department for care or  
4 supervision in the previous fiscal year that outlines the number of  
5 youth served by the department in the juvenile justice system by  
6 the type of setting for each youth.

7           Sec. 506. From the funds appropriated in part 1 for attorney  
8 general contract, not later than March 1 of the current fiscal  
9 year, the department shall submit, to the standard report  
10 recipients, a report on the juvenile justice system in any county  
11 in which funds appropriated in part 1 are expended. The report must  
12 include, but not be limited to, all of the following:

13           (a) The number of youth referred or committed to the  
14 department for care or supervision in the previous fiscal year and  
15 in the first quarter of the current fiscal year.

16           (b) The number of youth referred or committed to the care or  
17 supervision of the county in which funds appropriated in part 1  
18 were expended for the previous fiscal year and the first quarter of  
19 the current fiscal year.

20           (c) The type of setting for each youth referred or committed  
21 for care or supervision, any applicable performance outcomes, and  
22 identified financial costs or savings.

23           Sec. 507. The department's ability to satisfy appropriation  
24 deductions in part 1 for foster care private collections is not  
25 limited to collections and accruals pertaining to services provided  
26 only in the current fiscal year and may include revenues collected  
27 during the current fiscal year for services provided in prior  
28 fiscal years.

29           Sec. 508. (1) In addition to the amount appropriated in part 1

1 for children's trust fund grants, money granted or money received  
2 as gifts or donations to the children's trust fund created in 1982  
3 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

4 (2) For the funds described in subsection (1), the department  
5 shall ensure that administrative delays are avoided and local grant  
6 recipients and direct service providers receive money in an  
7 expeditious manner. The department and the state board as that term  
8 is defined in section 2 of the child abuse and neglect prevention  
9 act, 1982 PA 250, MCL 722.601, shall make the children's trust fund  
10 contract funds available to grantees not later than 31 days after  
11 the start date of the funded project.

12 Sec. 509. From the funds appropriated in part 1 for adoption  
13 support services, the department shall maintain the increase of  
14 contracted rates paid to private child placing agencies, including  
15 the \$23.00 per diem for all foster youth from the date of the case  
16 acceptance to the date of adoption petition acceptance or 150 days,  
17 whichever occurs sooner, for licensed child placing agencies  
18 contracted with the department to provide adoption services for  
19 foster youth. The per diem rate must be separate from the outcome-  
20 based reimbursement system and must not be deducted from the total  
21 reimbursement an agency receives for the applicable placement or  
22 finalization rate of an adoption.

23 Sec. 510. (1) From the funds appropriated in part 1 for child  
24 care fund and foster care payments, the department shall continue  
25 to implement contracts to cover a capacity model for a specified  
26 number of beds based on projected needs for privately operated  
27 child welfare and juvenile justice residential facilities. A  
28 contract entered into under this subsection must provide guaranteed  
29 payment for anticipated utilization, with the condition that

1 providers accept youth, up to the contracted capacity, who are  
2 determined through independent assessment as meeting the program  
3 entrance criteria. A contract under the capacity model described in  
4 this subsection must have been competitively bid and must include  
5 performance metrics. The contract rate must allow for full staffing  
6 and the ability to accommodate the highest-acuity cases. Not later  
7 than March 1 of the current fiscal year, the department shall  
8 submit, to the standard report recipients, a report on the status  
9 of the program that includes the participating facilities, the  
10 number of children placed, and the program type of the children  
11 placed.

12 (2) The department shall submit, to the standard report  
13 recipients, monthly reports on the number of children awaiting  
14 placement in a child caring institution in this state. Each report  
15 must include the number of children awaiting placement by child  
16 caring institution and must state the reason for the delay in  
17 placement, including, but not limited to, facility bed shortages,  
18 placement process delays, or other reasons.

19 Sec. 511. The department shall submit, to the standard report  
20 recipients and the senate and house of representatives standing  
21 committees that cover subject matters dealing with families and  
22 human services, reports on a semiannual basis that include the  
23 number and percentage of children who received timely physical and  
24 mental health examinations after entry into foster care. The goal  
25 of the program is for not less than 85% of children to have an  
26 initial medical and mental health examination that is not later  
27 than 30 days after entry into foster care.

28 Sec. 512. (1) From the funds appropriated in part 1 for foster  
29 care payments, the department shall allocate \$1,000,000.00 of TANF

1 revenue to provide luggage to a child who is being removed from the  
2 child's home or changing placement. The luggage provided under this  
3 section is considered to belong to the child and may not be  
4 confiscated by the department or the child's foster parent. The  
5 department is not required to provide new luggage under this  
6 section to a child who is changing placement and has had luggage  
7 previously provided by the department.

8 (2) The department may partner with local charities to  
9 establish and maintain the supply of luggage to be used to  
10 transport a child's personal belongings. Additionally, the  
11 department may accept donations of luggage to fulfill the  
12 requirements of this section.

13 (3) As used in this section, "luggage" means any of the  
14 following:

15 (a) A suitcase of any size.

16 (b) A duffel bag that holds at least 30 liters.

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

21 (a) An appropriate placement is not available in this state,  
22 as determined by the department's interstate compact office.

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

26 (c) The out-of-state facility meets all of the licensing  
27 standards for a comparable facility in this state.

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

1 (e) The department has visited the site of the out-of-state  
2 facility; has reviewed the facility records, licensing records, and  
3 reports; and believes that the facility is an appropriate placement  
4 for the child.

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

8 (3) Not later than March 1 of the current fiscal year, the  
9 department shall submit, to the state court administrative office  
10 and the standard report recipients, a report on the number of  
11 Michigan children residing in out-of-state facilities in the  
12 previous fiscal year, the total cost and average per diem cost of  
13 the out-of-state placements to this state, and a list of each out-  
14 of-state placement arranged by the Michigan county of residence for  
15 each child.

16 Sec. 514. (1) From the funds appropriated in part 1 for foster  
17 care payments, the department shall establish a statewide respite  
18 care services network available to licensed foster parents and  
19 unlicensed relative caregivers that care for children in foster  
20 care.

21 (2) Not later than March 1 of the current fiscal year, the  
22 department shall submit, to the standard report recipients, a  
23 report on the total number of licensed foster parents and  
24 unlicensed relative caregivers that were provided respite services,  
25 the average amount of respite time per month, and the total amount  
26 of funding spent on respite services during the first 6 months of  
27 the current fiscal year.

28 Sec. 515. If a children's protective services caseworker  
29 requests approval for another children's protective services



1 caseworker or other department employee to accompany the caseworker  
2 on a home visit because the caseworker believes that it would be  
3 unsafe to conduct the home visit alone, the department shall not  
4 deny the request.

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

13 (2) From the funds appropriated in part 1 for child care fund  
14 - indirect cost allotment, the department shall allocate  
15 \$3,500,000.00 to counties and tribal governments that receive  
16 reimbursements in part 1 from child care fund.

17 (3) The amount described in subsection (2) must be distributed  
18 to each county or tribal government in the same proportion as  
19 indirect cost allotments are provided to counties in the same  
20 manner described in section 117a of the social welfare act, 1939 PA  
21 280, MCL 400.117a.

22 Sec. 517. For a child placed in a family foster care home  
23 located out of this state, the department may ask a state or  
24 private child placing agency contracted by the receiving state to  
25 carry out required visits and any additional visits that the  
26 department finds necessary.

27 Sec. 518. Not later than March 1 of the current fiscal year,  
28 the department shall submit, to the standard report recipients, a  
29 report on the cumulative child care fund expenditures of in-home

1 juvenile justice care that are eligible for the 75% state and 25%  
2 local split required under section 117a(4) (i) of the social welfare  
3 act, 1939 PA 280, MCL 400.117a. Eligible expenditures include  
4 community-based juvenile supervision, services, and related  
5 practices, and per diem rates for the use of respite and shelter  
6 for less than 30 days. The report must also include the  
7 expenditures by county and type of service provided, the number of  
8 youth receiving care, and the number of days of care.

9 Sec. 519. The department shall permit any private agency that  
10 has an existing contract with this state to provide foster care  
11 services to also be eligible to provide treatment foster care  
12 services.

13 Sec. 520. Not later than February 15 of the current fiscal  
14 year, the department shall submit, to the standard report  
15 recipients, a report on the number of days of care and expenditures  
16 by funding source for the previous fiscal year for out-of-home  
17 placements by specific placement programs for child abuse or child  
18 neglect and juvenile justice, including, but not limited to, paid  
19 relative placement, department direct family foster care, private-  
20 agency-supervised foster care, private child caring institutions,  
21 county-supervised facilities, and independent living. The report  
22 must also include the number of days of care for department-  
23 operated residential juvenile justice facilities by security  
24 classification.

25 Sec. 522. (1) From the funds appropriated in part 1 for youth  
26 in transition, the department shall allocate \$750,000.00 for  
27 scholarships through the fostering futures scholarship program in  
28 the Michigan education trust to youth who were in foster care  
29 because of child abuse or child neglect and are attending a college

1 or a career technical educational institution located in this  
2 state. One hundred percent of the funds appropriated must be used  
3 to fund scholarships for the youth described in this section.

4 (2) Not later than June 1 of the current fiscal year, the  
5 department shall submit, to the standard report recipients, a  
6 report that includes the number of youth who applied for  
7 scholarships under this section, the number of youth who received  
8 scholarships under this section and the amount of each scholarship,  
9 and the total amount of funds spent or encumbered in the current  
10 fiscal year.

11 Sec. 523. (1) Not later than February 15 of the current fiscal  
12 year, the department shall submit, to the standard report  
13 recipients, a report on the families first, family reunification,  
14 and families together building solutions family preservation  
15 programs. The report must include both of the following:

16 (a) Population and outcome data based on families served.

17 (b) For each program, information on any innovations that may  
18 increase child safety and reduce risk.

19 (2) Not later than October 1 of the current fiscal year, from  
20 the funds appropriated in part 1 for family preservation services,  
21 the department shall retain the rates established by the increase  
22 under section 523(3) of article 6 of 2020 PA 166.

23 Sec. 524. As a condition of receiving funds appropriated in  
24 part 1 for strong families/safe children, not later than October 1  
25 of the current fiscal year, counties shall submit the service  
26 spending plan to the department for approval. Not later than 30  
27 calendar days after receipt of a properly completed service  
28 spending plan, the department shall approve the service spending  
29 plan.

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

7           Sec. 526. From the funds appropriated in part 1 for court-  
8 appointed special advocates, the department shall allocate  
9 \$1,000,000.00 to fund a project with a nonprofit, community-based  
10 organization organized under the laws of this state that is exempt  
11 from federal income tax under section 501(c)(3) of the internal  
12 revenue code of 1986, 26 USC 501, located in a charter township  
13 with a population between 18,000 and 19,000 that is located in a  
14 county with a population between 600,000 and 700,000, according to  
15 the most recent federal decennial census. The nonprofit  
16 organization recipient must have an existing network of affiliate  
17 programs operating in not less than 25 counties in this state. The  
18 recipient nonprofit organization shall use the funds to recruit,  
19 screen, train, and supervise volunteers who provide advocacy  
20 services on behalf of abused and neglected children.

21           Sec. 528. From the funds appropriated in part 1 for child care  
22 fund, the department shall allocate \$3,730,300.00 to increase the  
23 annual basic grant to counties with a population of less than  
24 75,000, according to the most recent federal decennial census, and  
25 as described in section 117e of the social welfare act, 1939 PA  
26 280, MCL 400.117e, and to eligible tribal entities. The basic grant  
27 is \$56,520.00 to eligible counties and tribal entities.

28           Sec. 529. From the funds appropriated in part 1 for family  
29 preservation programs, the department shall maintain the total

1 combined funding levels of the families first, family  
2 reunification, and families together building solutions family  
3 preservation programs at an amount not less than the amount  
4 provided as of September 30, 2021. For the current fiscal year, as  
5 the department moves toward implementation of the family first  
6 prevention services act of Public Law 115-123, the funding  
7 available to serve families through the existing family  
8 preservation programs must not be reduced.

9 Sec. 530. (1) All master contracts relating to foster care and  
10 adoption services as funded by the appropriations in section 105 of  
11 part 1 must be performance-based contracts that employ a client-  
12 centered and results-oriented process that is based on measurable  
13 performance indicators and desired outcomes and includes an annual  
14 assessment of the quality of services provided.

15 (2) Not later than February 1 of the current fiscal year, the  
16 department shall submit, to the standard report recipients, a  
17 report detailing measurable performance indicators, desired  
18 outcomes, and an assessment of the quality of services provided by  
19 the department during the previous fiscal year.

20 Sec. 534. Not later than March 1 of the current fiscal year,  
21 the department shall submit, to the standard report recipients, a  
22 report on the adoption subsidies expenditures from the previous  
23 fiscal year. The report must include, but is not limited to, the  
24 range of non-\$0.00 annual adoption support subsidy amounts, for  
25 both title IV-E eligible cases and state-funded cases, paid to  
26 adoptive families; the number of title IV-E and state-funded cases;  
27 the number of cases in which an adoption support subsidy request by  
28 an adoptive parent was denied by the department; and the number of  
29 adoptive parents who requested an adoption support subsidy

1 redetermination.

2 Sec. 537. Not later than March 1 of the current fiscal year,  
3 the department shall submit, to the standard report recipients, a  
4 report on the following information for cases of child abuse or  
5 child neglect from the previous fiscal year:

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

7 (b) The total number of relative care placements into  
8 unlicensed relative homes.

9 (c) The total number of relative care placements into licensed  
10 relative homes.

11 (d) The total number of unlicensed relative providers with a  
12 relative placement that were denied a foster home license due to  
13 not meeting the standards established for foster care licensing in  
14 this state.

15 (e) From a sample of cases, a list of the reasons documented  
16 by the department for denial of relative foster home licensure.

17 (f) For licensed relative caregivers without placements, the  
18 status of title IV-E claims for foster care maintenance payments  
19 and foster care administrative payments.

20 Sec. 540. If a physician or psychiatrist who is providing  
21 services to a state or court ward placed in a residential facility  
22 submits a formal request to the department to change the  
23 psychotropic medication for a ward, the department shall, if the  
24 ward is a state ward, make a determination on the proposed change  
25 not later than 7 business days after the request or, if the ward is  
26 a temporary court ward, seek parental consent not later than 7  
27 business days after the request. If the determination or parental  
28 consent is not provided by the seventh business day, the department  
29 shall petition the court for the determination or consent on the

1 eighth business day.

2 Sec. 546. (1) From the funds appropriated in part 1 for foster  
3 care payments and from child care fund, the department shall pay an  
4 administrative rate of not less than \$55.20 to providers of general  
5 foster care, independent living, and trial reunification services.

6 (2) From the funds appropriated in part 1, the department  
7 shall pay providers of independent living plus services per diem  
8 statewide rates for staff-supported housing and host-home housing  
9 that are based on proposals submitted in response to a solicitation  
10 for pricing. The independent living plus program provides staff-  
11 supported housing and services for foster youth 16 years of age to  
12 19 years of age who, because of their individual needs and  
13 assessments, are not initially appropriate for general independent  
14 living foster care.

15 (3) If required by the federal government to meet title IV-E  
16 requirements, on a quarterly basis, providers of foster care  
17 services shall submit a report on expenditures to the department to  
18 identify actual costs of providing foster care services.

19 (4) From the funds appropriated in part 1, the department  
20 shall maintain rates that are not less than the rates that were  
21 effective October 1, 2022 and provided to each private provider of  
22 residential services.

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

27 (2) The department shall submit, to the standard report  
28 recipients, a report that includes quarterly data on the number of  
29 children enrolled in the guardianship assistance and foster care -

1 children with serious emotional disturbance waiver programs.

2 Sec. 548. From the funds appropriated in part 1 for foster  
3 care payments, adoption subsidies, and guardianship assistance  
4 program and from child care fund, the department shall allocate  
5 \$15,000,000.00 in general fund/general purpose revenue and any  
6 associated federal match to increase foster family maintenance  
7 payments and foster care administrative payments. \$7,500,000.00  
8 must be allocated to uniformly increase the daily rate of foster  
9 family maintenance payments for foster parents, adoptive parents,  
10 and juvenile guardians and \$7,500,000.00 must be allocated to  
11 increase the administrative rate paid to providers of general  
12 foster care, independent living, and trial reunification services.

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

21 (2) Not later than 12 months after a date of service, a  
22 service provider shall submit a request for payment. A request for  
23 payment submitted later than 12 months after the date of service  
24 requires the provider to submit an exception request to the county  
25 or the department for approval or denial.

26 (3) A county is not subject to any offset, chargeback, or  
27 reimbursement liability for a prior expenditure resulting from an  
28 error in a foster care fund source determination.

29 Sec. 551. Not later than 30 days after a county requests a



1 clarification through the department's child care fund management  
2 unit email address, the department shall respond to the request.

3 Sec. 552. Sixty days after a county's child care fund review  
4 is completed, including the receipt of all requested documentation  
5 from the county, the department shall provide the results of the  
6 review to the county. In the review, the department shall not  
7 evaluate the relevancy, quality, effectiveness, efficiency, or  
8 impact of the services provided to youth by the county's child care  
9 fund programs. The department shall not release the results of a  
10 county's child care fund review to a third party without the  
11 permission of the county.

12 Sec. 554. From the funds appropriated in part 1 for foster  
13 care payments, the department shall allocate \$50,000.00 to a  
14 nonprofit organization organized under the laws of this state that  
15 is exempt from federal income tax under section 501(c)(3) of the  
16 internal revenue code of 1986, 26 USC 501; currently has locations  
17 in 3 cities; operates on a 100% volunteer basis with a board of  
18 directors consisting of not more than 15 members; is a dedicated  
19 community of individuals that give their time, talent, and  
20 resources to provide the best quality shopping environment that  
21 they can to local children in need; and provides clothing, shoes,  
22 toys, linens, nursery furniture, strollers, car seats, school  
23 supplies, hygiene products, and safety equipment to local foster  
24 children and their families free of charge.

25 Sec. 557. If a vehicle that is owned by the state is available  
26 and not scheduled for use by other state workers, the department  
27 may consider a children's protective services caseworker or a  
28 foster care caseworker driving the vehicle to a foster home visit  
29 or driving the vehicle to the caseworker's own home as an allowable

1 use of the vehicle if the driving would be helpful to the  
2 caseworker in conducting the caseworker's work.

3 Sec. 559. (1) From the funds appropriated in part 1 for  
4 adoption support services, not later than December 1 of the current  
5 fiscal year, the department shall allocate \$250,000.00 to the  
6 Adoptive Family Support Network to operate and expand its adoptive  
7 parent mentor program to provide a listening ear, knowledgeable  
8 guidance, and community connections to adoptive parents and  
9 children who were adopted in this state or another state.

10 (2) Not later than March 1 of the current fiscal year, the  
11 Adoptive Family Support Network shall submit, to the standard  
12 report recipients, a report on the program described in subsection  
13 (1), including, but not limited to, the number of cases served and  
14 the number of cases in which the program prevented an out-of-home  
15 placement.

16 Sec. 560. From funds appropriated in part 1 for foster care  
17 payments, the department shall allocate \$100,000.00 to reimburse  
18 children in foster care for the costs of extracurricular  
19 activities, which include, but are not limited to, athletics,  
20 music, band, drama, and other enrichment activities.

21 Sec. 562. If a foster parent transports a foster child to  
22 parent-child visitation, the department shall reimburse the foster  
23 parent for the foster parent's time and travel. As part of the  
24 foster care parent contract, the department shall provide written  
25 confirmation to foster parents that states that the foster parents  
26 have the right to request reimbursement for all parent-child  
27 visitations. Not later than 60 days after receiving a request from  
28 a foster parent for eligible reimbursement, the department shall  
29 provide the reimbursement.

1           Sec. 564. (1) The department shall maintain a clear policy for  
2 parent-child visitations. The local county offices, caseworkers,  
3 and supervisors shall meet an 85% success rate, after accounting  
4 for factors outside of caseworker control.

5           (2) In accordance with the court-ordered number of required  
6 meetings between caseworkers and a parent, the caseworkers shall  
7 achieve a success rate of 85%, after accounting for factors outside  
8 of caseworker control.

9           (3) Not later than March 1 of the current fiscal year, the  
10 department shall submit, to the standard report recipients, a  
11 report on the success rates for parent-child visitations and court-  
12 ordered required meetings under subsections (1) and (2) for the  
13 previous fiscal year.

14          Sec. 568. (1) The department shall ensure each youth  
15 transitioning out of foster care is given assistance with obtaining  
16 a driver license or state identification card and is issued a copy  
17 of the youth's Social Security number, as required by department  
18 policy. Assistance must be provided to each youth who is eligible  
19 to obtain a driver license or state identification card and, based  
20 on the youth's citizenship and legal residency status, a Social  
21 Security card.

22          (2) Not later than April 1 of the current fiscal year, the  
23 department shall submit, to the standard report recipients, a  
24 report on the number of youth who received assistance with  
25 obtaining a driver license or state identification card, the number  
26 of youth who received assistance with obtaining a Social Security  
27 card, and the number of youth who were eligible for assistance but  
28 did not receive the assistance and an explanation as to why the  
29 youth did not receive the assistance.

1           Sec. 569. The department shall reimburse each private child  
2 placing agency that completes an adoption at the rate on the date  
3 when the petition for adoption and the required support  
4 documentation were accepted by the court and not the rate on the  
5 date when the court's order placing for adoption was entered.

6           Sec. 574. (1) From the funds appropriated in part 1 for foster  
7 care payments, \$1,375,000.00 is allocated to support family  
8 incentive grants to private and community-based foster care service  
9 providers for assistance with home improvements and items needed to  
10 ensure compliance with licensing rule requirements, including  
11 payment for physical exams needed by foster families, and, to  
12 accommodate children in foster care, alleviating potential safety  
13 concerns for unlicensed relatives caring for a family member  
14 through the child welfare system.

15           (2) Not later than March 1 of the current fiscal year, the  
16 department shall submit, to the standard report recipients, a  
17 report on the total amount expended in the previous year for grants  
18 to private and community-based foster care service providers for  
19 home improvements or physical exams described in subsection (1) and  
20 the number of grants issued.

21           Sec. 575. From the funds appropriated in part 1 for children's  
22 services administration, the department shall allocate \$200,000.00  
23 to provide support and coordinated services to the kinship  
24 caregiver advisory council. The responsibilities of the council may  
25 include all of the following:

26           (a) Establishing a public awareness campaign to educate the  
27 public about kinship caregivers and this state's efforts to better  
28 serve kinship caregivers.

29           (b) Consulting and coordinating with the kinship caregiver

1 navigator program to collect aggregate data on individuals being  
2 served by the kinship caregiver navigator program, including  
3 information on what services the individuals need.

4 (c) Consulting and collaborating with the provider of the  
5 kinship caregiver navigator program on the design and  
6 administration of the program.

7 (d) Establishing, maintaining, and updating a list of local  
8 support groups and programs that provide services to kinship  
9 families and, in order to obtain a better understanding of the  
10 issues facing kinship families, devising a plan of action for  
11 engaging with the groups and programs on the list.

12 (e) Developing methods to promote and improve collaboration  
13 between state, county, and local governments and agencies and  
14 private stakeholders for all of the following reasons:

15 (i) To obtain a broad understanding of the characteristics and  
16 prevalence of kinship caregiving.

17 (ii) To improve service delivery.

18 (iii) To include the methods in the council's recommendations.

19 Sec. 578. (1) From the funds appropriated in part 1 for foster  
20 care payments, the department shall allocate up to \$1,744,100.00 in  
21 Title IV-E passthrough funds for educational pilot programs to  
22 strengthen this state's child welfare workforce. The department  
23 shall enter into contractual arrangements with state universities  
24 to provide bachelor of social work and master of social work  
25 educational training, including field placements and stipends for  
26 tuition and educational expenses. In exchange, students completing  
27 eligible educational programs are contractually obligated to work  
28 for Michigan child welfare agencies for a minimum of 1 year. The  
29 matching funds for the Title IV-E funds must be provided by the

1 participating state universities from the expenses incurred for  
2 training child welfare students who participate in the program.

3 (2) Not later than March 1 of the current fiscal year, the  
4 department shall submit, to the standard report recipients, a  
5 report on the status of pilot programs under subsection (1) that  
6 includes, but is not limited to, the total number of applicants,  
7 the total number of program participants, a list of state  
8 universities that participated in the pilot programs, and the total  
9 amount of matching funds that each state university contributed to  
10 the programs.

11 Sec. 581. From the funds appropriated in part 1 for foster  
12 care payments, the department shall allocate \$50,000.00 for  
13 caseworkers to provide immediate assistance with urgent needs,  
14 including, but not limited to, food, clothing, and other basic  
15 necessities, for children, including children who are victims of  
16 human trafficking, on the children's removal from the children's  
17 homes or other dangerous environments. The department shall track  
18 the distribution of the funds and, not later than June 1 of the  
19 current fiscal year, submit, to the standard report recipients, a  
20 report on the amount of funds distributed and the number of  
21 children impacted.

22 Sec. 583. Not later than March 1 of the current fiscal year,  
23 the department shall submit, to the standard report recipients and  
24 the senate and house of representatives standing committees that  
25 cover subject matters dealing with families and human services, a  
26 report that includes both of the following:

27 (a) The number and percentage of foster parents that dropped  
28 out in the previous fiscal year, the reasons the foster parents  
29 left, and how the figures compare to the figures for prior fiscal

1 years.

2 (b) The number and percentage of foster parents successfully  
3 retained in the previous fiscal year and how the figures compare to  
4 the figures for prior fiscal years.

5 Sec. 585. Each month, the department shall make available at  
6 least 1 pre-service training class in which new caseworkers for  
7 private foster care and adoption agencies can enroll.

8 Sec. 588. (1) Concurrently with public release, the department  
9 shall transmit, without revision, all reports from the court-  
10 appointed settlement monitor, including, but not limited to, the  
11 needs assessment and period outcome reporting, to the standard  
12 report recipients.

13 (2) Not later than October 1 of the current fiscal year, the  
14 department shall submit, to the standard report recipients, a  
15 detailed plan that addresses the status and progress toward exiting  
16 the settlement by September 30 of the current fiscal year. The  
17 report must include an update on the department's child welfare  
18 initiative.

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

22 (2) On a quarterly basis, the department shall submit a  
23 report, to the standard report recipients, on the monthly number of  
24 all foster care cases administered by the department and all foster  
25 care cases administered by private providers.

26 Sec. 592. On a quarterly basis, the department shall submit,  
27 to the chairs of the senate and house of representatives standing  
28 oversight committees and the standard report recipients, a report  
29 that includes data from children's protective services staff for

1 each of the following for the most recent quarter before the  
2 applicable report is submitted:

3 (a) The percent of investigations commenced in 24 hours  
4 immediately after receiving a report.

5 (b) The percent of central registry reviews performed for  
6 required individuals.

7 (c) The percent of face-to-face contacts made within the  
8 established timeframe required by the department.

9 (d) In appropriate cases, the percent of sibling placement  
10 evaluations completed when 1 or more children remain in the home  
11 after a child has been removed.

12 (e) The percent of supervisory reviews performed in a timely  
13 manner.

14 (f) The results of a department survey of children's  
15 protective services investigators on the number of investigators  
16 who are concerned for their own personal safety.

17 (g) The percent of investigators using the mobile application  
18 or another tool to document compliance.

19 Sec. 593. The department shall conduct an annual review in  
20 each county to determine if the county has adopted and implemented  
21 standard child abuse and child neglect investigation and interview  
22 protocols under section 8(6) of the child protection law, 1975 PA  
23 238, MCL 722.628.

24 Sec. 594. From the funds appropriated in part 1 for foster  
25 care payments, the department shall support regional resource teams  
26 to provide for the recruitment, retention, and training of foster  
27 and adoptive parents and shall expand the Michigan youth  
28 opportunities initiative to all counties of this state. The purpose  
29 of the funding is to increase the number of annual inquiries from



1 prospective foster parents, increase the number of nonrelative  
2 foster homes that achieve licensure each year, increase the annual  
3 retention rate of nonrelative foster homes, reduce the number of  
4 older foster youth placed outside of family settings, and provide  
5 older youth with enhanced support in transitioning to adulthood.

6 Sec. 598. Partial child care fund reimbursements to counties  
7 for undisputed charges must not be made later than 45 business days  
8 after receipt of the required forms and documentation. Not later  
9 than 15 business days after receiving a request from a county for  
10 reimbursement of a disputed charge, the department shall commence  
11 activity to investigate and resolve the disputed reimbursement  
12 charge. The activity to investigate and resolve a disputed  
13 reimbursement charge may include, but is not limited to, the use of  
14 a formal appeals process under applicable law and the department  
15 chargeback policy. Not later than 45 business days after a properly  
16 corrected submission by the county, the department shall reimburse  
17 the county for the corrected charge or charges.

18 Sec. 599. The department shall annually adjust the rates paid  
19 to contracted child caring institutions, as available within the  
20 appropriations, by an amount up to the cumulative percentage change  
21 in the Consumer Price Index for the most recent 1-year period for  
22 which data are available as determined by the state treasurer. As  
23 used in this section, "Consumer Price Index" means the most  
24 comprehensive index of consumer prices available for this state  
25 from the Bureau of Labor Statistics of the United States Department  
26 of Labor.

27  
28 **PUBLIC ASSISTANCE**

29 Sec. 601. After a client agrees to the release of the client's

1 name and address to the local housing authority, the department  
2 shall request from the local housing authority information  
3 regarding whether the housing unit for which vendoring has been  
4 requested meets applicable local housing codes. Vendoring must be  
5 terminated if the local housing authority indicates in writing that  
6 the unit does not meet local housing codes and until the local  
7 housing authority indicates in writing that the local housing codes  
8 have been met.

9 Sec. 602. The department shall conduct a full evaluation of an  
10 individual's assistance needs if the individual has applied for  
11 disability more than 1 time in a 1-year period.

12 Sec. 603. For any change in the income of a recipient of the  
13 food assistance program, the family independence program, or state  
14 disability assistance that results in a benefit decrease, the  
15 department shall notify the recipient of the amount of the decrease  
16 not later than 15 work days before the first day of the month in  
17 which the decrease takes effect.

18 Sec. 604. (1) From the funds appropriated in part 1 for state  
19 disability assistance payments, the department shall operate a  
20 state disability assistance program. Except as provided in  
21 subsection (3), to be eligible for the program, an individual must  
22 be a needy citizen of the United States or alien exempted from the  
23 SSI citizenship requirement who is not less than 18 years of age,  
24 or an emancipated minor, and meets 1 or more of the following  
25 requirements:

26 (a) Is a recipient of SSI, Social Security, or medical  
27 assistance due to disability or being 65 years of age or older.

28 (b) Is an individual with a physical or mental impairment that  
29 meets federal SSI disability standards, except that the minimum

1 duration of the disability must be 90 days. Substance use disorder  
2 alone is not a basis for eligibility.

3 (c) Is a resident of an adult foster care facility, a home for  
4 the aged, a county infirmary, or a substance use disorder treatment  
5 center.

6 (d) Is an individual receiving 30-day postresidential  
7 substance use disorder treatment.

8 (e) Is an individual diagnosed as having AIDS.

9 (f) Is an individual receiving special education services  
10 through a local intermediate school district.

11 (g) Is a caretaker of a disabled individual who meets the  
12 requirements specified in subdivision (a), (b), (e), or (f).

13 (2) An applicant for or recipient of state disability  
14 assistance is considered needy if the applicant or recipient does  
15 both of the following:

16 (a) Meets the same asset test as is applied for the family  
17 independence program.

18 (b) Has a monthly budgetable income that is less than the  
19 payment standards.

20 (3) Except for an individual described in subsection (1)(c) or  
21 (d), an individual is not disabled under this section if the  
22 individual's drug addiction or alcoholism is a contributing factor  
23 material to the determination of disability.

24 (4) As used in this section:

25 (a) "Material to the determination of disability" means that,  
26 if the individual stopped using drugs or alcohol, the individual's  
27 remaining physical or mental limitations would not be disabling. If  
28 the individual's remaining physical or mental limitations would be  
29 disabling, then the drug addiction or alcoholism is not material to

1 the determination of disability and the individual may receive  
2 state disability assistance, but the individual must actively  
3 participate in a substance abuse treatment program, and the  
4 assistance must be paid to a third party or through vendor  
5 payments.

6 (b) "Substance abuse treatment" includes receipt of inpatient  
7 or outpatient services or participation in Alcoholics Anonymous or  
8 a similar program.

9 Sec. 605. The level of reimbursement provided to state  
10 disability assistance recipients in licensed adult foster care  
11 facilities must be the same as the prevailing SSI rate under the  
12 personal care category.

13 Sec. 606. County department offices shall require each  
14 recipient of family independence program and state disability  
15 assistance who has applied with the Social Security Administration  
16 for SSI to sign a contract to repay any assistance rendered through  
17 the family independence program or state disability assistance  
18 program on receipt of retroactive SSI benefits.

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

28 (2) The department may use SSI recoveries to satisfy the  
29 deduct in any line in which the revenues are appropriated,

1 regardless of the source from which the revenue is recovered.

2 Sec. 608. An adult foster care facility that provides  
3 domiciliary care or personal care to a resident receiving SSI or a  
4 home for the aged serving a resident receiving SSI shall not  
5 require a resident described in this section to reimburse the home  
6 for the aged or adult foster care facility for care at a rate in  
7 excess of a rate that is authorized by the legislature. To the  
8 extent permitted by federal law, an adult foster care facility and  
9 home for the aged that serves a resident receiving SSI is not  
10 prohibited from accepting a third-party payment in addition to SSI  
11 if the payment is not for food, clothing, or shelter, or would  
12 result in a reduction in the resident's SSI payment.

13 Sec. 609. The department shall not reduce the state  
14 supplementation level under the SSI program for the personal  
15 care/adult foster care and home for the aged categories during the  
16 current fiscal year. Not later than 30 days before a proposed  
17 reduction in the state supplementation level, the department shall  
18 notify the legislature of the proposed reduction.

19 Sec. 610. (1) In developing good-cause criteria for the state  
20 emergency relief program, the department shall grant an exemption  
21 from the good-cause criteria if an emergency results from an  
22 unexpected expense related to maintaining or securing employment.

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

27 (3) The department shall not make a state emergency relief  
28 payment to an individual who has been found guilty of fraud in  
29 obtaining public assistance.

1           (4) The department shall not make a state emergency relief  
2 payment to an individual who is an out-of-state or nonlegal  
3 resident.

4           (5) The department shall distribute a state emergency relief  
5 payment for rent assistance directly to a landlord and shall not  
6 add the payment to a Michigan bridge card.

7           Sec. 611. The state supplementation level under the SSI  
8 program for the living independently category or living in the  
9 household of another category must not exceed the minimum state  
10 supplementation level as required under federal law.

11          Sec. 613. (1) From the funds appropriated in part 1 for  
12 emergency services local office allocations, the department shall  
13 provide a reimbursement for the final disposition of an indigent  
14 individual. A reimbursement under this section must comply with all  
15 of the following:

16           (a) The maximum allowable reimbursement for the final  
17 disposition is \$900.00.

18           (b) The adult burial with services allowance is \$820.00.

19           (c) The adult burial without services allowance is \$570.00.

20           (d) The infant burial allowance is \$225.00.

21          (2) The department shall reimburse up to \$80.00 for a  
22 cremation permit fee and for mileage at the standard rate for an  
23 eligible cremation. A reimbursement under this subsection must take  
24 into consideration whether an indigent individual's religious  
25 preference prohibits cremation.

26          (3) An application for burial services must be made no later  
27 than 20 business days after the burial, cremation, or donation  
28 takes place. A friend or relative of the indigent individual may  
29 supplement the burial payment in any amount up to \$6,000.00 for

1 additional services. A funeral director, with written authorization  
2 provided by a relative of the indigent individual, is deemed an  
3 authorized representative for burial benefits.

4 (4) By January 31 of the current fiscal year, the department  
5 shall submit a report to the standard report recipients on burial  
6 service payments issued from the state emergency relief program  
7 during the previous fiscal year. The report must include the number  
8 of payments by the following burial service categories:

- 9 (a) Fetus or infant less than 1 month of age.
- 10 (b) Burial with memorial service.
- 11 (c) Burial without memorial service.
- 12 (d) Cremation with memorial service.
- 13 (e) Cremation without memorial service.
- 14 (f) Transportation of a donated or unclaimed body being  
15 cremated.
- 16 (g) Cremation permit fee for an unclaimed body.
- 17 (h) Disposition of an unclaimed body.
- 18 (i) Payment if an irrevocable funeral agreement exists.
- 19 (j) An unclaimed body received by a university.

20 Sec. 614. By January 15 of the current fiscal year, the  
21 department shall submit a report to the standard report recipients  
22 on the number and percentage of state disability assistance  
23 recipients who were determined to be eligible for federal SSI  
24 benefits in the previous fiscal year.

25 Sec. 615. Except as required by federal law, the department  
26 shall not use funds appropriated in part 1 to provide public  
27 assistance to an individual who is not a United States citizen,  
28 permanent resident alien, or refugee. This section does not  
29 prohibit the department from entering into a contract with a food

1 bank, emergency shelter provider, or another human service agency  
2 that may, as a normal part of doing business, provide food or  
3 emergency shelter.

4 Sec. 616. The department shall require a retailer that  
5 participates in the electronic benefits transfer program to charge  
6 no more than a \$2.50 fee for cash back as a condition of  
7 participation.

8 Sec. 619. The department shall not deny a title IV-A  
9 assistance and food assistance benefit under 21 USC 862a to an  
10 individual who has been convicted of a felony for the possession,  
11 use, or distribution of a controlled substance, if both of the  
12 following are met:

13 (a) The act that resulted in the conviction occurred after  
14 August 22, 1996.

15 (b) The individual is not in violation of the individual's  
16 probation or parole requirements.

17 Sec. 620. (1) The department shall determine a Medicaid  
18 applicant's Medicaid eligibility not later than 90 days after the  
19 Medicaid applicant completes a Medicaid application if the Medicaid  
20 applicant's disability is an eligibility factor. For other Medicaid  
21 applicants, including an applicant who is a patient of a nursing  
22 home, the department shall determine the applicant's Medicaid  
23 eligibility within 45 days after receiving the Medicaid applicant's  
24 application.

25 (2) On a quarterly basis, the department shall submit a report  
26 to the standard report recipients on the number of recipients who  
27 were ineligible for Medicaid after Medicaid eligibility  
28 redeterminations resumed after federal continuous enrollment  
29 requirements ended. The report must include, in a monthly data



1 format, the number of recipients who had their eligibility examined  
2 directly, through an ex parte eligibility process or through a  
3 passive eligibility process. The report must also include a copy of  
4 each baseline and monthly report that the department provides to  
5 CMS for unwinding data reporting and the number of recipients who  
6 did not respond to the department through eligibility outreach or  
7 data requests.

8 Sec. 625. From the funds appropriated in part 1 for SSI  
9 advocacy legal services grant, the department shall allocate  
10 \$975,000.00 as a grant to the Legal Services Association of  
11 Michigan (LSAM). The purpose of the grant is to assist current or  
12 potential recipients of state disability assistance who have  
13 applied for or wish to apply for SSI or other federal disability  
14 benefits. LSAM shall provide a list of newly eligible SSI  
15 recipients to the department to verify that services are provided  
16 to department referrals.

17 Sec. 645. The department shall consider an individual or  
18 family to be homeless for purposes of eligibility for state  
19 emergency relief, if the individual or family is living temporarily  
20 with another in order to escape domestic violence. The department  
21 shall define and verify domestic violence in the same manner as the  
22 department defines and verifies that term in the department's  
23 policies on good cause for not cooperating with child support and  
24 paternity requirements.

25 Sec. 653. From the funds appropriated in part 1 for food  
26 assistance program benefits, an individual who is the victim of  
27 domestic violence or human trafficking and who does not qualify for  
28 any other exemption may be exempt from the 3-month in 36-month  
29 limit on receiving food assistance under 7 USC 2015. The department

1 may extend the exemption for an additional 3 months if an  
2 individual described in this section demonstrates to the department  
3 a continuing need.

4 Sec. 654. The department shall notify a recipient of food  
5 assistance program benefits that the recipient's benefits can be  
6 spent with the recipient's Michigan bridge card at many farmers  
7 markets in this state. The department shall also provide a  
8 recipient with information about the double up food bucks program  
9 that is administered by the Fair Food Network. The information  
10 about the double up food bucks program must include, but is not  
11 limited to, information that if the recipient spends \$20.00 at a  
12 participating farmers market through the program, the recipient may  
13 receive an additional \$20.00 to buy Michigan produce.

14 Sec. 655. Not later than 14 days after the spending plan for  
15 low-income home energy assistance program is approved by the state  
16 budget office, the department shall provide the spending plan,  
17 including itemized projected expenditures and itemized expenditures  
18 for the previous fiscal year, to the standard report recipients.

19 Sec. 660. From the funds appropriated in part 1 for Food Bank  
20 Council of Michigan, the department shall allocate \$12,045,000.00  
21 for procuring and distributing the Michigan agricultural surplus  
22 system to distribute surplus produce to low-income residents of  
23 this state.

24 Sec. 669. From the funds appropriated in part 1 for family  
25 independence program - clothing allowance, the department shall  
26 allocate \$10,000,000.00 for the annual clothing allowance. The  
27 department shall grant the allowance to eligible children in a  
28 family independence program group.

29 Sec. 672. (1) By February 15 of the current fiscal year, the

1 department's office of inspector general shall submit a report to  
2 the standard report recipients on the department's efforts to  
3 reduce the inappropriate use of Michigan bridge cards and food  
4 assistance program trafficking. The department shall provide  
5 information on the number of recipients of services who used their  
6 Michigan bridge card inappropriately and the current status of each  
7 case, the number of recipients whose benefits were permanently and  
8 temporarily revoked as a result of inappropriately using their  
9 Michigan bridge cards, and the number of retailers that were fined  
10 or removed from the electronic benefit transfer program for  
11 permitting the inappropriate use of Michigan bridge cards. The  
12 report must also include the number of Michigan bridge card  
13 trafficking instances and overall welfare fraud referrals, that  
14 includes, but is not limited to, information on the number of  
15 investigations completed, fraud and intentional program violation  
16 dollar amounts identified, the number of referrals to prosecutors,  
17 the number of administrative hearing referrals and waivers, and the  
18 number of program disqualifications imposed. The report must  
19 distinguish between savings and cost avoidance. As used in this  
20 subsection:

21 (a) "Savings" includes receivables established from instances  
22 of fraud committed.

23 (b) "Cost avoidance" includes expenditures avoided due to  
24 front-end eligibility investigations and other preemptive actions  
25 undertaken in the prevention of fraud.

26 (2) If a fourth Michigan bridge card has been issued to a  
27 household in a 12-month period, the department shall notify the  
28 household that the household has reached the number of issued cards  
29 threshold. At a household's fifth and each subsequent card

1 replacement request, a card will not be issued until a recipient  
2 from the household has spoken directly to the local office district  
3 manager or county director. The district manager or county director  
4 may issue a new Michigan bridge card based on the district  
5 manager's or county director's assessment of the recipient's  
6 situation and the recipient's explanation.

7 (3) As used in this section:

8 (a) "Food assistance trafficking" means the buying and selling  
9 of food assistance benefits for cash or items not authorized under  
10 7 USC 2036b.

11 (b) "Inappropriate use" means not used to meet a family's  
12 ongoing basic needs, including, but not limited to, food, clothing,  
13 shelter, utilities, household goods, personal care items, and  
14 general incidentals.

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

20 (2) The department shall submit an annual report, providing  
21 quarterly data, to the standard report recipients on the number of  
22 cases referred to PATH, the current percentage of family  
23 independence program cases involved in PATH employment activities,  
24 an estimate of the current percentage of family independence  
25 program cases that meet federal work participation requirements on  
26 the whole, and an estimate of the current percentage of the family  
27 independence program cases that meet federal work participation  
28 requirements for those cases referred to PATH.

29 (3) The department shall submit a report to the standard

1 report recipients. The report must include quarterly data on all of  
2 the following:

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

5 (b) The average and range of wages of employed family  
6 independence program recipients.

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

9 Sec. 678. (1) From the funds appropriated in part 1 for family  
10 independence program - child supplemental payment, the department  
11 shall allocate \$20,000,000.00 of TANF revenue to provide a  
12 supplement for the current fiscal year for each child under 6 years  
13 of age within a family receiving cash assistance. The total annual  
14 per-child supplement must not be less than \$2,500.00 per case, per  
15 child under the age of 6.

16 (2) The department shall allocate \$10,740,100.00 of TANF  
17 revenue to provide a supplement for the current fiscal year for  
18 each child over 6 years of age but under 14 years of age within a  
19 family receiving cash assistance. The total annual per-child  
20 supplement must not be less than \$1,100.00 per case, per child over  
21 the age of 6 but under 14 years of age.

22 Sec. 686. (1) The department shall confirm that an individual  
23 who presents a personal identification issued by another state and  
24 is seeking assistance through the family independence program, food  
25 assistance program, state disability assistance program or medical  
26 assistance program is not receiving benefits from another state.

27 (2) The department shall confirm the address provided by an  
28 individual who is seeking family independence program benefits or  
29 state disability assistance benefits.

1           (3) The department shall prohibit an individual who has  
2 property assets assessed at a value higher than \$200,000.00 from  
3 receiving assistance through a department-administered program,  
4 unless prohibiting assistance would violate a federal law or  
5 guideline.

6           (4) The department shall make a reasonable attempt to obtain  
7 an up-to-date telephone number for an individual seeking medical  
8 assistance benefits during the eligibility determination or  
9 redetermination process for the individual.

10          Sec. 687. (1) On a quarterly basis, the department shall  
11 compile and make available a report on its website that contains  
12 all of the following information about the family independence  
13 program, state disability assistance, the food assistance program,  
14 indigent burial, Medicaid, and state emergency relief:

15           (a) The number of applications received.

16           (b) The number of applications approved.

17           (c) The number of applications denied.

18           (d) The number of applications pending and neither approved  
19 nor denied.

20           (e) The number of cases opened.

21           (f) The number of cases closed.

22           (g) The number of cases at the beginning of the quarter and  
23 the number of cases at the end of the quarter.

24          (2) The department shall compile and make the information  
25 provided under subsection (1) available for this state as a whole  
26 and for each county and shall report the information separately for  
27 each program listed in subsection (1).

28          (3) On a quarterly basis, the department shall compile and  
29 make available a report on its website of the following family

1 independence program information:

2 (a) The number of new applicants who successfully met the  
3 requirements of the 10-day assessment period for PATH.

4 (b) The number of new applicants who did not meet the  
5 requirements of the 10-day assessment period for PATH.

6 (c) The number of cases sanctioned because of a school truancy  
7 policy.

8 (d) The number of cases closed because of the lifetime limits.

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

10 (f) The number of children 0 to 5 years of age who are living  
11 in a family independence program-sanctioned household.

12 Sec. 688. From the funds appropriated in part 1 for the low-  
13 income home energy assistance program, the department shall make an  
14 additional \$20.01 payment to each food assistance program case that  
15 is not currently eligible for the standard utility allowance to  
16 allow each case to receive expanded food assistance benefits  
17 through the program commonly known as the heat and eat program.

18  
19 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

20 Sec. 701. Unless required by a change to federal law or the  
21 law of this state or at the request of a provider, the department  
22 shall not alter the terms of a signed contract with a private  
23 residential facility that serves children who are under state or  
24 court supervision without receiving written consent from a  
25 representative of the private residential facility.

26 Sec. 706. A county is subject to a 50% chargeback for the use  
27 of an alternative regional detention service, if the detention  
28 service does not fall under the basic grant provision of section  
29 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a

1 county operates the detention service program primarily with  
2 professional rather than volunteer staff.

3 Sec. 707. To be reimbursed for child care fund expenditures, a  
4 county shall submit to the department the report required under  
5 section 117a(11) of the social welfare act, 1939 PA 280, MCL  
6 400.117a, to enable the department to document a potential  
7 federally claimable expenditure.

8 Sec. 708. (1) As a condition of receiving funds appropriated  
9 in part 1 for the child care fund line item, by October 15 of the  
10 current fiscal year, a county shall have an approved service  
11 spending plan for the current fiscal year. Not later than August 15  
12 of the current fiscal year, a county shall submit the county's  
13 service spending plan for the following fiscal year to the  
14 department for approval. The department shall approve a county's  
15 service spending plan not later than 30 calendar days after the  
16 department receives a properly completed service spending plan from  
17 the county that complies with the requirements of the social  
18 welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department  
19 shall notify and submit revisions to a service spending plan to a  
20 county whose service spending plan is not approved after initial  
21 submission. The department shall not request any additional  
22 revisions to a county's service spending plan outside of the  
23 requested revision notification submitted to the county by the  
24 department. The department shall notify a county that its service  
25 spending plan is approved not later than 30 days after the  
26 department considers the county's revisions to the county's service  
27 spending plan.

28 (2) A county shall submit an amendment to its county service  
29 spending plan for the current fiscal year to the department not



1 later than August 30 of the current fiscal year. A county shall  
2 submit payable estimates for the current fiscal year to the  
3 department not later than September 15 of the current fiscal year.

4 (3) Not later than February 15 of the current fiscal year, the  
5 department shall submit a report to the standard report recipients  
6 on the number of counties that fail to submit a service spending  
7 plan by August 15 of the previous fiscal year and the number of  
8 service spending plans not approved by October 15. The report must  
9 include the number of county service spending plans that were not  
10 initially approved by the department and the number of service  
11 spending plans that were not approved by the department after being  
12 resubmitted by the county after revisions were requested by the  
13 department under subsection (1).

14 Sec. 709. The department's master contract for juvenile  
15 justice residential foster care services must prohibit a contractor  
16 from denying a referral for placing a youth, or terminating a  
17 youth's placement, if the youth's assessed treatment needs are in  
18 alignment with the facility's residential program type, as  
19 identified by a court or the department. The master contract must  
20 also require that a youth placed in a juvenile justice residential  
21 foster care facility has regularly scheduled treatment sessions  
22 with a licensed psychologist or a psychiatrist, or both, and access  
23 to the licensed psychologist or a psychiatrist as needed.

#### 24 25 **LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES**

26 Sec. 801. The department shall submit a monthly report to the  
27 standard report recipients on the most recent food assistance  
28 program error rate derived from the active cases, reported to the  
29 United States Department of Agriculture Food and Nutrition Service

1 for the supplemental nutrition assistance program.

2 Sec. 802. From the funds appropriated in part 1 for local  
3 office staff travel, the department shall allocate up to  
4 \$100,000.00 annually toward reimbursing the out-of-pocket costs of  
5 county board members and county department directors to attend  
6 statewide meetings of the Michigan County Social Services  
7 Association.

8 Sec. 807. From the funds appropriated in part 1 for Elder Law  
9 of Michigan MiCAFE contract, the department shall allocate not less  
10 than \$450,000.00 to the Elder Law of Michigan MiCAFE to assist this  
11 state's elderly population in participating in the food assistance  
12 program. Of the \$450,000.00 allocated under this section, the  
13 department shall use \$225,000.00 of general fund/general purpose  
14 revenue as state matching funds to receive not less than  
15 \$225,000.00 in funding from the United States Department of  
16 Agriculture to provide outreach program activities as part of a  
17 statewide food assistance hotline. The outreach program activities  
18 may include eligibility screening and information services.

19 Sec. 808. Not later than March 1 of the current fiscal year,  
20 the department shall submit a report to the standard report  
21 recipients on the nutrition education program. The report must  
22 include all of the following information:

23 (a) All of the following for the supplemental nutrition  
24 assistance program education funding:

25 (i) The planned allocation and actual expenditures, by location  
26 of programs.

27 (ii) Planned and actual grant amounts, by location of programs.

28 (iii) The total amount of expected carryforward balance at the  
29 end of the current fiscal year.

1 (b) For each subgrantee program, a list of all supplemental  
2 nutrition assistance program education funding programs by  
3 implementing agency with the amount of funding allocated.

4 Sec. 825. From the funds appropriated in part 1, the  
5 department shall provide an individual with not more than \$2,000.00  
6 for vehicle repairs, including a repair done in the previous 12  
7 months. The \$2,000.00 limit described in this section includes the  
8 combined total of payments made by the department and the work  
9 participation program.

10 Sec. 826. (1) From the funds appropriated in part 1 for local  
11 office policy and administration, not less than \$300,000.00 is  
12 allocated for the department to contract with the Prosecuting  
13 Attorneys Association of Michigan to provide the support and  
14 services necessary to increase the capability of this state's  
15 prosecutors, adult protective service system, and criminal justice  
16 system to effectively identify, investigate, and prosecute elder  
17 abuse and financial exploitation.

18 (2) Not later than March 1 of the current fiscal year, the  
19 Prosecuting Attorneys Association of Michigan shall submit a report  
20 to the department on the efficacy of the contract. The department  
21 shall submit the report to the standard report recipients not later  
22 than 30 days after the department receives the report from the  
23 Prosecuting Attorneys Association of Michigan.

24 Sec. 850. (1) The department shall maintain each out-stationed  
25 eligibility specialist in a community-based organization, community  
26 mental health agency, nursing home, adult placement and independent  
27 living setting, FQHC, and hospital, unless the community-based  
28 organization, community mental health agency, nursing home, adult  
29 placement and independent living setting, FQHC, or hospital

1 requests to discontinue the positions at its facility.

2 (2) From the funds appropriated in part 1 for donated funds  
3 positions, the department shall enter into a contract with any  
4 agency that is able and eligible under federal law to provide the  
5 required matching funds for federal funding, as determined by  
6 federal law.

7 (3) A contract for a donated funds position for assistance  
8 payments must include, but not be limited to, performance metrics  
9 on both of the following topics:

10 (a) Meeting a standard of promptness for processing an  
11 application for Medicaid and other public assistance programs under  
12 the law of this state.

13 (b) Meeting required standards for error rates in determining  
14 programmatic eligibility, as determined by the department.

15 (4) The department shall fill an additional donated funds  
16 position only after a new contract has been signed with an agency.  
17 The position must be abolished when the contract expires or is  
18 terminated.

19 (5) The department shall classify as a limited-term FTE a new  
20 employee who is hired to fill a donated funds position contract or  
21 is hired to fill a vacancy from an employee who transferred to a  
22 donated funds position.

23 (6) By March 1 of the current fiscal year, the department  
24 shall submit a report to the standard report recipients detailing  
25 information on the donated funds positions. The report must  
26 include, but is not limited to, the total number of occupied  
27 positions, the total private contribution of the positions, and the  
28 total cost to this state for a nonsalary expenditure for the  
29 donated funds position employees.

**DISABILITY DETERMINATION SERVICES**

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

**BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS**

Sec. 901. The department shall use the funds appropriated in part 1 to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal law and the law of this state.

Sec. 902. (1) From the funds appropriated in part 1, the department shall make a final authorization to a CMHSP or PIHP on the execution of a contract between the department and the CMHSP or PIHP. The contract must contain an approved plan and budget and any policy and procedure governing the obligations and responsibilities of each party to the contract. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection must include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

1           (2) The department shall immediately submit a report to the  
2 standard report recipients if either of the following occurs:

3           (a) The department enters into a new contract with a CMHSP or  
4 PIHP that would affect a rate or expenditure.

5           (b) The department amends a contract that the department has  
6 entered into with a CMHSP or PIHP that would affect a rate or  
7 expenditure.

8           (3) The report required by subsection (2) must include  
9 information about any changes to the contract and the change's  
10 effects on rates and expenditures.

11           Sec. 904. (1) Not later than July 1 of the current fiscal  
12 year, the department shall provide a report on the CMHSPs, PIHPs,  
13 and designated regional entities for substance use disorder  
14 prevention and treatment to the standard report recipients that  
15 includes the information required by this section.

16           (2) The report required under subsection (1) must contain,  
17 unless otherwise noted, information for each CMHSP, PIHP, and  
18 designated regional entity for substance use disorder prevention  
19 and treatment, and a statewide summary, as follows:

20           (a) A statewide summary of the demographic description of  
21 service recipients that, minimally, includes reimbursement  
22 eligibility, client population, age, ethnicity, housing  
23 arrangements, and diagnosis.

24           (b) Per capita expenditures in total and by client population  
25 group.

26           (c) A statewide summary of Medicaid-funded cost information  
27 for the 3 diagnosis groups of adults with a mental illness,  
28 children with a serious emotional disturbance, and individuals with  
29 an intellectual or developmental disability. The statewide summary

1 must, minimally, include expenditures by service category for each  
2 of the 3 diagnosis groups described in this subdivision and cases,  
3 units, and cost of each specific service code index or health care  
4 common procedure coding system code for each of the 3 diagnosis  
5 groups.

6 (d) Financial information on non-Medicaid mental health  
7 services by general fund cost reporting category.

8 (e) Information about access to each CMHSP, PIHP, and  
9 designated regional entity for substance use disorder prevention  
10 and treatment, that includes, but is not limited to, all of the  
11 following:

12 (i) The number of individuals receiving requested services.

13 (ii) The number of individuals who requested services but did  
14 not receive services.

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

18 (g) Lapses and carryforwards during the previous fiscal year  
19 for each CMHSP, PIHP, and designated regional entity for substance  
20 use disorder prevention and treatment.

21 (h) Performance indicator information required to be submitted  
22 to the department in the contracts with each CMHSP, PIHP, and  
23 designated regional entity for substance use disorder prevention  
24 and treatment.

25 (i) Administrative expenditures of each CMHSP, PIHP, and  
26 designated regional entity for substance use disorder prevention  
27 and treatment that include a breakout of the salary, benefits, and  
28 pension of each executive-level staff, which includes, but is not  
29 limited to, the director, chief executive, and chief operating

1 officer.

2 (3) The report required under subsection (1) must contain the  
3 following information from the previous fiscal year on substance  
4 use disorder prevention, education, and treatment programs:

5 (a) The expenditures stratified by department-designated  
6 community mental health entity, by fund source, by subcontractor,  
7 by population served, and by service type.

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

10 (c) The number of services provided by subcontractor and by  
11 service type. Additionally, data on length of stay, referral  
12 source, and participation in other state programs.

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

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

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

26 Sec. 907. (1) The department shall expend the amount  
27 appropriated in part 1 for community substance use disorder  
28 prevention, education, and treatment to coordinate care and  
29 services provided to individuals with severe and persistent mental



1 illness and substance use disorder diagnoses.

2 (2) Each managing entity shall continue current efforts to  
3 collaborate on the delivery of services to clients with mental  
4 illness and substance use disorder diagnoses, with the goal of  
5 providing services in an administratively efficient manner.

6 Sec. 909. From the funds appropriated in part 1 for health  
7 homes, the department shall use available revenue from the  
8 marihuana regulatory fund established in section 604 of the medical  
9 marihuana facilities licensing act, 2016 PA 281, MCL 333.27604, to  
10 improve physical health, expand access to substance use disorder  
11 prevention and treatment services, and strengthen the existing  
12 prevention, treatment, and recovery systems.

13 Sec. 910. The department shall ensure that substance use  
14 disorder treatment is provided to applicants and recipients of  
15 public assistance through the department who are required to obtain  
16 substance use disorder treatment as a condition of eligibility for  
17 public assistance.

18 Sec. 911. (1) The department shall ensure that a contract with  
19 a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to  
20 encourage the diversion of individuals with a serious mental  
21 illness, serious emotional disturbance, or developmental disability  
22 from possible jail incarceration, when appropriate.

23 (2) Each CMHSP or PIHP shall have jail diversion services and  
24 shall work toward establishing working relationships with  
25 representative staff of local law enforcement agencies, including  
26 county prosecutors' offices, county sheriffs' offices, county  
27 jails, municipal police agencies, municipal detention facilities,  
28 and the courts. Written interagency agreements describing what  
29 services each participating agency is prepared to commit to the

1 local jail diversion effort and the procedures to be used by local  
2 law enforcement agencies to access mental health jail diversion  
3 services are strongly encouraged.

4 Sec. 912. The department shall contract directly with the  
5 Salvation Army Harbor Light program, at an amount not less than the  
6 amount provided during the fiscal year ending September 30, 2020,  
7 to provide non-Medicaid substance use disorder services if the  
8 local coordinating agency or the department confirms the Salvation  
9 Army Harbor Light program meets the standard of care established by  
10 the department. The standard of care must include, but is not  
11 limited to, using a medication assisted treatment option.

12 Sec. 913. (1) From the funds appropriated in part 1 for  
13 behavioral health program administration, the department shall  
14 allocate \$1,025,000.00 for the autism navigator program. The  
15 department shall require a contractor receiving funds under this  
16 section to comply with performance-related metrics established by  
17 the department to maintain eligibility for funding. The  
18 performance-related metrics must include, but not be limited to,  
19 all of the following:

20 (a) Each contractor shall have an accreditation that attests  
21 to the contractor's competency and effectiveness in providing  
22 services.

23 (b) Each contractor shall demonstrate cost-effectiveness.

24 (c) Each contractor shall ensure the contractor's ability to  
25 leverage private dollars to strengthen and maximize service  
26 provision.

27 (d) Each contractor shall provide quarterly reports to the  
28 department on the number of clients served by PIHP region, units of  
29 service provision by PIHP region, and ability to meet their stated

1 goals.

2 (2) The department shall require a report from a contractor  
3 receiving funds under this section. A contractor shall submit the  
4 report to the department not later than 60 days after the end of  
5 the contract period. The report must include specific information  
6 on services and programs provided by the contractor, the client  
7 base to which the services and programs were provided by the  
8 contractor, and the contractor's expenditures for the services. The  
9 department shall submit the reports to the standard report  
10 recipients.

11 Sec. 914. Not later than June 1 of the current fiscal year,  
12 the department shall submit a report to the standard report  
13 recipients on outcomes of the funds provided in part 1 to the  
14 Michigan Clinical Consultation and Care program (MC3). The outcomes  
15 reported must include, but are not limited to, the number of same-  
16 day telephone consultations with primary care providers and the  
17 number of local resource recommendations made to primary care  
18 providers who are providing medical care to patients who need  
19 behavioral health services.

20 Sec. 915. From the funds appropriated in part 1 for community  
21 substance use disorder prevention, education, and treatment and  
22 opioid response activities, the department shall, to the extent  
23 possible, provide grants, pursuant to federal law, to local public  
24 entities that provide substance use disorder services and to 1  
25 private entity that has a statewide contract to provide community-  
26 based substance use disorder services.

27 Sec. 916. From the funds appropriated in part 1 for behavioral  
28 health program administration, the department shall allocate  
29 \$200,000.00 as a grant to a nonprofit mental health clinic located

1 in a county with a population between 290,000 and 300,000 according  
2 to the most recent federal decennial census that provides  
3 counseling services, accepts clients regardless of their ability to  
4 pay for services through sliding scale copayments and volunteer  
5 services, and uses fundraising to support their clinic.

6 Sec. 917. (1) From the funds appropriated in part 1 for opioid  
7 response activities, the department shall allocate \$23,199,000.00  
8 from the Michigan opioid healing and recovery fund created under  
9 section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253,  
10 to create or supplement opioid-related programs and services in a  
11 manner consistent with the opioid judgment, settlement, or  
12 compromise of claims pertaining to violations, or alleged  
13 violations, of law related to the manufacture, marketing,  
14 distribution, dispensing, or sale of opioids.

15 (2) On a semiannual basis, the department shall submit to the  
16 standard report recipients a report on all of the following:

17 (a) Total revenues deposited into and expenditures and  
18 encumbrances from the Michigan opioid healing and recovery fund  
19 since the creation of the fund.

20 (b) Revenues deposited into and expenditures and encumbrances  
21 from the Michigan opioid healing and recovery fund during the  
22 previous 6 months.

23 (c) Estimated revenues to be deposited into and the spending  
24 plan for the Michigan opioid healing and recovery fund for the next  
25 12 months.

26 Sec. 918. On a quarterly basis, providing monthly data, the  
27 department shall submit a report to the standard report recipients  
28 on the amount of funding paid to PIHPs to support the Medicaid  
29 managed mental health care program. The report must include

1 information on the total paid to each PIHP, per capita rate paid  
2 for each eligibility group for each PIHP, the number of cases in  
3 each eligibility group for each PIHP, and a year-to-date summary of  
4 eligibles and expenditures for the Medicaid managed mental health  
5 care program.

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

14 (2) It is the intent of the legislature that any increased  
15 Medicaid rate reflects a minimum wage for direct care employees  
16 that is equal to the average hourly wage of the prosperity region  
17 where the place of employment is located. As used in this section,  
18 "prosperity region" means each of the 10 prosperity regions  
19 identified by the department of technology, management, and budget  
20 on the effective date of this act.

21 Sec. 924. From the funds appropriated in part 1, for the  
22 purposes of actuarially sound rate certification and approval for  
23 Medicaid behavioral health managed care programs, the department  
24 shall maintain a fee schedule for autism services reimbursement  
25 rates for direct services. Expenditures used for rate setting shall  
26 not exceed the rates identified in the fee schedule. The fee  
27 schedule must include a rate for behavioral technicians that is not  
28 less than \$70.00 per hour.

29 Sec. 926. (1) From the funds appropriated in part 1 for

1 community substance use disorder prevention, education, and  
2 treatment, \$1,000,000.00 from the Michigan opioid healing and  
3 recovery fund created under section 3 of the Michigan trust fund  
4 act, 2000 PA 489, MCL 12.253, is allocated for a specialized  
5 substance use disorder detoxification project administered by a 9-  
6 1-1 service district in conjunction with a substance use and case  
7 management provider. The project must be located at a hospital  
8 within a 9-1-1 service district with at least 600,000 residents and  
9 15 member communities and that is located within a county with a  
10 population of at least 1,500,000 according to the most recent  
11 federal decennial census.

12 (2) The substance use and case management provider receiving  
13 funds under this section shall collect and submit to the department  
14 data on the outcomes of the project throughout the duration of the  
15 project and the department shall submit a report on the project's  
16 outcomes to the standard report recipients.

17 Sec. 928. (1) Each PIHP shall provide, from the PIHP's  
18 internal resources, local funds to be used as a part of the state  
19 match required under the Medicaid program in order to increase  
20 capitation rates for PIHPs. The local funds must not include either  
21 of the following:

22 (a) State funds received by a CMHSP for services provided to  
23 non-Medicaid recipients.

24 (b) The state matching portion of the Medicaid capitation  
25 payments made to a PIHP.

26 (2) Not later than April 1 of the current fiscal year, the  
27 department shall report to the standard report recipients on the  
28 lapse by PIHP from the previous fiscal year and the projected lapse  
29 by PIHP in the current fiscal year.

1           Sec. 929. From the funds appropriated in part 1 for Michigan  
2 Clinical Consultation and Care, the department shall allocate at  
3 least \$350,000.00 to address needs in a city in which a declaration  
4 of emergency was issued because of drinking water contamination.

5           Sec. 935. A county required under the mental health code, 1974  
6 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a  
7 CMHSP for mental health services rendered to residents in the  
8 county's jurisdiction shall pay the matching funds in equal  
9 installments on not less than a quarterly basis throughout the  
10 fiscal year, with the first payment being made by October 1 of the  
11 current fiscal year.

12           Sec. 940. (1) In accordance with section 236 of the mental  
13 health code, 1974 PA 258, MCL 330.1236, the department shall review  
14 expenditures for each CMHSP to identify any CMHSP with a projected  
15 allocation surplus and to identify any CMHSP with a projected  
16 allocation shortfall. The department shall encourage the board of a  
17 CMHSP with a projected allocation surplus to concur with the  
18 department's recommendation to reallocate the projected surplus to  
19 a CMHSP with a projected allocation shortfall.

20           (2) A CMHSP that has its projected surplus reallocated during  
21 the current fiscal year as described in subsection (1) is not  
22 eligible for an additional funding reallocation during the  
23 remainder of the current fiscal year, unless the CMHSP is  
24 responding to a public health emergency as determined by the  
25 department.

26           (3) A CMHSP shall report to the department on a proposed  
27 reallocation described in this section at least 30 days before the  
28 reallocation takes effect.

29           (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 a reallocation  
3 described in subsection (1). Not later than September 30 of the  
4 current fiscal year, the department shall submit a report on the  
5 amount of funding reallocated to the standard report recipients.

6 Sec. 942. A CMHSP shall provide at least 30 days' notice  
7 before reducing, terminating, or suspending a service provided by  
8 the CMHSP to a CMHSP client, unless the service is authorized by a  
9 physician and the service no longer meets established criteria for  
10 medical necessity.

11 Sec. 960. (1) From the funds appropriated in part 1 for autism  
12 services, the department shall continue to cover all Medicaid  
13 autism services to Medicaid enrollees eligible for the services  
14 that were covered on January 1, 2019.

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

17 (a) Not later than March 1 of the current fiscal year, develop  
18 and implement specific written guidance for standardization of  
19 Medicaid PIHPs and CMHSPs autism spectrum disorder administrative  
20 services, including, but not limited to, reporting requirements,  
21 coding, and reciprocity of credentialing and training between PIHPs  
22 and CMHSPs to reduce administrative duplication at the PIHP, CMHSP,  
23 and service provider levels.

24 (b) Require consultation with the client's evaluation  
25 diagnostician and PIHP to approve the client's ongoing therapy for  
26 3 years, unless the client's evaluation diagnostician recommended  
27 an evaluation before the 3 years or if a clinician on the treatment  
28 team recommended an evaluation for the client before the third  
29 year.



1 (c) Limit the authority to perform a diagnostic evaluation for  
2 Medicaid autism services to qualified licensed practitioners.  
3 Qualified licensed practitioners are limited to the following:

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

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

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

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

16 (v) A clinical social worker with at least 1 year of  
17 experience working within the clinical social worker's scope of  
18 practice who is qualified and experienced in diagnosing autism  
19 spectrum disorders.

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

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

25 (d) Require that a client whose initial diagnosis was  
26 performed by a diagnostician with master's level credentials have  
27 their diagnosis and treatment recommendations reviewed by a  
28 physician, psychiatric nurse practitioner, physician's assistant  
29 with training, experience, or expertise in autism spectrum

1 disorders or behavioral health, or fully credentialed psychologist.

2 (e) Allow and expand the utilization of telemedicine and  
3 telepsychiatry to increase access to diagnostic evaluation  
4 services.

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

11 (g) Require that Medicaid eligibility be confirmed through  
12 prior evaluations conducted by physicians, psychiatric nurse  
13 practitioners, physician's assistant with training, experience, or  
14 expertise in autism spectrum disorders or behavioral health, or  
15 fully credentialed psychologists to the extent possible.

16 (h) Maintain regular statewide provider trainings on autism  
17 spectrum disorder standard clinical best practice guidelines for  
18 treatment and diagnostic services.

19 (3) By March 1 of the current fiscal year, the department  
20 shall submit a report to the standard report recipients on total  
21 autism services spending broken down by PIHP and CMHSP for the  
22 previous fiscal year and current fiscal year and total  
23 administrative costs broken down by PIHP, CMHSP, and the type of  
24 administrative cost for the previous fiscal year and current fiscal  
25 year.

26 Sec. 962. For special projects involving high-need children or  
27 adults, including the not guilty by reason of insanity population,  
28 the department may contract directly with providers of services to  
29 the children and adults described in this section.

1           Sec. 965. From the funds appropriated in part 1, the  
2 department and each PIHP shall maintain the comparison rate and any  
3 associated reimbursement rate of the bundled rate H0020 for the  
4 administration and services of methadone at not less than \$19.00.

5           Sec. 972. From the funds appropriated in part 1 for behavioral  
6 health program administration, the department shall allocate not  
7 less than \$4,036,400.00 of general fund/general purpose revenue and  
8 any associated federal match or federal grant funding, including,  
9 but not limited to, associated federal 988 grant funding for the  
10 mental health telephone access line known as the Michigan crisis  
11 and access line (MiCAL), to provide for both of the following in  
12 accordance with section 165 of the mental health code, 1974 PA 258,  
13 MCL 330.1165:

14           (a) Primary coverage in a region where a regional national  
15 suicide prevention lifeline center does not provide coverage.

16           (b) Statewide secondary coverage.

17           Sec. 974. The department and a PIHP shall allow an individual  
18 with an intellectual or developmental disability who receives  
19 supports and services from a CMHSP to instead receive supports and  
20 services from another provider if the individual is eligible and  
21 qualified to receive supports and services from another provider.  
22 Other providers may include, but are not limited to, MIChoice and  
23 PACE.

24           Sec. 978. From the funds appropriated in part 1 for community  
25 substance use disorder prevention, education, and treatment and  
26 recovery community organizations, the department shall allocate  
27 \$1,200,000.00 as grants for recovery community organizations in  
28 accordance with section 273b of the mental health code, 1974 PA  
29 258, MCL 330.1273b. A grant must be used to offer or expand

1 recovery support center services or recovery community center  
2 services to individuals seeking long-term recovery from substance  
3 use disorders.

4 Sec. 995. (1) From the funds appropriated in part 1 for mental  
5 health diversion council, the department shall allocate  
6 \$3,850,000.00 to continue to implement the jail diversion pilot  
7 programs that are intended to address the recommendations of the  
8 mental health diversion council.

9 (2) Not later than March 1 of the current fiscal year, the  
10 department shall submit a report to the standard report recipients  
11 on the planned allocation of the funds appropriated for the mental  
12 health diversion council.

13 (3) As used in this section, "mental health diversion council"  
14 means the council as that term is defined in section 207e of the  
15 mental health code, 1974 PA 258, MCL 330.1207e.

16 Sec. 996. From the funds appropriated in part 1 for family  
17 support subsidy, the department shall make monthly payments of  
18 \$300.36 to a parent or legal guardian of a child approved for the  
19 family support subsidy by a CMHSP.

20 Sec. 997. The department shall use population data from the  
21 most recent federal data from the United States Census Bureau in  
22 determining the distribution of substance use disorder block grant  
23 funds.

24 Sec. 998. If the department decides to use census data to  
25 distribute state general funds to CMHSPs, the department shall use  
26 the most recent federal data from the United States Census Bureau.

27  
28 **BEHAVIORAL HEALTH SERVICES**

29 Sec. 1001. Not later than December 31 of the current fiscal

1 year, each CMHSP shall submit a report to the department that  
2 identifies populations being served by the CMHSP broken down by  
3 program eligibility category. The report must also include the  
4 percentage of the operational budget that is related to program  
5 eligibility enrollment. Not later than February 15 of the current  
6 fiscal year, the department shall submit the reports described in  
7 this section to the standard report recipients.

8 Sec. 1002. The department shall expand the certified community  
9 behavioral health clinic demonstration to include organizations  
10 that meet all of the following criteria:

11 (a) Are a current CMHSP or an eligible organization as defined  
12 in section 223(a)(2)(F) of the protecting access to Medicare act of  
13 2014, Public Law 113-93, with a CCBHC grant from the federal  
14 substance abuse and mental health services administration for at  
15 least 1 year.

16 (b) Achieve CCBHC certification by meeting all state and  
17 federal requirements by September 1, 2024, unless otherwise  
18 specified in the CCBHC Demonstration Handbook.

19 (c) Have implemented all of the following evidence-based  
20 practices by July 1, 2024:

21 (i) Air Traffic Control Crisis Model with the Michigan Crisis  
22 and Access Line.

23 (ii) Assertive community treatment.

24 (iii) Cognitive behavioral therapy.

25 (iv) Trauma-focused cognitive behavioral therapy.

26 (v) Medication assisted treatment.

27 (vi) Motivational interviewing.

28 Sec. 1003. The department shall notify the Community Mental  
29 Health Association of Michigan when developing a policy or

1 procedure that will impact a PIHP or CMHSP.

2 Sec. 1004. The department shall submit a report to the  
3 standard report recipients on any rebased formula changes to either  
4 Medicaid behavioral health services or non-Medicaid mental health  
5 services 90 days before the department implements the formula  
6 change. The notification must include a table showing the changes  
7 in funding allocation by PIHP for Medicaid behavioral health  
8 services or by CMHSP for non-Medicaid mental health services.

9 Sec. 1005. (1) From the funds appropriated in part 1 for  
10 health homes, the department shall maintain the number of  
11 behavioral health homes and maintain the number of substance use  
12 disorder health homes, in place by PIHP region as of September 30  
13 of the previous fiscal year. The department may expand the number  
14 of behavioral health homes and the number of substance use disorder  
15 health homes in a PIHP region added after October 1 of the current  
16 fiscal year.

17 (2) On a semiannual basis, the department shall submit a  
18 report to the standard report recipients on the number of  
19 individuals being served and expenditures incurred by each PIHP  
20 region by site.

21 Sec. 1006. (1) From the funds appropriated in part 1 for  
22 certified community behavioral health clinics on a semiannual  
23 basis, the department shall submit a report to the standard report  
24 recipients on the following:

25 (a) The total number of clients served by CCBHC.

26 (b) The total number of daily visits per CCBHC.

27 (c) The amount of prospective payment system rates for each  
28 center over the entire demonstration period allocated across the 9  
29 service types.

1 (d) The total expenditures by CCBHC in the previous fiscal  
2 year.

3 (e) The total cost factors and implications in interpreting  
4 how CCBHCs deliver care over the course of the demonstration  
5 change.

6 (f) The comparison of costs for a random sample of enrollees  
7 between care provided by a CCBHC provider and non-CCBHC Medicaid  
8 provider. The sample must include participants known to have  
9 received services at CCBHC providers and non-CCBHC Medicaid  
10 providers.

11 Sec. 1008. A PIHP and CMHSP shall do all of the following:

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

23 (b) Take an active role in managing mental health care by  
24 ensuring consistent and high-quality service delivery throughout  
25 its network and promote a conflict-free care management  
26 environment.

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

1 (d) Whenever possible, promote fair and adequate direct care  
2 reimbursement, including, but not limited to, fair wages for direct  
3 service workers.

4 Sec. 1010. (1) The department shall use the funds appropriated  
5 in part 1 for behavioral health community supports and services to  
6 reduce waiting lists at state-operated hospitals and centers  
7 through cost-effective community-based and residential services,  
8 including, but not limited to, assertive community treatment,  
9 forensic assertive community treatment, crisis stabilization units  
10 in accordance with chapter 9A of the mental health code, 1974 PA  
11 258, MCL 330.1971 to 330.1979, and psychiatric residential  
12 treatment facilities in accordance with section 137a of the mental  
13 health code, 1974 PA 258, MCL 330.1137a.

14 (2) From the funds appropriated in part 1 for behavioral  
15 health community supports and services, the department shall  
16 allocate \$30,450,000.00 to reimburse private providers for  
17 intensive psychiatric treatments and services that are provided  
18 outside of state-operated hospitals and centers and for support  
19 efforts related to overseeing community-based programs placement.

20 (3) If a private provider has an existing wait list for  
21 intensive psychiatric treatments and services, a reimbursement to  
22 the private provider under this section must not be conditioned on  
23 the private provider giving wait-list priority to individuals  
24 placed with funds appropriated in this section.

25 Sec. 1011. From the funds appropriated in part 1 for  
26 behavioral health community supports and services, the department  
27 shall allocate \$500,000.00 to a qualified Yemeni nonprofit  
28 organization to provide communities with the best services suited  
29 to the communities according to their time and needs, with no



1 prejudice, and regardless of religion, culture, or ethnic  
2 background. As used in this section, "qualified Yemeni nonprofit  
3 organization" means an organization that was established in 2000,  
4 is organized under the laws of this state, is exempt from federal  
5 income tax under section 501(c)(3) of the internal revenue code of  
6 1986, 26 USC 501, and has its administrative office located in a  
7 county with a population of at least 1,750,000 and in a city with a  
8 population between 109,000 and 110,000.

9 Sec. 1014. (1) From the funds appropriated in part 1 to  
10 agencies providing physical and behavioral health services to  
11 multicultural populations, the department shall award grants in  
12 accordance with the requirements of subsection (2). This state is  
13 not liable for any spending above the contract amount. The  
14 department shall not release funds until reporting requirements  
15 under section 1014 of article 6 of 2023 PA 119 are satisfied.

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

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

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

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

29 (d) Each contractor or subcontractor shall demonstrate cost-

effectiveness.

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

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

(3) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, must include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. By February 1 of the current fiscal year, the department must submit the annual reports to the report recipients required in section 246 of this part.

Sec. 1015. From the funds appropriated in part 1 for federal mental health block grant, the department shall, to the extent possible, provide grants pursuant to federal law to local public entities that provide mental health services and to 1 private entity that has a statewide contract to provide community-based mental health services.

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

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

1 collections under the project and to improve ongoing departmental  
2 reimbursement management functions.

3 Sec. 1052. The department shall use gifts and bequests  
4 received for patient living and treatment environments for  
5 additional private funds to provide specific enhancements for  
6 individuals residing at state-operated facilities. The department  
7 shall use the gifts and bequests consistent with the stipulation of  
8 the donor. The department shall use gift and bequest donations  
9 within 3 years unless otherwise stipulated by the donor.

10 Sec. 1055. (1) The department shall not implement a closure or  
11 consolidation of a state hospital, center, or agency, until each  
12 CMHSP or PIHP affected by the closure or consolidation has programs  
13 and services in place for the individuals currently in the  
14 hospital, center, or agency that is to be closed or consolidated,  
15 and has a plan for providing services to the individuals who would  
16 have been admitted to the hospital, center, or agency.

17 (2) A closure or consolidation is dependent on adequate  
18 department-approved CMHSP and PIHP plans that include a discharge  
19 and aftercare plan for each individual currently in a facility  
20 described in subsection (1). A discharge and aftercare plan must  
21 address an individual's housing needs. A homeless shelter or  
22 similar temporary shelter arrangement is inadequate to meet an  
23 individual's housing needs.

24 (3) Four months after a closure is certified under section  
25 19(6) of the state employees' retirement act, 1943 PA 240, MCL  
26 38.19, the department shall provide a closure plan to the standard  
27 report recipients.

28 (4) On the closure of a hospital, center, or agency and after  
29 transitional costs have been paid, the remaining balances of funds

1 appropriated for the hospital, center, or agency must be  
2 transferred to CMHSPs or PIHPs responsible for providing services  
3 for individuals previously served by the hospital, center, or  
4 agency.

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

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

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

24 (a) The average wait time from the time of the receipt of a  
25 court order for the treatment of an individual who is determined  
26 incompetent to stand trial until the individual's admission to the  
27 center for forensic psychiatry or other state-operated psychiatric  
28 facility.

29 (b) The average number of individuals determined not guilty by

1 reason of insanity by an order of the probate court who, on the  
2 first day of each month, are waiting to receive admission into the  
3 center for forensic psychiatry or other state-operated psychiatric  
4 facility. The average described in this subdivision must be  
5 calculated based on the most recent 12 months.

6 (c) The average number of adults who, on the first day of each  
7 month, are waiting to receive admission into another state-operated  
8 hospital or center through the civil admissions process. The  
9 average described in this subdivision must be calculated based on  
10 the most recent 12 months.

11 (d) The average number of children who, on the first day of  
12 each month, are waiting to receive admission into another state-  
13 operated hospital or center through the civil admissions process.  
14 The average described in this subdivision must be calculated based  
15 on the most recent 12 months.

16 (e) The average wait time for an adult who is awaiting  
17 admission into another state-operated hospital or center through  
18 the civil admissions process. The average described in this  
19 subdivision must be calculated based on the most recent 12 months.

20 (f) The average wait time for a child who is awaiting  
21 admission into another state-operated hospital or center through  
22 the civil admissions process. The average described in this  
23 subdivision must be calculated based on the most recent 12 months.

24 (g) The number of individuals determined not guilty by reason  
25 of insanity or incompetent to stand trial by an order of a probate  
26 court that have been determined to be ready for discharge to the  
27 community, and the average wait time between being determined to be  
28 ready for discharge to the community and actual community  
29 placement.

1           (h) The number of adults admitted through the civil admission  
2 process that have been determined to be ready for discharge to the  
3 community, and the average wait time between being determined to be  
4 ready for discharge to the community and actual community  
5 placement.

6           (i) The number of children admitted through the civil  
7 admission process that have been determined to be ready for  
8 discharge to the community, and the average wait time between being  
9 determined to be ready for discharge to the community and actual  
10 community placement.

11           (j) The most recent 12-month total number of individuals  
12 determined not guilty by reason of insanity by an order of the  
13 probate court ordering the individual to be admitted into the  
14 center for forensic psychiatry or other state-operated psychiatric  
15 facility

16           (k) The most recent 12-month total number of adults requested  
17 to be admitted to a state-operated hospital or center through the  
18 civil admissions process.

19           (l) The most recent 12-month total number of children  
20 requested to be admitted to a state-operated hospital or center  
21 through the civil admissions process.

22           (m) The number of individuals determined not guilty by reason  
23 of insanity by an order of the probate court that were removed from  
24 the admissions waiting list and the reason for the removal from the  
25 admissions waiting list.

26           (n) The number of adults awaiting admission through the civil  
27 admission process removed from the admission waiting list and the  
28 reason for the removal from the admission waiting list.

29           (o) The number of children awaiting admission through the

1 civil admission process removed from the admission waiting list and  
2 the reason for the removal from the admission waiting list.

3 (p) The number of individuals determined not guilty by reason  
4 of insanity by an order of the probate court and not admitted into  
5 the center for forensic psychiatry or other state-operated hospital  
6 or center, and the rationale for the individual not being admitted.

7 (q) The number of adults not admitted into the other state-  
8 operated hospitals or centers through the civil admissions process  
9 and the rationale for the individual not being admitted.

10 (r) The number of children not admitted into a state-operated  
11 hospital or center through the civil admission process and the  
12 rationale for the individual not being admitted.

13 (2) Not later than April 1 of the current fiscal year, the  
14 department shall submit a report to the standard report recipients  
15 of this part on the outcomes and performance measures required  
16 under subsection (1).

17 Sec. 1060. Not later than March 1 of the current fiscal year,  
18 the department shall submit a report on mandatory overtime, staff  
19 turnover, and staff retention at the state psychiatric hospitals  
20 and centers to the standard report recipients. The report must  
21 include, but is not limited to, the following:

22 (a) The number of direct care and clinical staff positions  
23 that are currently vacant by hospital, and how that number compares  
24 to the number of vacancies during the previous fiscal year.

25 (b) A breakdown of voluntary and mandatory overtime hours  
26 worked by position and by hospital, and how that breakdown compares  
27 to the breakdown of voluntary and mandatory overtime hours during  
28 the previous fiscal year.

29 (c) The ranges of wages paid by position and by hospital, and

1 how the ranges of wages paid compare to wages paid during the  
2 previous fiscal year.

3 Sec. 1061. (1) On a semiannual basis, the department shall  
4 report to the standard report recipients a status update on the  
5 construction of the new state psychiatric facility that will house  
6 both children and adults. The report must include, but is not  
7 limited to, an estimated timeline for completion and any obstacles  
8 that have caused a delay in construction progress.

9 (2) By September 30 of the current fiscal year, the department  
10 shall report to the standard report recipients a proposed  
11 transition plan for the transfer of children and adults currently  
12 residing at the Walter P. Reuther Psychiatric Hospital to the newly  
13 constructed state psychiatric facility. Additionally, the report  
14 must include a plan for either the future use or the demolition of  
15 the Walter P. Reuther Psychiatric Hospital, and an estimated cost  
16 for the proposed plan.

17 Sec. 1063. (1) From the funds appropriated in part 1 for  
18 Walter P. Reuther - psychiatric hospital - adult, children and  
19 adolescents, the department shall maintain a psychiatric  
20 transitional unit and children's transition support team. The unit  
21 and support team described in this subsection shall augment the  
22 continuum of behavioral health services for high-need youth and  
23 provide additional continuity of care and transition into  
24 supportive community-based services.

25 (2) The outcome and performance measures for the unit and  
26 support team described in subsection (1) include, but are not  
27 limited to, the following:

28 (a) The rate of rehospitalization for youth served through the  
29 unit or support team at 30 and 180 days.



1 (b) The measured change in the Child and Adolescent Functional  
2 Assessment Scale for children served through the unit or support  
3 team.

4 Sec. 1064. From the funds appropriated in part 1 for state  
5 employees retirement system implementation costs, the department  
6 shall remit those funds to the state employees retirement system in  
7 support of the implementation costs of Senate Bill No. 165, Senate  
8 Bill No. 166, and Senate Bill No. 167 of the 2023-2024 legislative  
9 session.

10  
11 **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

12 Sec. 1140. From the funds appropriated in part 1 for primary  
13 care services, \$400,000.00 is allocated to free health clinics  
14 operating in this state. The department shall distribute the funds  
15 equally to each free health clinic. As used in this section, "free  
16 health clinic" means a nonprofit organization that uses a volunteer  
17 health professional to provide care to an uninsured individual.

18 Sec. 1143. From the funds appropriated in part 1 for primary  
19 care services, the department shall allocate no less than  
20 \$675,000.00 for island primary health care access and services  
21 including island clinics, in the following amounts:

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

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

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

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

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

1 the facilities described in this section receive the maximum amount  
2 allowable under federal law for Medicaid services.

3 Sec. 1146. From the funds appropriated in part 1 for domestic  
4 violence prevention and treatment, the department shall allocate  
5 \$1,000,000.00 to support programs that serve survivors of domestic  
6 violence, sexual violence, and human trafficking. The funds  
7 appropriated in this section must be allocated in the following  
8 manner:

9 (a) \$500,000.00 must be allocated to a nonprofit organization  
10 organized under the laws of this state that is exempt from federal  
11 income tax under section 501(c)(3) of the internal revenue code of  
12 1986, 26 USC 501, that is located in a city with a population  
13 between 10,000 and 15,000 and in a county with a population between  
14 35,000 and 36,900, according to the most recent federal decennial  
15 census. To be eligible for funding under this subsection, the  
16 nonprofit organization must be a statewide tribal domestic violence  
17 and sexual assault coalition serving the tribes located in this  
18 state.

19 (b) \$500,000.00 must be allocated to a nonprofit organization  
20 organized under the laws of this state that is exempt from federal  
21 income tax under section 501(c)(3) of the internal revenue code of  
22 1986, 26 USC 501, with a stated mission of being dedicated to the  
23 empowerment of all the state's survivors of domestic violence,  
24 sexual violence, and human trafficking and to develop and promote  
25 comprehensive efforts aimed at eliminating all forms of domestic  
26 and sexual violence, including human trafficking, in Michigan.

27 Sec. 1147. From the funds appropriated in part 1 for cellular  
28 therapy for Versiti Michigan, \$750,000.00 is allocated to Versiti  
29 Michigan. The funds must be used to enhance the collection of fetal

1 umbilical cord blood and stem cells for transplant, expand cord  
2 blood laboratory capabilities, expand the diversity of collections,  
3 and build information technology infrastructure.

4 Sec. 1148. From the funds appropriated in part 1 for minority  
5 health grants and contracts, the department shall allocate  
6 \$275,000.00 to a nonprofit organization organized under the laws of  
7 this state that is exempt from federal income tax under section  
8 501(c)(3) of the internal revenue code of 1986, 26 USC 501, is  
9 located in a city with a population greater than 600,000 according  
10 to the most recent federal decennial census, and operates the  
11 nation's largest community fitness festival. The funds allocated  
12 under this section must be used to expand access to free community  
13 fitness experiences and nutrition education.

14 Sec. 1153. From the funds appropriated in part 1 for crime  
15 victim rights sustaining grants, the department shall allocate  
16 \$102,600.00 of state general fund/general purpose revenue for a  
17 sexual assault nurse examiners program at a hospital that is  
18 located in a city with a population between 21,600 and 21,700 in a  
19 county with a population between 64,300 and 64,400, according to  
20 the most recent federal decennial census. The funds allocated under  
21 this section must be used to support staff compensation and  
22 training, victim needs, and community awareness, education, and  
23 prevention programs.

24 Sec. 1155. (1) From the funds appropriated in part 1 for the  
25 uniform statewide sexual assault evidence kit tracking system, in  
26 accordance with the final report of the Michigan sexual assault  
27 evidence kit tracking and reporting commission, the department  
28 shall allocate \$369,500.00 for administering a uniform statewide  
29 sexual assault evidence kit tracking system. The system must

1 include all of the following:

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

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

7 (c) Secure electronic access for victims.

8 (d) The ability to accommodate concurrent data entry with kit  
9 collection through mechanisms that include, but are not limited to,  
10 web entry through computers or smartphones, and through scanning  
11 devices.

12 (2) The sexual assault evidence tracking fund established in  
13 section 1451 of 2017 PA 158 shall continue to be maintained in the  
14 department of treasury. Money in the sexual assault evidence  
15 tracking fund at the close of a fiscal year remains in the sexual  
16 assault evidence tracking fund, does not revert to the general  
17 fund, and is appropriated as provided by law for the development  
18 and implementation of a uniform statewide sexual assault evidence  
19 kit tracking system as described in subsection (1).

20 Sec. 1157. From the funds appropriated in part 1 for child  
21 advocacy centers - supplemental grants, the department shall  
22 allocate \$2,000,000.00 to provide additional funding to child  
23 advocacy centers to support the general operations of child  
24 advocacy centers. The department shall allocate the additional  
25 funding to each center proportionally based on the number of  
26 children served at each center during the fiscal year ending  
27 September 30, 2023 compared to the number of total children served  
28 under this section. The purpose of the additional funding is to  
29 increase the amount of services provided to children and their

1 families who are victims of abuse over the amount provided in the  
2 previous fiscal year.

3 Sec. 1158. From the funds appropriated in part 1 for crime  
4 victim rights sustaining grants, the department shall allocate  
5 \$25,897,400.00 to supplement the loss of federal victims of crime  
6 act and state crime victim rights funding. The department must  
7 distribute the funds consistent with the regular allocation formula  
8 for crime victim justice grants and crime victim rights services  
9 grants.

10 Sec. 1159. (1) From the funds appropriated in part 1 for  
11 community health programs, the department shall support preventive  
12 health supports and services in regions with high health care  
13 access and outcome disparities. The department shall use the funds  
14 appropriated pursuant to this section to provide for all of the  
15 following:

16 (a) Financial support for the operation of community-based  
17 health clinics. A community-based health clinic shall provide  
18 preventive health supports and services, be established in  
19 communities with high social vulnerability and health disparities,  
20 and be operated in cooperation with trusted community partners with  
21 demonstrated experience in serving as an access point for  
22 preventive health supports and services.

23 (b) Financial support for the operation of healthy community  
24 zones. The healthy community zones must utilize long-term  
25 strategies to address access to healthy food, affordable housing,  
26 and safety networks.

27 (c) Financial support for the operation of mobile health units  
28 to provide preventive health supports and services for individuals  
29 residing in areas with high disparities in health care outcomes and

1 access.

2 (2) Not later than March 1 of the current fiscal year, the  
3 department shall submit to the standard report recipients a report  
4 on the outcome of the community health programs described in  
5 subsection (1) and section 1924 of this part. The report must  
6 include, but is not limited to, all of the following:

7 (a) The list of communities served.

8 (b) The types of health services offered by grant recipients.

9 (c) A spending report from the grant recipients.

10  
11 **EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY**

12 Sec. 1180. From the funds appropriated in part 1 for  
13 epidemiology administration and for childhood lead program, the  
14 department shall maintain a public health drinking water unit and  
15 maintain enhanced efforts to monitor child blood lead levels. The  
16 public health drinking water unit shall ensure that appropriate  
17 investigations of potential health hazards occur for all community  
18 and noncommunity drinking water supplies where chemical exceedances  
19 of action levels, health advisory levels, or maximum contaminant  
20 limits are identified. The goals of the childhood lead program must  
21 include improving the identification of children affected by lead  
22 exposure, improving the timeliness of case follow-up, and attaining  
23 nurse care management for children with lead exposure, and to  
24 achieve a long-term reduction in the percentage of children in this  
25 state with elevated blood lead levels.

26 Sec. 1181. From the funds appropriated in part 1 for  
27 epidemiology administration, the department shall maintain a vapor  
28 intrusion response unit. The vapor intrusion response unit shall  
29 assess risks to public health at vapor intrusion sites and respond

1 to vapor intrusion risks if appropriate. The goals of the vapor  
2 intrusion response unit must include reducing the number of  
3 individuals who are exposed to toxic substances through vapor  
4 intrusion and improving health outcomes for individuals who are  
5 identified as having been exposed to vapor intrusion.

6 Sec. 1182. Not later than April 1 of the current fiscal year,  
7 the department shall submit a report to the standard report  
8 recipients on the expenditures and activities undertaken by the  
9 lead abatement program during the previous fiscal year using the  
10 funds previously appropriated for the healthy homes program. The  
11 report must include, but is not limited to, a funding allocation  
12 schedule, the expenditures by category of expenditure and by  
13 subcontractor, the revenues received, a description of program  
14 elements, the number of housing units abated of lead-based paint  
15 hazards by zip code, and a description of program accomplishments  
16 and progress.

17 Sec. 1186. (1) From the funds appropriated in part 1 for  
18 emergency medical services program, the department shall allocate  
19 \$2,000,000.00 for a stroke and STEMI system. The department shall  
20 integrate the stroke and STEMI system into the statewide trauma  
21 care system within the emergency medical services system and shall  
22 ensure that the stroke and STEMI system complies with at least all  
23 of the following requirements:

24 (a) A requirement that a facility is designated as a stroke  
25 and STEMI facility if the department verifies that national  
26 certification or accreditation standards for the facility have been  
27 met.

28 (b) A requirement that a hospital is not required to be  
29 designated as providing certain levels of care for stroke or STEMI.

1 (c) A requirement to develop and use stroke and STEMI  
2 registries that utilize nationally recognized data platforms with  
3 confidentiality standards.

4 (2) Not later than March 1 of the current fiscal year, the  
5 department shall submit a report to the standard report recipients  
6 on the expenditures and activities undertaken by the stroke and  
7 STEMI system in the previous fiscal year from the funds  
8 appropriated under section 1186(1) of article 6 of 2021 PA 87. The  
9 report must include, but is not limited to, a funding allocation  
10 schedule, expenditures by category of expenditure and by vendor or  
11 grantee, and a description of program accomplishments and progress.

12 (3) As used in this section:

13 (a) "STEMI" means an ST-elevation myocardial infarction.

14 (b) "Stroke and STEMI system" means a statewide stroke and  
15 STEMI system of care for time-sensitive emergencies.

16  
17 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

18 Sec. 1220. The amount appropriated in part 1 for  
19 implementation of the 1993 additions of or amendments to sections  
20 9161, 16221, 16226, 17014, 17015, and 17515 of the public health  
21 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,  
22 333.17015, and 333.17515, must be used to reimburse local health  
23 departments for costs incurred to implement section 17015(18) of  
24 the public health code, 1978 PA 368, MCL 333.17015.

25 Sec. 1221. If a county that participates in a district health  
26 department or has an associated arrangement with another local  
27 health department takes action to stop participating in that  
28 arrangement after October 1 of the current fiscal year, the  
29 department may assess a penalty from the local health department's



1 operational accounts in an amount equal to no more than 6.25% of  
2 the local health department's essential local public health  
3 services funding. The department shall assess a penalty only if a  
4 county requests the dissolution of the county's local health  
5 department.

6 Sec. 1222. (1) The department shall prospectively allocate  
7 funds appropriated in part 1 for essential local public health  
8 services to local health departments to support immunizations,  
9 infectious disease control, sexually transmitted disease control  
10 and prevention, hearing screening, vision services, food  
11 protection, public water supply, private groundwater supply, and  
12 on-site sewage management. The department shall consult with the  
13 department of agriculture and rural development before allocating  
14 funds for food protection under this section. The department shall  
15 consult with the department of environment, Great Lakes, and energy  
16 before allocating funds for public water supply, private  
17 groundwater supply, and on-site sewage management under this  
18 section.

19 (2) The department shall not distribute funds under subsection  
20 (1) to a county unless the county maintains local spending in the  
21 current fiscal year in an amount that is equal to or exceeds the  
22 amount the county expended in fiscal year 1992-1993 for the  
23 services described in subsection (1).

24 (3) Not later than February 1 of the current fiscal year, the  
25 department shall submit a report to the standard report recipients  
26 on the planned allocation of the funds appropriated for essential  
27 local public health services.

28 (4) The department shall continue to implement the  
29 distribution formula for allocating essential local public health

1 services funding to local health departments as specified in  
2 section 1234 of article X of 2018 PA 207.

3 (5) From the funds appropriated in part 1 for essential local  
4 public health services, each local public health department is  
5 allocated not less than the amount allocated to that local public  
6 health department during the previous fiscal year.

7 Sec. 1223. From the funds appropriated in part 1 for local  
8 health services, the department shall allocate \$2,000,000.00 to  
9 create a medically underserved pharmaceutical access stabilization  
10 program located in a city with a population greater than 600,000  
11 according to the most recent federal decennial census. The  
12 stabilization program must create or maintain access to facilities,  
13 including, but not limited to, pharmacies in zip codes that have  
14 experienced closures of retail pharmacies in the previous fiscal  
15 year.

16 Sec. 1224. From the funds appropriated in part 1 for violence  
17 prevention, the department shall allocate \$1,500,000.00 to  
18 establish an office of suicide prevention. The department may  
19 expand the scope of the office of community violence intervention  
20 to fulfill the requirements of this section. The office of suicide  
21 prevention shall coordinate intradepartmental and multidepartmental  
22 efforts to reduce the suicide rate in this state and more  
23 effectively seek federal and private grants related to suicide  
24 reduction.

25 Sec. 1227. The department shall establish criteria for all  
26 funds allocated for health and wellness initiatives. The criteria  
27 must include a requirement that a program receiving funding is  
28 evidence-based and supported by research, includes interventions  
29 that have been shown to demonstrate outcomes that lower cost and

1 improve quality, and is designed for statewide impact. The  
2 department shall give preference to a program that uses the funding  
3 as match for additional resources, including, but not limited to,  
4 federal sources.

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

19 (2) Not later than March 1 of the current fiscal year, the  
20 department shall submit a report to the standard report recipients  
21 on actual expenditures in the previous fiscal year and planned  
22 spending in the current fiscal year of the funds described in  
23 subsection (1). The report must include recipient entities, the  
24 amount of allocation, the general category of allocation, and  
25 detailed uses.

26 Sec. 1232. The department may work to ensure that the United  
27 States Department of Defense reimburses the state for costs  
28 associated with PFAS and environmental contamination response at  
29 military training sites and support facilities.

1           Sec. 1233. The department shall not expend general fund and  
2 state restricted fund appropriations in part 1 for PFAS and  
3 environmental contamination response if federal funding or private  
4 grant funding is available for the same expenditures.

5           Sec. 1239. The department shall participate in and give  
6 necessary assistance to the Michigan PFAS action response team  
7 (MPART) pursuant to Executive Order No. 2019-03. The department  
8 shall collaborate with MPART and other departments to carry out  
9 appropriate activities, actions, and recommendations as coordinated  
10 by MPART. Efforts must be continuous to ensure that the  
11 department's activities are not duplicative with activities of  
12 another department or agency.

13           Sec. 1240. From the funds appropriated in part 1 for chronic  
14 disease control and health promotion administration, \$70,000.00 is  
15 allocated to support a rare disease advisory council and the  
16 responsibilities of the rare disease advisory council, which may  
17 include all of the following:

18           (a) Developing a list of rare diseases.

19           (b) Posting the list of rare diseases on the department's  
20 website.

21           (c) Updating the list of rare diseases.

22           (d) Annually investigating and reporting to the legislature on  
23 1 rare disease on the list, and including legislative  
24 recommendations in the report.

25  
26 **FAMILY HEALTH SERVICES**

27           Sec. 1301. (1) Not later than April 1 of the current fiscal  
28 year, the department shall submit to the standard report recipients  
29 a report on planned allocations from the amounts appropriated in

1 part 1 for local MCH services, prenatal care outreach and service  
2 delivery support, family planning local agreements, and pregnancy  
3 prevention programs. Using applicable federal definitions, the  
4 report must include information on all of the following:

5 (a) The funding allocations.

6 (b) The actual number of women, children, and adolescents  
7 served and the amounts expended for each group for the previous  
8 fiscal year.

9 (c) A breakdown of the expenditure of the funds between urban  
10 and rural communities.

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

14 (3) As used in this section, "rural community" means any of  
15 the following:

16 (a) A county, city, village, or township with a population of  
17 30,000 or less.

18 (b) A county, city, village, or township described in  
19 subdivision (a), if it is located within a metropolitan statistical  
20 area.

21 Sec. 1302. From the funds appropriated in part 1 for special  
22 projects, the department shall allocate \$1,000,000.00 of TANF  
23 revenue to purchase child restraint systems for newborn children.  
24 The child restraint systems must meet the standards of all  
25 applicable federal law and the laws of this state, be purchased in  
26 volume by this state, and be distributed through maternal infant  
27 health program providers.

28 Sec. 1306. (1) From the funds appropriated in part 1 for the  
29 drinking water declaration of emergency, the department shall

1 allocate funds to address needs in a city in which a declaration of  
2 emergency was issued because of drinking water contamination. The  
3 funds allocated under this section may be used to support any of  
4 the following activities:

5 (a) Nutrition assistance, nutritional and community education,  
6 food bank resources, and food inspections.

7 (b) Epidemiological analysis and case management of  
8 individuals at risk of elevated blood lead levels.

9 (c) Support for child and adolescent health centers,  
10 children's health care access program, and pathways to potential  
11 programming.

12 (d) Nursing services, breastfeeding education, evidence-based  
13 home visiting programs, intensive services, and outreach for  
14 children exposed to lead coordinated through local community mental  
15 health organizations.

16 (e) Department local office operations costs.

17 (f) Lead poisoning surveillance, investigations, treatment,  
18 and abatement.

19 (g) Nutritional incentives provided to local residents through  
20 the double up food bucks expansion program.

21 (h) Genesee County health department food inspectors to  
22 perform water testing at local food service establishments.

23 (i) Transportation related to health care delivery.

24 (j) Senior initiatives.

25 (k) Lead abatement contractor workforce development.

26 (l) Any other activity that the department considers  
27 appropriate.

28 (2) From the funds appropriated in part 1 for the drinking  
29 water declaration of emergency, the department shall allocate

1     \$300,000.00 for Revive Community Health Center for health support  
2     services as the center pursues certification as a FQHC.

3           (3) From the funds appropriated in part 1 for the drinking  
4     water declaration of emergency, the department shall allocate  
5     \$1,000,000.00 for rides to wellness through the Flint mass  
6     transportation authority.

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

18          Sec. 1311. From the funds appropriated in part 1 for prenatal  
19    care outreach and service delivery support, the department shall  
20    allocate not less than \$2,750,000.00 of state general fund/general  
21    purpose revenue for a rural home visit program. The department  
22    shall give equal consideration to all eligible evidence-based  
23    providers in all regions in contracting for rural home visitation  
24    services.

25          Sec. 1314. From the funds appropriated in part 1, the  
26    department shall enhance the department's education and outreach  
27    efforts that encourage women of childbearing age to seek the  
28    confirmation of a pregnancy at the earliest indication of a  
29    possible pregnancy and to initiate continuous and routine prenatal

1 care on the confirmation of a pregnancy. The department shall  
2 ensure that the department's programs, policies, and practices  
3 promote prenatal and obstetrical care by doing all of the  
4 following:

5 (a) Supporting access to care.

6 (b) Reducing and eliminating barriers to care.

7 (c) Supporting recommendations for best practices.

8 (d) Encouraging optimal prenatal habits, including, but not  
9 limited to, prenatal medical visits, use of prenatal vitamins, and  
10 the cessation of tobacco use, alcohol use, or drug use.

11 (e) Tracking birth outcomes to study improvements in  
12 prevalence of neonatal substance exposure, fetal alcohol syndrome,  
13 and other preventable neonatal disease.

14 (f) Tracking maternal increase in healthy behaviors following  
15 childbirth.

16 Sec. 1315. From the funds appropriated in part 1 for dental  
17 programs, \$200,000.00 is allocated to the Michigan Dental  
18 Association for the administration of a volunteer dental program  
19 that provides dental services to the uninsured.

20 Sec. 1316. The department shall use revenue from permit fees  
21 for mobile dental facilities that the department receives under  
22 section 21605 of the public health code, 1978 PA 368, MCL  
23 333.21605, to offset the costs of processing and issuing permits  
24 for mobile dental facilities.

25 Sec. 1325. From the funds appropriated in part 1 for prenatal  
26 care outreach and service delivery support, the department shall  
27 allocate \$5,000,000.00 to support grants to local collaboratives to  
28 enhance the ability of local collaboratives to coordinate and  
29 improve maternal and infant health outcomes. To receive a grant



1 under this section, a local collaborative must be a part of a  
2 perinatal quality collaborative.

3 Sec. 1341. The department shall use income eligibility and  
4 verification guidelines established by the Food and Nutrition  
5 Service agency of the United States Department of Agriculture to  
6 determine eligibility of individuals for the special supplemental  
7 nutrition program for women, infants, and children (WIC) as stated  
8 in current WIC policy.

9 Sec. 1343. (1) From the funds appropriated in part 1 for  
10 dental programs, the department shall allocate \$4,260,000.00 of  
11 state and local funds, plus any private contributions received to  
12 support the program, to establish and maintain the dental oral  
13 assessment program described in section 9316 of the public health  
14 code, 1978 PA 368, MCL 333.9316.

15 (2) Not later than December 31 of the current fiscal year, the  
16 department shall submit a report to the standard report recipients  
17 that provides a summary of the dental reports the department  
18 receives from principals and administrators under section 9316 of  
19 the public health code, 1978 PA 368, MCL 333.9316.

20 Sec. 1349. Subject to federal approval, from the funds  
21 appropriated in part 1 for immunization program, the department  
22 shall allocate all of the following funds to support a statewide  
23 media campaign for improving this state's immunization rates:

24 (a) \$740,000.00 of general fund/general purpose revenue.

25 (b) Any available work project funds.

26 (c) Any available federal match through a contract  
27 administered by the department with oversight from the behavioral  
28 and physical health and aging services administration and the  
29 public health administration.

**CHILDREN'S SPECIAL HEALTH CARE SERVICES**

Sec. 1360. From the funds appropriated in part 1, the department may do 1 or more of the following:

(a) Provide special formulas for eligible individuals with specified metabolic and allergic disorders.

(b) Provide medical care and treatment to eligible individuals with cystic fibrosis who are 26 years of age or older.

(c) Provide medical care and treatment to eligible individuals with hereditary coagulation defects, commonly known as hemophilia, who are 26 years of age or older.

(d) Provide human growth hormone to eligible individuals.

(e) Provide mental health care to eligible individuals for mental health needs that result from, or are a symptom of, the individual's qualifying medical condition.

(f) Provide medical care and treatment to eligible individuals with sickle cell disease who are 26 years of age or older.

Sec. 1361. From the funds appropriated in part 1 for medical care and treatment, the department may spend the funds to continue developing and expanding telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner. The department may spend funds to support chronic complex care management of children enrolled in the children's special health care services program to minimize hospitalizations and reduce costs to the program while improving outcomes and quality of life. As used in this section, "children's special health care services program" or "program" means the program established under section 5815 of the public health code, 1978 PA

368, MCL 333.5815.

**AGING SERVICES**

Sec. 1402. The department may encourage the Food Bank Council of Michigan to collaborate directly with each area agency on aging and any other organization that provides senior nutrition services to secure the food access of older adults.

Sec. 1403. From the funds appropriated in part 1 for nutrition services, the department shall allocate \$4,000,000.00 in general purpose/general fund revenue to increase access and food choices for senior home-delivered and congregate meals.

Sec. 1404. From the funds appropriated in part 1 for community services, the department shall allocate \$658,000.00 to area agencies on aging for home and community-based services.

Sec. 1417. Not later than March 31 of the current fiscal year, the department shall submit to the standard report recipients a report that contains all of the following information:

(a) The total allocation of state resources made to each area agency on aging by individual program and administration.

(b) Detailed expenditures by each area agency on aging by individual program and administration, including both state-funded resources and locally funded resources.

Sec. 1421. From the funds appropriated in part 1 for community services, \$1,100,000.00 is allocated for locally determined needs that are provided by area agencies on aging.

**HEALTH AND AGING SERVICES ADMINISTRATION**

Sec. 1506. From the funds appropriated in part 1 for aging services administration, the department shall allocate

1     \$1,500,000.00 to increase the number of long-term care ombudsman  
2     program FTE positions.

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

12          Sec. 1508. Except as otherwise provided by law, a provider of  
13    health care, a health service plan, a contractor, or an employer  
14    receiving funds from part 1 shall not release medical information  
15    in response to a subpoena from another state entity seeking to  
16    investigate an individual who has lawfully received reproductive  
17    health care services in this state.

18          Sec. 1512. From the funds appropriated in part 1, the  
19    department shall maintain the Medicaid utilization and net cost  
20    report to separate nonclinical administrative costs from actual  
21    claims and encounter costs.

22          Sec. 1518. The department shall coordinate with the department  
23    of licensing and regulatory affairs to ensure that, on the issuance  
24    of an order suspending the license of an adult foster care  
25    facility, home for the aged, or nursing home, the department of  
26    licensing and regulatory affairs provides a notice to the  
27    department, to the house and senate appropriations subcommittees on  
28    the department budget, and to the members of the house of  
29    representatives and senate that represent the legislative districts

1 of the county in which the adult foster care facility, home for the  
2 aged, or nursing home is located.

3  
4 **HEALTH SERVICES**

5 Sec. 1601. The department shall use the cost of remedial  
6 services incurred by residents of licensed adult foster care  
7 facilities and licensed homes for the aged to determine financial  
8 eligibility for the medically needy. As used in this section,  
9 "remedial services" includes, but is not limited to, basic self-  
10 care and rehabilitation training for a resident.

11 Sec. 1605. The protected income level for Medicaid coverage  
12 determined under section 106(1)(b)(iii) of the social welfare act,  
13 1939 PA 280, MCL 400.106, is 100% of the related public assistance  
14 standard.

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

19 Sec. 1607. (1) The department shall immediately presume that  
20 an applicant for Medicaid whose qualifying condition is pregnancy  
21 is eligible for Medicaid coverage, unless the preponderance of  
22 evidence in the applicant's application indicates otherwise. The  
23 applicant who is qualified as described in this subsection is  
24 allowed to select or remain with the Medicaid participating  
25 obstetrician of the applicant's choice.

26 (2) Each qualifying applicant is entitled to receive all  
27 medically necessary obstetrical and prenatal care without  
28 preauthorization from a health plan. All claims submitted for  
29 payment for obstetrical and prenatal care must be paid at the

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

6 (3) If an applicant, presumed to be eligible for Medicaid  
7 under subsection (1), is subsequently found to be ineligible, a  
8 Medicaid physician or managed care plan that has been providing  
9 pregnancy services to the applicant is entitled to reimbursement  
10 for the services until the Medicaid physician or managed care plan  
11 is 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 under  
14 subsection (1) indicates that the applicant is not eligible for  
15 Medicaid, the department shall refer the applicant to the nearest  
16 public health clinic or similar entity as a potential source for  
17 receiving pregnancy-related services.

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

21 (6) The department shall require that Medicaid managed care  
22 plans enroll women whose qualifying condition for Medicaid is  
23 pregnancy.

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

28 Sec. 1611. (1) For care provided to Medicaid recipients with  
29 other third-party sources of payment, Medicaid reimbursement shall

1 not exceed, in combination with such other resources, including  
2 Medicare, those amounts established for Medicaid-only patients. The  
3 Medicaid payment rate shall be accepted as payment in full. Other  
4 than an approved Medicaid copayment, no portion of a provider's  
5 charge shall be billed to the recipient or any person acting on  
6 behalf of the recipient. This section does not affect the level of  
7 payment from a third-party source other than the Medicaid program.  
8 The department shall require a nonenrolled provider to accept  
9 Medicaid payments as payment in full.

10 (2) Notwithstanding subsection (1), if a hospital service is  
11 provided to a dual Medicare/Medicaid recipient with only Medicare  
12 part B coverage, the Medicaid reimbursement must equal, when  
13 combined with a payment for Medicare or other third-party source of  
14 payment, the amount established for a Medicaid-only patient,  
15 including a capital payment.

16 Sec. 1620. (1) If a Medicaid claim is a fee-for-service  
17 Medicaid claim, the professional dispensing fee for a drug that is  
18 listed as a medication on the Michigan pharmaceutical products list  
19 is \$20.02 or the pharmacy's submitted dispensing fee, whichever is  
20 less.

21 (2) If a Medicaid claim is a fee-for-service Medicaid claim,  
22 the professional dispensing fee for a drug that is not listed as a  
23 specialty medication on the Michigan pharmaceutical products list  
24 is as follows:

25 (a) If the drug is indicated as preferred on the department's  
26 preferred drug list, \$10.80 or the pharmacy's submitted dispensing  
27 fee, whichever is less.

28 (b) If the drug is not on the department's preferred drug  
29 list, \$10.64 or the pharmacy's submitted dispensing fee, whichever

1 is less.

2 (c) If the drug is indicated as nonpreferred on the  
3 department's preferred drug list, \$9.00 or the pharmacy's submitted  
4 dispensing fee, whichever is less.

5 Sec. 1626. (1) Not later than January 15 of the current fiscal  
6 year, each pharmacy benefit manager that receives reimbursements,  
7 either directly or through a Medicaid health plan, from the funds  
8 appropriated in part 1 for medical services must submit all of the  
9 following information to the department for the previous fiscal  
10 year:

11 (a) The total number of prescriptions that were dispensed.

12 (b) The aggregate fiscal year paid pharmacy claims repriced  
13 using the wholesale acquisition cost for each drug on its  
14 formulary.

15 (c) The aggregate amount of rebates, discounts, and price  
16 concessions that the pharmacy benefit manager received for each  
17 drug on its formulary. The aggregate amount of rebates must include  
18 any utilization discounts the pharmacy benefit manager received  
19 from a manufacturer.

20 (d) The aggregate amount of administrative fees that the  
21 pharmacy benefit manager received from all pharmaceutical  
22 manufacturers.

23 (e) The aggregate amount identified in subdivisions (b) and  
24 (c) that were retained by the pharmacy benefit manager and did not  
25 pass through to the department or to the Medicaid health plan.

26 (f) The aggregate amount of reimbursements the pharmacy  
27 benefit manager paid to contracting pharmacies.

28 (g) Any other information considered necessary by the  
29 department.



1 (2) Not later than March 1 of the current fiscal year, the  
2 department shall submit a report including the information provided  
3 under subsection (1) to the standard report recipients.

4 (3) Any nonaggregated information submitted under this section  
5 is confidential and must not be disclosed to any person by the  
6 department. The information described in this subsection is not a  
7 public record of the department.

8 Sec. 1628. From the funds appropriated in part 1 for hospital  
9 services and therapy and Healthy Michigan plan, the department  
10 shall continue to allocate \$3,000,000.00 in general fund/general  
11 purpose revenue and any associated federal match to maintain the  
12 Medicaid reimbursement rate for dental services provided at  
13 ambulatory surgical centers and outpatient hospitals. The funding  
14 provided in this section must be used to maintain the minimum rate  
15 of reimbursement for dental services provided in ambulatory  
16 surgical centers at \$1,495.00 and maintain the minimum rate of  
17 reimbursement for dental services provided in outpatient hospitals  
18 at \$2,300.00.

19 Sec. 1629. The department shall utilize maximum allowable cost  
20 pricing for generic drugs that is based on wholesaler pricing to  
21 providers. The wholesaler pricing must be based on the price  
22 available from at least 2 wholesalers who deliver drugs in this  
23 state.

24 Sec. 1630. Not later than April 1 of the current fiscal year,  
25 from the funds appropriated in part 1 for Medicaid dental services,  
26 the department shall submit a report to the standard report  
27 recipients on the dental service benefit. The report must cover all  
28 of the following areas:

29 (a) Information on the implementation of the Adult Medicaid

1 dental benefit redesign including all of the following information:

2 (i) The number of dental providers, by Medicaid health plan in  
3 this state, who provided 1 or more Medicaid dental services in the  
4 fiscal year ending September 30, 2022, and the number of additional  
5 providers who were added in the previous fiscal year, with a  
6 delineation in the reported numbers based on the average payment  
7 per visit and before and after the implementation of the Adult  
8 Medicaid dental benefit redesign.

9 (ii) The status of enhanced care coordination.

10 (iii) The array of covered dental benefits and services before  
11 the Adult Medicaid dental benefit redesign and how the available  
12 benefits and services changed or expanded after the Adult Medicaid  
13 dental benefit redesign.

14 (b) Information on the Healthy Kids Dental program including  
15 all of the following information:

16 (i) The number of children enrolled in the Healthy Kids Dental  
17 program who visited the dentist in the previous fiscal year broken  
18 down by dental benefit manager.

19 (ii) The number of dentists who accept payment from the Healthy  
20 Kids Dental program broken down by dental benefit manager.

21 (iii) The annual change in dental utilization of children  
22 enrolled in the Healthy Kids Dental program broken down by dental  
23 benefit manager.

24 (iv) Service expenditures for the Healthy Kids Dental program  
25 broken down by dental benefit manager.

26 (v) Administrative expenditures for the Healthy Kids Dental  
27 program broken down by dental benefit manager.

28 Sec. 1631. (1) The department shall require copayments on  
29 dental, podiatric, and vision services provided to Medicaid

1 recipients, except as prohibited by federal law or a law of this  
2 state.

3 (2) Except as otherwise prohibited by federal law or a law of  
4 this state, the department shall require Medicaid recipients to pay  
5 the following copayments:

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

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

8 (c) Fifty dollars for the first day of an inpatient hospital  
9 stay.

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

11 (e) One dollar for a generic drug or any drug indicated as  
12 preferred on the department's preferred drug list and \$3.00 for a  
13 brand-name drug not indicated as preferred on the department's  
14 preferred drug list.

15 Sec. 1632. (1) From the funds appropriated in part 1 for  
16 Medicaid orthodontic benefit, the department shall provide  
17 medically necessary orthodontic care to individuals under the age  
18 of 21 who are living in Wayne County or Kent County. The department  
19 shall set a standard fee schedule based on commercial rates for the  
20 reimbursement of the following CDT codes: D8080, D8210, D8660,  
21 D8670, D8680, D8690, D8703, and D8704. For CDT codes D8010 through  
22 D8070, D8090, D8220, D8681, D8695 through D8702, and D8999, the  
23 department shall determine the appropriate reimbursement for  
24 services and procedures using the following criteria:

25 (a) Time required to perform the procedure.

26 (b) Degree of skill required in the procedure performed.

27 (c) Severity and complexity of the patient's dental disease or  
28 condition.

29 (d) Reimbursement rates of other third-party purchasers of

1 dental services, both governmental and private.

2 (2) As used in this section, "CDT" means the code on dental  
3 procedures and nomenclature.

4 Sec. 1641. An institutional provider that is required to  
5 submit a cost report under the Medicaid program shall submit cost  
6 reports completed in full not more than 5 months after the end of  
7 the institutional provider's fiscal year.

8 Sec. 1644. (1) From the funds appropriated in part 1, the  
9 department shall maintain wage subsidy payments to direct care  
10 workers at the amount in effect on October 1, 2023. This funding  
11 must include all costs incurred by the employer, including, but not  
12 limited to, payroll taxes, due to the wage increase. As used in  
13 this subsection, "direct care workers" means a registered  
14 professional nurse, licensed practical nurse, competency-evaluated  
15 nursing assistant, and respiratory therapist.

16 (2) From the funds appropriated in part 1, the department  
17 shall maintain wage subsidy payments at the amount in effect on  
18 October 1, 2023 to direct care workers who are employed by licensed  
19 adult foster care facilities and licensed homes for the aged and  
20 who provide Medicaid-funded fee-for-service personal care services  
21 that were not eligible for any direct care worker pay adjustment  
22 under Medicaid-funded managed care. This funding must include all  
23 costs incurred by the employer, including, but not limited to,  
24 payroll taxes, due to the wage increase.

25 Sec. 1645. (1) From the funds appropriated in part 1, the  
26 department shall maintain the wages of eligible nonclinical staff  
27 employed by skilled nursing facilities. The funding must include  
28 all costs incurred by the employer, including payroll taxes, due to  
29 prior wage increases.

1           (2) The nonclinical staff eligible for the wages described in  
2 subsection (1) are those whose costs are reported in the following  
3 job classifications in nursing facility institutional cost reports  
4 shared with the department:

- 5           (a) Other housekeeping.
- 6           (b) Other maintenance worker.
- 7           (c) Other plant operations.
- 8           (d) Other laundry.
- 9           (e) Dining room assistants.
- 10          (f) Other dietary workers.
- 11          (g) Other medical records.
- 12          (h) Other social services.
- 13          (i) Other diversion therapy.
- 14          (j) Beauty and barber.
- 15          (k) Gift, flower, coffee, and canteen worker.

16          Sec. 1657. (1) The department shall not make reimbursement for  
17 Medicaid to screen and stabilize a Medicaid recipient, including  
18 stabilization of a psychiatric crisis, in a hospital emergency  
19 room, contingent on obtaining prior authorization from the  
20 recipient's HMO. If the recipient is discharged from the emergency  
21 room, the hospital shall notify the recipient's HMO within 24 hours  
22 of the diagnosis and treatment received.

23          (2) If the treating hospital determines that the recipient  
24 will require further medical service or hospitalization beyond the  
25 point of stabilization, that hospital shall receive authorization  
26 from the recipient's HMO prior to admitting the recipient.

27          (3) Subsections (1) and (2) do not require an alteration to an  
28 existing agreement between an HMO and its contracting hospitals and  
29 do not require an HMO to reimburse for services that are not

1 considered to be medically necessary.

2 Sec. 1662. (1) From the funds appropriated in part 1, the  
3 department shall require an annual external quality review of each  
4 contracting HMO. The external quality review must analyze and  
5 evaluate aggregated information on quality, timeliness, and access  
6 to health care services that the HMO or its contractors furnish to  
7 Medicaid beneficiaries. The department shall create a report  
8 containing each quality review required under this subsection.

9 (2) The department shall require Medicaid HMOs to provide  
10 EPSDT utilization data through the encounter data system, and HEDIS  
11 well child health measures in accordance with the National  
12 Committee for Quality Assurance prescribed methodology.

13 (3) The department shall submit a copy of the analysis of the  
14 Medicaid HMO annual audited reports on HEDIS and the report under  
15 subsection (1) to the standard report recipients within 30 days  
16 after the department's receipt of the final information required  
17 from the contractors.

18 Sec. 1670. (1) The appropriation in part 1 for the MICHild  
19 program is to be used to provide comprehensive health care to all  
20 children under age 19 who reside in families with an income at or  
21 below 212% of the federal poverty level, who are uninsured and have  
22 not had coverage by other comprehensive health insurance within 6  
23 months of applying for MICHild benefits, and who are residents of  
24 this state. The department shall develop detailed eligibility  
25 criteria through the behavioral and physical health and aging  
26 services administration public concurrence process. The eligibility  
27 criteria must be consistent with the provisions of this part and  
28 part 1.

29 (2) The department shall provide up to 1 year of continuous

1 eligibility to a child eligible for the MIChild program unless the  
2 child reaches age 19.

3 Sec. 1677. From the funds appropriated in part 1 for the  
4 MIChild program, the department shall provide, at a minimum, all  
5 benefits available under the Michigan benchmark plan that are  
6 delivered through contracted providers and consistent with federal  
7 law, including, but not limited to, the following medically  
8 necessary services:

9 (a) Inpatient mental health services, other than substance use  
10 disorder treatment services, including services furnished in a  
11 state-operated mental hospital and residential or other 24-hour  
12 therapeutically planned structured services.

13 (b) Outpatient mental health services, other than substance  
14 use disorder services, including services furnished in a mental  
15 hospital operated by this state and community-based services.

16 (c) Durable medical equipment and prosthetic and orthotic  
17 devices.

18 (d) Dental services as outlined in the approved MIChild state  
19 plan.

20 (e) Substance use disorder treatment services that may include  
21 inpatient, outpatient, and residential substance use disorder  
22 treatment services.

23 (f) Care management services for mental health diagnoses.

24 (g) Physical therapy, occupational therapy, and services for  
25 individuals with speech, hearing, and language disorders.

26 (h) Emergency ambulance services.

27 Sec. 1682. (1) In addition to the appropriations in part 1,  
28 the department is authorized to receive and spend penalty money  
29 received as the result of noncompliance with Medicaid certification

1 regulations. Penalty money, characterized as private funds,  
2 received by the department shall increase authorizations and  
3 allotments in the long-term care accounts.

4 (2) Any unexpended penalty money, at the end of the year, must  
5 carry forward to the following year.

6 (3) Not later than March 1 of the current fiscal year, the  
7 department shall report to the standard report recipients on  
8 penalty money received by the department as described in subsection  
9 (1). The report must include, but is not limited to, the following  
10 information:

11 (a) The amount of penalty monies received by the department in  
12 the previous fiscal year listed by the assessed entity.

13 (b) A list of the entities that were assessed penalties in the  
14 previous fiscal year with the rationale for each penalty.

15 Sec. 1691. From the funds appropriated in part 1 for school-  
16 based services, \$2,500,000.00 of general fund/general purpose  
17 revenue is allocated to provide technical assistance to  
18 intermediate school districts and local education agencies to  
19 receive Medicaid reimbursement for behavioral health services  
20 delivered to Medicaid-eligible students if the students are covered  
21 under EPSDT, delivered within a provider's scope of practice, and  
22 billed in accordance with state Medicaid billing procedures.

23 Sec. 1692. (1) The department is authorized to pursue  
24 reimbursement for eligible services provided in Michigan schools  
25 from the federal Medicaid program. The department and the state  
26 budget director are authorized to negotiate and enter into  
27 agreements, together with the department of education, with local  
28 and intermediate school districts regarding the sharing of federal  
29 Medicaid services funds received for these services. The department



1 is authorized to receive and disburse funds to participating school  
2 districts pursuant to agreements described in this subsection and  
3 pursuant to federal law and a law of this state.

4 (2) From the funds appropriated in part 1 for health services  
5 school-based services payments, the department is authorized to do  
6 all of the following:

7 (a) Finance activities within the behavioral and physical  
8 health and aging services administration related to eligible  
9 services.

10 (b) Reimburse participating school districts pursuant to the  
11 fund-sharing ratios negotiated in the state-local agreements  
12 authorized in subsection (1).

13 (c) Offset general fund costs associated with the Medicaid  
14 program.

15 Sec. 1693. The special Medicaid reimbursement appropriation in  
16 part 1 may be increased if the department submits a Medicaid state  
17 plan amendment pertaining to this line item at a level higher than  
18 the appropriation. The department is authorized to appropriately  
19 adjust financing sources in accordance with the increased  
20 appropriation.

21 Sec. 1694. From the funds appropriated in part 1 for special  
22 Medicaid reimbursement, \$1,508,500.00 of general fund/general  
23 purpose revenue and any associated federal match must be  
24 distributed for poison control services to an academic health care  
25 system that has a high volume of providing care to indigent  
26 individuals.

27 Sec. 1697. The department shall require that Medicaid health  
28 plans administering Healthy Michigan plan benefits maintain a  
29 network of dental providers in sufficient numbers, mix, and

1 geographic locations throughout their respective service areas in  
2 order to provide adequate dental care for Healthy Michigan plan  
3 enrollees.

4 Sec. 1700. Not later than December 1 of the current fiscal  
5 year, the department shall report to the standard report recipients  
6 on the distribution of funding provided, and the net benefit if the  
7 special hospital payment is not financed with general fund/general  
8 purpose revenue, to each eligible hospital during the previous  
9 fiscal year from the following special hospital payments:

10 (a) GME.

11 (b) Special rural hospital payments provided under section  
12 1802(2) of this part.

13 (c) Lump-sum payments to rural hospitals for obstetrical care  
14 provided under section 1802(1) of this part.

15 Sec. 1702. From the funds appropriated in part 1, the  
16 department shall allocate \$2,830,000.00 in general fund/general  
17 purpose revenue and any associated federal match to increase the  
18 rates in place as of September 30, 2023 for private duty nursing  
19 services for Medicaid beneficiaries under the age of 21. These  
20 additional funds must be used to attract and retain highly  
21 qualified registered nurses and licensed practical nurses to  
22 provide private duty nursing services so that medically fragile  
23 individuals can be cared for in the most homelike setting possible.

24 Sec. 1757. The department shall obtain proof from all Medicaid  
25 recipients that they are United States citizens or otherwise  
26 legally residing in this country and that they are residents of  
27 this state before approving Medicaid eligibility.

28 Sec. 1764. The department shall annually certify whether rates  
29 paid to Medicaid health plans and specialty PIHPs are actuarially

1 sound in accordance with federal requirements. The department shall  
2 provide to the standard report recipients a copy of the rate  
3 certification required under this section and the approval of rates  
4 paid to Medicaid health plans and specialty PIHPs for any fiscal  
5 year not later than October 1 for Medicaid capitation rate  
6 certifications and not later than February 15, May 15, and August  
7 15 for any Medicaid capitation rate amendments. Following the rate  
8 certification, the department shall ensure that no new or revised  
9 state Medicaid policy bulletin that is promulgated materially  
10 impacts the capitation rates that have been certified.

11 Sec. 1775. (1) Not later than March 1 of the current fiscal  
12 year, the department shall submit a report to the standard report  
13 recipients on the progress of implementing changes to the waiver to  
14 implement managed care for individuals who are eligible for both  
15 Medicare and Medicaid, known as MI Health Link. This report must  
16 include progress updates on the transition to dual eligible special  
17 needs plans, in compliance with CMS regulations.

18 (2) The department shall ensure the existence of an ombudsman  
19 program that is not associated with any project service manager or  
20 provider to assist MI Health Link beneficiaries with navigating  
21 complaint and dispute resolution mechanisms and to identify  
22 problems in the demonstrations and in the complaint and dispute  
23 resolution mechanisms.

24 Sec. 1786. From the funds appropriated in part 1, the  
25 department shall maintain Medicaid reimbursement for the  
26 administration of injectable and oral vaccines at \$23.03.

27 Sec. 1787. From the funds appropriated in part 1 for health  
28 plan services, Healthy Michigan Plan, and long-term care services,  
29 the department shall allocate \$1,500,000.00 in general fund/general

1 purpose revenue and any associated federal match to increase  
2 Medicaid reimbursement rates for CPT codes 31579, 92507, 92508,  
3 92520, 92521, 92522, 92523, 92524, 92526, 92597, 92607, 92608,  
4 92609, 92610, 92630, 92633, 92700, 94010, 97129, 97130, 97533,  
5 97799, G2250, G2251, and S9152.

6 Sec. 1788. From the funds appropriated in part 1, the  
7 department shall provide Medicaid reimbursement rates, including  
8 Medicaid reimbursements from the ambulance provider quality  
9 assurance assessment, for ground ambulance services at not less  
10 than 100% of the Medicare base rates for Locality 01 for ground  
11 ambulance services in effect on January 1, 2023.

12 Sec. 1789. From the funds appropriated in part 1 for federally  
13 qualified health centers, the department shall allocate  
14 \$14,513,400.00 in general fund/general purpose revenue and any  
15 associated federal match to increase Medicaid prospective payment  
16 system reimbursement rates.

17 Sec. 1790. The department shall maintain the current  
18 practitioner rates paid for CPT codes 90791 through 90899 for  
19 psychiatric procedures through Medicaid fee-for-service and through  
20 the comprehensive Medicaid health plans for psychiatric procedures  
21 provided for Medicaid recipients under the age of 21.

22 Sec. 1791. From the funds appropriated in part 1 for health  
23 plan services and physician services, the department shall provide  
24 Medicaid reimbursement rates for neonatal services at 100% of the  
25 Medicare rate received for those services in effect on the date the  
26 services are provided to eligible Medicaid recipients. The neonatal  
27 services and physician services eligible for reimbursement rates  
28 under this section are described as CPT codes 99468, 99469, 99471,  
29 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

1           Sec. 1793. From the funds appropriated in part 1 for health  
2 plan services, Healthy Michigan Plan, and physician services, the  
3 department shall allocate \$4,475,000.00 in general fund/general  
4 purpose revenue and any associated federal match to increase  
5 Medicaid anesthesia rate reimbursement.

6           Sec. 1794. From the funds appropriated in part 1 for Healthy  
7 Michigan plan - behavioral health and Medicaid substance use  
8 disorder services, the department shall allocate \$1,644,500.00 from  
9 the Michigan opioid healing and recovery fund created in section 3  
10 of the Michigan trust fund act, 2000 PA 89, MCL 12.253, and any  
11 associated federal match to cover peer recovery support services to  
12 Medicaid enrollees eligible for the services provided under  
13 Healthcare Common Procedure Coding System (HCPCS) code H0038.

14          Sec. 1795. From the funds appropriated in part 1 for home and  
15 community based services, the department shall allocate \$100.00 to  
16 increase the number of participant slots and reimbursement rates  
17 for the MI Choice waiver program.

18          Sec. 1796. (1) From the funds appropriated in part 1 for  
19 health plan services, Healthy Michigan Plan, and physician  
20 services, the department shall allocate \$9,980,000.00 in general  
21 fund/general purpose revenue and any associated federal match to  
22 increase current practitioner rates paid for CPT codes 99203,  
23 99204, 99213, 99214, and 99232, to at least 61% of Medicare rates.

24          (2) From the funds appropriated in part 1 for health plan  
25 services, Healthy Michigan Plan, and physician services, the  
26 department shall allocate \$20,000.00 in general fund/general  
27 purpose revenue and any associated federal match to increase  
28 current practitioner rates paid for CPT code 81025 to 100% of  
29 Medicare rates.

1           Sec. 1801. From the funds appropriated in part 1 for physician  
2 services and health plan services, the department shall continue  
3 the increase to Medicaid rates for primary care services provided  
4 only by primary care providers. The department shall not provide  
5 the increase to Medicaid rates under this section to primary care  
6 providers whose primary practice is as a non-primary-care  
7 subspecialty. The department shall establish policies that most  
8 effectively limit the increase to primary care providers for  
9 primary care services only. As used in this section, "primary care  
10 provider" means a physician, or a practitioner working in  
11 collaboration with a physician, who is either licensed under part  
12 170 or part 175 of the public health code, 1978 PA 368, MCL  
13 333.17001 to 333.17097 and 333.17501 to 333.17556, and who works as  
14 a primary care provider in general practice or is board-eligible or  
15 certified with a specialty designation of family medicine, general  
16 internal medicine, or pediatric medicine, or is a provider who  
17 provides the department with documentation of equivalency.

18           Sec. 1802. (1) From the funds appropriated in part 1 for  
19 hospital services and therapy, \$7,995,200.00 in general  
20 fund/general purpose revenue must be provided as lump-sum payments  
21 to noncritical access hospitals that qualified for rural hospital  
22 access payments in fiscal year 2013-2014 and that provide  
23 obstetrical care this fiscal year. Payment amounts must be based on  
24 the volume of obstetrical care cases and newborn care cases for all  
25 such cases billed by each qualified hospital in the most recent  
26 year for which data is available. The department shall make  
27 payments not later than January 1 of the current fiscal year.

28           (2) From the funds appropriated in part 1 for hospital  
29 services and therapy and Healthy Michigan plan, \$15,204,800.00 in

1 general fund/general purpose revenue and any associated federal  
2 match must be awarded as rural access payments to noncritical  
3 access hospitals that meet criteria established by the department  
4 for services to low-income rural residents. One of the  
5 reimbursement components of the criteria established by the  
6 department under this subsection must be assistance with labor and  
7 delivery services. A hospital that met established occupied bed  
8 criteria based on Medicaid cost reports as of the fiscal year  
9 ending September 30, 2011, and that is located within a county with  
10 a population of not more than 165,000 and within a city, village,  
11 or township with a population of not more than 16,000 according to  
12 the 2000 federal decennial census is eligible solely for the rural  
13 access pool general fund/general purpose revenue portion. The  
14 department shall ensure that the rural access payments described in  
15 this subsection are distributed in a manner that ensures both of  
16 the following:

17 (a) A hospital does not receive more than 10.0% of the total  
18 rural access funding referenced in this subsection.

19 (b) The methodology for distribution under this subsection and  
20 its applicable data that are used to determine the payment amounts  
21 are provided to each hospital by August 1 of the current fiscal  
22 year.

23 (3) The department shall publish the distribution of payments  
24 for the current fiscal year and the previous fiscal year.

25 Sec. 1804. The department may utilize the federal public  
26 assistance reporting information system to continue to work to  
27 identify Medicaid recipients who are veterans and who may be  
28 eligible for federal veterans' health care benefits or other  
29 benefits and shall continue to refer veterans to the department of

1 military and veterans affairs for assistance in securing additional  
2 benefits.

3 Sec. 1805. The department shall modify Medicaid policy and  
4 submit a Medicaid state plan amendment to CMS to seek approval to  
5 allow for the approval or denial of any application of Medicaid bed  
6 certification and provider enrollment for dual certification of  
7 Medicare-only beds. The policy must include the following criteria  
8 for Medicaid bed certification and provider enrollment:

9 (a) A verification from the state survey agency that the beds  
10 are also Medicare-certified.

11 (b) The state survey agency finds that the facility is in  
12 substantial compliance with federal regulations at the time of  
13 application.

14 (c) If there is an accepted submitted plan of correction for  
15 any survey activity occurring following the date of application  
16 submission, the facility will be deemed to have satisfactory survey  
17 performance.

18 Sec. 1810. In advance of the annual rate setting development,  
19 Medicaid health plans must be given at least 60 days to dispute and  
20 correct any discarded encounter data before rates are certified.  
21 The department shall notify each contracting Medicaid health plan  
22 of any encounter data that have not been accepted for the purposes  
23 of rate setting.

24 Sec. 1812. Not later than June 1 of the current fiscal year,  
25 and using the most recent available cost reports, the department  
26 shall complete a report of all direct and indirect costs associated  
27 with residency training programs for each hospital that receives  
28 funds appropriated in part 1 for graduate medical education or  
29 through the MiDocs consortium. The report shall be submitted to the



1 standard report recipients.

2 Sec. 1820. (1) In order to avoid duplication of effort, if a  
3 Medicaid health plan has been reviewed and accredited by a national  
4 accrediting entity for health care services, the department shall  
5 use applicable national accreditation review criteria to determine  
6 compliance with corresponding requirements in this state.

7 (2) The department shall continue to comply with federal law  
8 and laws of this state and shall not initiate an action that  
9 negatively impacts beneficiary safety.

10 (3) As used in this section, "national accrediting entity"  
11 means the National Committee for Quality Assurance, the URAC,  
12 formerly known as the Utilization Review Accreditation Commission,  
13 or another appropriate entity, as approved by the department.

14 Sec. 1830. From the funds appropriated in part 1 for hospital  
15 services and therapy, the department shall allocate \$5,000,000.00  
16 to support prenatal health care providers operating in this state  
17 to provide services for existing group-based prenatal care programs  
18 that include 1 or more health care professionals leading small  
19 groups of expectant mothers - in the same phase of pregnancy - in  
20 discussions and other health services that promote the well-being  
21 and health of mothers and babies.

22 Sec. 1831. From the funds appropriated in part 1 for hospital  
23 services and therapy, the department shall continue to support  
24 hospitals in this state to improve maternal safety and outcomes by  
25 administering and expanding a data-driven maternal safety and  
26 quality improvement initiative that is based on interdisciplinary  
27 and consensus-based practices. The initiative expansion must focus  
28 on mitigating pregnancy-associated injury and death, work to  
29 improve outcomes for underserved groups, and address problems

1 related to substance use disorders.

2 Sec. 1837. The department shall continue, and expand where  
3 appropriate, utilization of telemedicine and telepsychiatry as  
4 strategies to increase access to services for Medicaid recipients.

5 Sec. 1846. From the funds appropriated in part 1 for graduate  
6 medical education, the department shall distribute the funds with  
7 an emphasis on the following health care workforce goals:

8 (a) The encouragement of the training of physicians in  
9 specialties, including primary care, that are necessary to meet the  
10 future needs of residents of this state.

11 (b) The training of physicians in settings that include  
12 ambulatory sites and rural locations.

13 (c) The training of practitioners providing pediatric  
14 psychiatry services.

15 Sec. 1850. The department may allow Medicaid health plans to  
16 assist with maintaining eligibility through outreach activities to  
17 ensure continuation of Medicaid eligibility and enrollment in  
18 managed care. The assistance may include mailings, telephone  
19 contact, or face-to-face contact with beneficiaries enrolled in the  
20 individual Medicaid health plan. Medicaid health plans may offer  
21 assistance in completing paperwork for beneficiaries enrolled in  
22 the Medicaid health plan.

23 Sec. 1854. The funds appropriated in part 1 for PACE must  
24 support a current fiscal year enrollment cap that is not less than  
25 8,543.

26 Sec. 1855. From the funds appropriated in part 1 for PACE, to  
27 the extent that funding is available in the PACE line item and  
28 unused program slots are available, the department may do the  
29 following:

1 (a) Increase the number of slots for a local and already-  
2 established PACE if the local PACE has provided appropriate  
3 documentation to the department indicating its ability to expand  
4 capacity to provide services to additional PACE clients.

5 (b) Suspend the 10 member per month individual PACE enrollment  
6 increase cap in order to allow unused and unobligated slots to be  
7 allocated to address unmet demand for PACE services.

8 Sec. 1856. (1) From the funds appropriated in part 1 for  
9 hospice services, \$5,000,000.00 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. An eligible grant applicant may inform the department of the  
16 applicant's request to reduce the grant amount allocated for the  
17 applicant's residence and the funds must be distributed  
18 proportionally to increase the total grant amount of the remaining  
19 grant-eligible residences. Grant amounts shall be paid out monthly  
20 with 1/12 of the total grant amount distributed each month to the  
21 grantees.

22 (2) Not later than September 15 of the current fiscal year,  
23 each Medicaid-enrolled hospice with a residence that receives funds  
24 under this section shall provide a report to the department on the  
25 utilization of the grant funding provided in subsection (1). The  
26 report must be provided in a format prescribed by the department  
27 and must include the following information:

28 (a) The number of patients served.

29 (b) The number of days served.

1 (c) The daily room and board rates for the patients served.

2 (d) If there is not sufficient funding to cover the total room  
3 and board need, the number of patients who did not receive care due  
4 to insufficient grant funding.

5 (3) If funds awarded under this section remain unused at the  
6 end of the current fiscal year, the Medicaid-enrolled hospice with  
7 a residence shall return those unused funds to this state.

8 Sec. 1859. The department shall partner with the Michigan  
9 Association of Health Plans and Medicaid health plans to develop  
10 and implement strategies for the use of information technology  
11 services for Medicaid research activities. The department shall  
12 make available state medical assistance program data, including  
13 Medicaid behavioral data, to the Michigan Association of Health  
14 Plans and Medicaid health plans or any vendor considered qualified  
15 by the department to perform research activities consistent with  
16 this state's goals of improving health; increasing the quality,  
17 reliability, availability, and continuity of care; and reducing the  
18 cost of care for the eligible population of Medicaid recipients.

19 Sec. 1862. From the funds appropriated in part 1, the  
20 department shall maintain payment rates for Medicaid obstetrical  
21 services at 95% of Medicare levels effective October 1, 2014.

22 Sec. 1870. (1) From the funds appropriated in part 1 for  
23 hospital services and therapy, the department shall appropriate  
24 \$6,400,000.00 in general fund/general purpose revenue plus any  
25 contributions from public entities, up to \$5,000,000.00, and any  
26 associated federal match to the MiDocs consortium to create new  
27 primary care residency slots in underserved communities. The new  
28 primary care residency slots must be in 1 of the following  
29 specialties: family medicine, general internal medicine, general

1     pediatrics, general OB-GYN, psychiatry, or general surgery.

2             (2) The department shall seek any necessary approvals from CMS  
3     to allow the department to implement the program described in this  
4     section.

5             (3) Assistance with repayment of medical education loans, loan  
6     interest payments, or scholarships provided by the MiDocs  
7     consortium shall be contingent upon a minimum 2-year commitment to  
8     practice in an underserved community in this state post-residency  
9     and an agreement to forego any sub-specialty training for at least  
10    2 years post-residency with the exception of a child and adolescent  
11    psychiatry fellowship that must be integrated with a psychiatry  
12    residency training program in a MiDocs consortium affiliated  
13    institution.

14            (4) The MiDocs consortium shall work with the department to  
15    integrate the Michigan inpatient psychiatric admissions discussion  
16    (MIPAD) recommendations and, when possible, prioritize training  
17    opportunities in state psychiatric hospitals and community mental  
18    health organizations.

19            (5) The department shall maintain the MiDocs consortium  
20    initiative advisory council to help support implementation of the  
21    program described in this section, and to provide oversight. The  
22    advisory council must be composed of the MiDocs consortium, the  
23    Michigan Area Health Education Centers, the Michigan Primary Care  
24    Association, the Michigan Center for Rural Health, the Michigan  
25    Academy of Family Physicians, and any other appointees designated  
26    by the department.

27            (6) Not later than September 1 of the current fiscal year, the  
28    MiDocs consortium shall submit a report to the standard report  
29    recipients that includes all of the following information:

1 (a) Audited financial statement of per-resident costs.

2 (b) Education and clinical quality data.

3 (c) Roster of trainees, including areas of specialty and  
4 locations of training.

5 (d) Medicaid revenue by training site.

6 (7) The department shall monitor outcome and performance  
7 measures for this program, including, but not limited to, the  
8 following:

9 (a) Increasing this state's ability to recruit, train, and  
10 retain primary care physicians and other select specialty  
11 physicians in underserved communities.

12 (b) Maximizing training opportunities with community health  
13 centers, rural critical access hospitals, solo or group private  
14 practice physician practices, schools, and other community-based  
15 clinics, in addition to the required training through rotations at  
16 inpatient hospitals.

17 (c) Increasing the number of residency slots for family  
18 medicine, general internal medicine, general pediatrics, general  
19 OB-GYN, psychiatry, and general surgery.

20 (8) Unexpended and unencumbered funds up to a maximum  
21 \$6,400,000.00 in general fund/general purpose revenue plus any  
22 contributions from public entities, up to \$5,000,000.00, and any  
23 associated federal match remaining in accounts appropriated in part  
24 1 for hospital services and therapy are designated as work project  
25 appropriations, and any unencumbered or unallotted funds must not  
26 lapse at the end of the fiscal year and must be available for  
27 expenditures for the MiDocs consortium to create new primary care  
28 residency slots in underserved communities under this section until  
29 the work project has been completed. All of the following are in

1 compliance with section 451a(1) of the management and budget act,  
2 1984 PA 431, MCL 18.1451a:

3 (a) The purpose of the work project is to fund the cost of the  
4 MiDocs consortium to create new primary care residency slots in  
5 underserved communities.

6 (b) The work project will be accomplished by contracting with  
7 the MiDocs consortium to oversee the creation of new primary care  
8 residency slots.

9 (c) The total estimated completion cost of the work project is  
10 \$20,200,000.00.

11 (d) The tentative completion date for the work project is  
12 September 30, 2029.

13 Sec. 1872. From the funds appropriated in part 1 for personal  
14 care services, the department shall maintain the monthly Medicaid  
15 personal care supplement paid to adult foster care facilities and  
16 homes for the aged that provide personal care services to Medicaid  
17 recipients in place during the previous fiscal year.

18 Sec. 1874. The department shall ensure, in counties where PACE  
19 services are available, that PACE is included as an option in all  
20 options counseling and enrollment brokering for aging services and  
21 managed care programs, including, but not limited to, Area Agencies  
22 on Aging, centers for independent living, and the MiChoice home and  
23 community-based waiver. The department must include approved  
24 marketing and discussion materials for options counseling.

25 Sec. 1879. Not later than May 15 of the current fiscal year,  
26 the department shall submit to the standard report recipients a  
27 report with Medicaid pharmaceutical information. The report shall  
28 include, for the previous fiscal year, the total Medicaid  
29 pharmaceutical costs and the total Medicaid pharmaceutical rebates.

1 The report must categorize the total Medicaid pharmaceutical costs  
2 and total Medicaid pharmaceutical rebates recognized by the  
3 contracted health plans and the department. In addition, the report  
4 must also include all of the following information:

5 (a) The total estimated pharmaceutical benefit expenses  
6 incurred by contracted health plans from the previous fiscal year  
7 and through the first 2 quarters of the current fiscal year.

8 (b) The total estimated pharmaceutical benefit expenses  
9 included in approved initial rates for contracted health plans from  
10 the previous fiscal year and total estimated pharmaceutical benefit  
11 expenses included in approved initial rates for contracted health  
12 plans for the first 2 quarters of the current fiscal year.

13 (c) The total pharmaceutical rebates received by the  
14 department by utilization of the single preferred drug list used by  
15 all contracted Medicaid managed health care programs.

16 (d) Information as to whether the average benefit expense for  
17 the composite average across all rate cells and service categories  
18 included in capitation rates, based on actual enrollment and  
19 anticipated recoveries, for the previous fiscal year and through  
20 the first 2 quarters of the current fiscal year exceeded the  
21 reported contracted health plan's experience, adjusted for  
22 completion over the same reporting periods.

23 (e) The following information related to the current Medicaid  
24 pharmacy carve-out of pharmaceutical products as provided for in  
25 section 109h of the social welfare act, 1939 PA 280, MCL 400.109h:

26 (i) The number of prescriptions paid by the department during  
27 the previous fiscal year.

28 (ii) The total amount of expenditures for prescriptions paid by  
29 the department during the previous fiscal year.



1           (iii) The number of and total expenditures for prescriptions  
2 paid by the department for generic equivalents during the previous  
3 fiscal year.

4           Sec. 1888. The department shall establish contract performance  
5 standards associated with the capitation withhold provisions for  
6 Medicaid health plans at least 3 months before the implementation  
7 of those standards. The determination of whether performance  
8 standards have been met must be based primarily on recognized  
9 concepts such as 1-year continuous enrollment and the health care  
10 effectiveness data and information set, HEDIS, audited data.

11  
12       **INFORMATION TECHNOLOGY**

13           Sec. 1901. (1) The department shall submit a report on a  
14 semiannual basis to the standard report recipients that lists the  
15 projects approved in the previous 6 months and provides the purpose  
16 for approving each project including any federal, state, court, or  
17 legislative requirement for each project.

18           (2) Once an award for an expansion of information technology  
19 is made, the department shall submit a report to the standard  
20 report recipients that provides the projected cost of the expansion  
21 broken down by use and type of expense.

22           Sec. 1903. (1) Not later than November 1 of the current fiscal  
23 year, the department shall submit a report to the standard report  
24 recipients that describes the status of an implementation plan  
25 regarding the appropriation in part 1 to modernize the MiSACWIS.  
26 The report must include, but is not limited to, an update on the  
27 status of the settlement and efforts to bring the system in  
28 compliance with the settlement and other federal guidelines set  
29 forth by the United States Department of Health and Human Services

1 Administration for Children and Families.

2 (2) The department shall submit on a quarterly basis a report  
3 to the standard report recipients on the planning, implementation,  
4 and operation, regardless of the current operational status,  
5 regarding the appropriation in part 1 to implement the MiSACWIS.  
6 The report must provide details on the planning, implementation,  
7 and operation of the MiSACWIS, including, but not limited to, all  
8 of the following:

9 (a) Areas where implementation went as planned, and in each  
10 area including whether the implementation results in either  
11 enhanced user interface or portal access, conversion to new  
12 modules, or substantial operation improvement to the MiSACWIS.

13 (b) The number of known issues.

14 (c) The average number of help tickets submitted per day.

15 (d) Any additional overtime or other staffing costs to address  
16 known issues and volume of help tickets.

17 (e) Any contract revisions to address known issues and volume  
18 of help tickets.

19 (f) Other strategies undertaken to improve implementation, and  
20 for each strategy area including whether the implementation results  
21 in either enhanced user interface or portal access, conversion to  
22 new modules, or substantial operation improvement to the MiSACWIS.

23 (g) Progress in developing cross-system trusted data exchange  
24 with the MiSACWIS.

25 (h) Progress in moving away from a statewide automated child  
26 welfare information system to a comprehensive child welfare  
27 information system.

28 (i) Progress in developing and implementing a program to  
29 monitor data quality.

1 (j) Progress in developing and implementing custom integrated  
2 systems for private agencies.

3 (k) A list of all change orders, planned or in progress.

4 (l) The status of all change orders, planned or in progress.

5 (m) The estimated costs for all planned change orders.

6 (n) The estimated and actual costs for all change orders in  
7 progress.

8 (3) Not later than July 1 of the current fiscal year, the  
9 department shall submit to the standard report recipients a report  
10 on the department's efforts and recommendations to develop and  
11 implement a simpler and more streamlined process for the annual  
12 renewal of the licenses for family foster care homes, and the  
13 development of a simpler and more efficient version of the  
14 application form for renewal of the licenses for family foster care  
15 homes.

16 Sec. 1906. From the funds appropriated in part 1 for  
17 information technology services and projects, the department shall  
18 allocate \$3,250,000.00 general fund/general purpose revenue, and  
19 all associated federal matching revenue, to a public and private  
20 nonprofit collaboration that is designated as this state's  
21 statewide health information exchange by cooperative agreement, to  
22 implement health information technology strategies for health  
23 information exchange development, data management, and population  
24 health at a statewide level.

25 Sec. 1907. Not later than March 1 of the current fiscal year,  
26 the department shall submit a report to the standard report  
27 recipients on all current, contracted information technology-  
28 related projects. The report must include, by project, the total  
29 contractual costs, spending in previous fiscal years, planned

1 spending for the current fiscal year, and fiscal year-to-date  
2 spending.

3 Sec. 1909. (1) From the funds appropriated in part 1 for child  
4 support automation, the department shall only encumber or expend  
5 funds for the operation, maintenance, and improvements of the  
6 Michigan child support enforcement system.

7 (2) From the funds appropriated in part 1 for bridges  
8 information system, the department shall only encumber or expend  
9 funds for the operation, maintenance, and improvements of Bridges  
10 and MIBridges.

11 (3) From the funds appropriated in part 1 for Michigan  
12 Medicaid information system, the department shall only encumber or  
13 expend funds for the operation, maintenance, and improvements of  
14 the community health automated Medicaid processing system.

15 (4) From the funds appropriated in part 1 for Michigan  
16 statewide automated child welfare information system, the  
17 department shall only encumber or expend funds for the operation,  
18 maintenance, and improvements of MiSACWIS.

19 (5) From the funds appropriated in part 1 for comprehensive  
20 child welfare information system, the department shall only  
21 encumber or expend funds for the operation, maintenance, and  
22 improvements to the comprehensive child welfare information system.

23 (6) From the funds appropriated in part 1 for comprehensive  
24 child welfare information system, the department shall continue  
25 development of a new information system to replace MiSACWIS  
26 consistent with the plan provided by the department to the United  
27 States District Court for Eastern District of Michigan as a part of  
28 the settlement. The development of the comprehensive child welfare  
29 information system must adhere to department of technology,

1 management, and budget and information technology investment fund  
2 (ITIF) policies and practices, including use of the state unified  
3 information technology environment methodology and agile  
4 development. The project team shall also participate in and comply  
5 with the enterprise portfolio management office process and product  
6 quality assurance. To ensure full transparency, the project must be  
7 included in the ITIF portfolio for executive, legislative, and  
8 external reporting purposes. As a component of the ITIF portfolio,  
9 the project is subject to governance and oversight by the  
10 information technology investment management board.

11 Sec. 1910. From the funds appropriated in part 1,  
12 \$532,841,400.00 is appropriated for information technology services  
13 and projects including:

14 (a) \$114,678,900.00 for bridges information system.

15 (b) \$21,555,400.00 for Michigan statewide automated child  
16 welfare information system.

17 (c) \$102,482,000.00 for Michigan Medicaid information system.

18 (d) \$44,243,200.00 for child support automation.

19 (e) \$8,274,700.00 for comprehensive child welfare information  
20 system.

21  
22 **ONE-TIME APPROPRIATIONS**

23 Sec. 1913. (1) From the funds appropriated in part 1 for doula  
24 training and continuing education, the department shall support  
25 professional development for doulas participating in the  
26 department's doula registry.

27 (2) The unexpended funds appropriated in part 1 for doula  
28 training and continuing education are designated as a work project  
29 appropriation. Unencumbered or unallotted funds shall not lapse at

1 the end of the fiscal year and shall be available for expenditures  
2 under this section until the project has been completed. The  
3 following is in compliance with section 451a(1) of the management  
4 and budget act, 1984 PA 431, MCL 18.1451a:

5 (a) The purpose of the work project is to provide training and  
6 continuing education for new and established doulas that serve  
7 residents in this state.

8 (b) The work project will be accomplished by utilizing state  
9 employees or contracts.

10 (c) The total estimated cost of the project is \$100.00.

11 (d) The tentative completion date is September 30, 2029.

12 Sec. 1919. From the funds appropriated in part 1 for  
13 biomedical research and science education, the department shall  
14 allocate \$750,000.00 as a grant to an independent biomedical  
15 research and science education organization in a county with a  
16 population between 600,000 and 700,000 and in a city with a  
17 population over 185,000 according to the most recent federal  
18 decennial census to be used for matching federal funds, private and  
19 nonprofit grants, and private contributions.

20 Sec. 1921. (1) From the funds appropriated in part 1 for  
21 faith-based service grants, the department shall allocate  
22 \$5,000,000.00 for grants to faith-based organizations for eligible  
23 activities as described in this section. The department must  
24 develop program criteria and guidelines for the administration of  
25 the grants under this section. The department may retain not more  
26 than 2.0% of the funds appropriated in part 1 for related  
27 administration costs.

28 (2) Eligible activities for grants under this section include  
29 the provision of services or infrastructure-related costs for any

1 of the following:

2 (a) Housing-related activities to increase the number of  
3 affordable housing units or to increase access to existing  
4 affordable housing units. Grants administered under this section  
5 may be used for, but are not limited to, the construction and  
6 planning costs to build affordable housing units or temporary  
7 housing, operation of a home repair program for eligible residents,  
8 emergency housing relief options, or financing supports to increase  
9 access to affordable housing.

10 (b) Community services-related activities that support before-  
11 or after-school education activities, qualified child care centers,  
12 community violence intervention programs, access to career or  
13 workforce training services, indoor or outdoor spaces publicly  
14 accessible for recreational or athletic activities, and access to  
15 community health services, food, or other community wraparound  
16 supports.

17 (3) Grants for community services-related activities that  
18 include infrastructure or capital costs must directly support an  
19 eligible activity under this section.

20 (4) Eligible activities funded under this section must follow  
21 all applicable laws and regulations. Community centers or spaces  
22 receiving funds under this section must be free and open to the  
23 public.

24 (5) The department shall allocate grants to eligible faith-  
25 based organizations based in this state that have been in existence  
26 for at least 2 years and that provide all necessary documentation  
27 to verify compliance with the requirements of this section. The  
28 department shall prioritize grants to eligible organizations that  
29 have not received funding from the department in the 2 most recent

1     fiscal years.

2           (6) The department shall seek to allocate grants in different  
3     regions of this state, and consider at least population size,  
4     density, and average median income of the communities in which  
5     grant applicants serve. Before approving grant awards, the  
6     department shall evaluate the sustainability of the eligible  
7     activities proposed by grant applicants.

8           (7) The department shall require reports on a quarterly basis  
9     from grant recipients on the utilization of grant funds under this  
10    section. Until program funding is expended, the department shall  
11    provide an annual report not later than February 1 on program grant  
12    awards and the utilization of grant funds. The report must be  
13    submitted to the chairs of the senate and house appropriations  
14    committees and the standard report recipients.

15          (8) The unexpended funds appropriated in part 1 for faith-  
16    based service grants are designated as a work project  
17    appropriation. Unencumbered or unallotted funds must not lapse at  
18    the end of the fiscal year and must be available for expenditures  
19    under this section until the project has been completed. All of the  
20    following are in compliance with section 451a of the management and  
21    budget act, 1984 PA 431, MCL 18.1451a:

22          (a) The purpose of the work project is to enhance community  
23    services and programs provided by nonprofit faith-based  
24    organizations.

25          (b) The project will be accomplished by utilizing state  
26    employees, contracting with vendors, or working with local  
27    partners.

28          (c) The estimated cost of the work project is \$5,000,000.00.

29          (d) The tentative completion date is September 30, 2029.



1           Sec. 1923. From the funds appropriated in part 1 for  
2 firefighter health care, the department shall allocate \$100.00 for  
3 health screenings for firefighters.

4           Sec. 1924. (1) From the funds appropriated in part 1 for  
5 community health programs, the department shall allocate funds to  
6 address disparities in health care access and outcomes. Eligible  
7 expenditures from this line shall include, but not be limited to,  
8 all of the following:

9           (a) Funding to support the operation of mobile health units to  
10 provide preventive health services for persons residing in areas  
11 with disparities in health care outcome and access.

12           (b) Grants to support eligible applicants for funds to support  
13 the operation of community-based health clinics.

14           (c) Grants to support the development and operation of healthy  
15 community zones.

16           (d) A grant to the Sickle Cell Disease Association of America  
17 for the operation of a Sickle Cell Center of Excellence.

18           (2) The unexpended funds appropriated in part 1 for community  
19 health programs are designated as a work project appropriation, and  
20 any unencumbered or unallotted funds shall not lapse at the end of  
21 the fiscal year and shall be available for expenditures for  
22 projects under this section until the projects have been completed.  
23 The following is in compliance with section 451a of the management  
24 and budget act, 1984 PA 431, MCL 18.1451a:

25           (a) The purpose of the project is to fund efforts to reduce  
26 disparities in health care access and outcomes.

27           (b) The project will be accomplished by utilizing state  
28 employees or contracts with service providers, or both.

29           (c) The total estimated cost of the project is \$100.00.

1 (d) The tentative completion date is September 30, 2029.

2 Sec. 1925. From the funds appropriated in part 1 for uterine  
3 fibroid study, the department shall allocate \$250,000.00 to  
4 commission a study to evaluate options to expand services for the  
5 detection and treatment of uterine fibroids, increase awareness of  
6 services for the detection and treatment of uterine fibroids, and  
7 increase access to services for the detection and treatment of  
8 uterine fibroids. The department shall provide the study  
9 commissioned under this section to the standard report recipients  
10 within 30 days of receipt.

11 Sec. 1927. (1) From the funds appropriated in part 1 for  
12 community violence prevention - community grant program, the  
13 department's office of community violence intervention shall expend  
14 \$5,000,000.00 to support community providers of violence  
15 intervention services.

16 (2) To be eligible for a grant under this section, the  
17 community provider of violence intervention services must not have  
18 received a grant from the department for this purpose in the  
19 previous fiscal year. Additionally, the department must prioritize  
20 grants to community providers of violence intervention services  
21 that are located in the communities they serve and have an  
22 established history of providing community violence intervention  
23 services.

24 (3) The unexpended funds appropriated in part 1 for community  
25 violence prevention - community grant program are designated as a  
26 work project appropriation. Unencumbered or unallotted funds shall  
27 not lapse at the end of the fiscal year and shall be available for  
28 expenditures under this section until the project has been  
29 completed. The following are in compliance with section 451a of the

1 management and budget act, 1984 PA 431, MCL 18.1451a:

2 (a) The purpose of the project is to provide grant funding for  
3 community violence intervention and gun prevention programs.

4 (b) The project will be accomplished by utilizing state  
5 employees or contracts with service providers, or both.

6 (c) The estimated cost of the project is \$5,000,000.00.

7 (d) The tentative completion date is September 30, 2029.

8 Sec. 1929. (1) From the funds appropriated in part 1 for  
9 certified community behavioral health clinics study, the department  
10 shall allocate \$250,000.00 to complete a comprehensive quantitative  
11 spatial analysis to evaluate cannibalization effects on existing  
12 enrolled locations of community behavioral health clinics. The  
13 purpose of this evaluation is to provide actionable insights into  
14 the extent of cannibalization and inform strategic decision-making  
15 processes related to site selection, network optimization, and  
16 future certified community behavioral health clinic expansion. The  
17 comprehensive quantitative spatial analysis shall include, but not  
18 be limited to, the following:

19 (a) Inclusion of geographic information system (GIS)  
20 methodologies and statistical analysis techniques to define  
21 catchment area and participant volume for existing clinics for the  
22 periods before and after expansions and forecasted amounts for  
23 newly added clinics.

24 (b) The analysis will involve geocoding existing clinic  
25 locations, spatially joining demographic and participant data,  
26 performing buffer and overlap analysis, regression modeling, and  
27 validating results against historical data for the period before  
28 and after clinic expansion.

29 (2) As used in this section, "cannibalization effects" means

1 the change in participant volume due to marginal expansion of  
2 additional clinic sites within the same relative geographic area.

3 Sec. 1931. From the funds appropriated in part 1 for kids'  
4 food basket, the department shall allocate \$2,000,000.00 to fund a  
5 project with a nonprofit, community-based organization organized  
6 under the laws of this state that is exempt from federal income tax  
7 under section 501(c)(3) of the internal revenue code of 1986, 26  
8 USC 501, and is located in a city with a population between 185,000  
9 and 200,000 and in a county with a population between 600,000 and  
10 700,000, according to the most recent federal decennial census. The  
11 nonprofit organization recipient must have an existing network of  
12 food delivery to low-income children in not less than 3 counties in  
13 this state. The nonprofit organization shall use the funds to  
14 expand its services to additional schools and communities. The  
15 funding may be used to cover employee costs, food and supplies,  
16 equipment, and other operational costs identified by the  
17 organization to support its mission and goals.

18 Sec. 1933. From the funds appropriated in part 1 for Medicaid  
19 outreach, the department shall allocate \$250,000.00 in general  
20 fund/general purpose revenue and any associated federal match to  
21 enhance Medicaid health plan outreach in partnership with the  
22 National Kidney Foundation of Michigan.

23 Sec. 1935. From the funds appropriated in part 1 for home help  
24 caregiver council, the department shall allocate \$1,000,000.00 to  
25 support the creation of a home help caregiver council. Once  
26 established, the home help caregiver council will be tasked with  
27 providing supportive services to Medicaid enrollees accessing  
28 eligible community-based supports, their families, and those who  
29 serve them. Supportive services may include program orientation,

1 training, and a patient matching services to home care workers.

2 Sec. 1937. From the funds appropriated in part 1 for Great  
3 Lakes recovery center, the department shall allocate \$3,620,000.00  
4 to a nonprofit organization organized under the laws of this state  
5 that is exempt from federal income tax under section 501(c)(3) of  
6 the internal revenue code of 1986, 26 USC 501, and that is  
7 accredited by CARF International with a mission to empower recovery  
8 through hope and change and that provides a variety of behavioral  
9 health services across the Upper Peninsula. The funds allocated in  
10 this section must be used for the purchase of land and to cover  
11 construction costs for a women's substance use disorder and  
12 behavioral health treatment center.

13 Sec. 1939. From the funds appropriated in part 1 for juvenile  
14 justice infrastructure improvement, the department shall allocate  
15 \$14,000,000.00 to support juvenile justice capital infrastructure  
16 projects at both state-owned and non-state-owned facilities. No  
17 less than \$9,000,000.00 of the funds allocated under this section  
18 must be allocated to non-state-owned facilities through a  
19 competitive grant process.

20 Sec. 1941. From the funds appropriated in part 1 for housing  
21 and childcare project, the department shall allocate \$100.00 to a  
22 nonprofit organization organized under the laws of this state that  
23 is exempt from federal income tax under section 501(c)(3) of the  
24 internal revenue code of 1986, 26 USC 501, for a healthy village  
25 initiative that offers a combination of child care on the main  
26 level of a building and affordable housing on the second level. In  
27 order to be eligible for funds under this section, the nonprofit  
28 organization must be located in a city with a population greater  
29 than 500,000 according to the most recent federal decennial census,

1 have been established in 1970, and have a stated mission to ensure  
2 that children, individuals, families, and communities have access  
3 to great health care, quality education, a comfortable home, and  
4 the money they need to build a life they desire.

5 Sec. 1943. From the funds appropriated in part 1 for homeless  
6 shelter infrastructure grant, the department shall allocate \$100.00  
7 to a nonprofit organization organized under the laws of this state  
8 that is exempt from federal income tax under section 501(c)(3) of  
9 the internal revenue code of 1986, 26 USC 501, for the purchase and  
10 renovation of a new building as well as related operational costs  
11 of a homeless shelter program. In order to be eligible for funds  
12 under this section, the nonprofit organization must have its  
13 homelessness services headquartered in a community center located  
14 in a city with a population between 50,000 and 110,000 and in a  
15 county with a population between 265,000 and 290,000 according to  
16 the most recent federal decennial census, operate a low-barrier  
17 homeless shelter, and partner with the local health department of  
18 the county in which the organization's headquarters is located to  
19 provide low- to no-cost medical care for participants and community  
20 members.

21 Sec. 1945. From the funds appropriated in part 1 for medically  
22 underserved area services, the department shall allocate  
23 \$700,000.00 to a nonprofit organization organized under the laws of  
24 this state that is exempt from federal income tax under section  
25 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located  
26 in a city with a population greater than 500,000 according to the  
27 most recent federal decennial census. To be eligible for funds  
28 under this section, the nonprofit organization must have been  
29 established in 1909 as a soup kitchen. The funding must be used to

1 provide substance use disorder (SUD) treatment-related services,  
2 including, but not limited to, inpatient SUD treatment, residential  
3 SUD treatment, and an outpatient opioid treatment program.

4 Sec. 1947. (1) From the funds appropriated in part 1 for  
5 underserved healthcare facility project, the department shall  
6 allocate \$3,500,000.00 to a wellness center to acquire, renovate,  
7 build, and equip a facility to provide health care services to an  
8 underserved area with a high concentration of individuals with a  
9 substance use disorder and a large senior population. The wellness  
10 center must meet all of the following requirements:

11 (a) Be dedicated to enhancing the well-being of individuals by  
12 providing an array of comprehensive behavioral and physical health  
13 services in a trauma-informed environment and promoting quality of  
14 life, continuous improvement, social awareness, and healing.

15 (b) Have its administrative office located in a county with a  
16 population of greater than 1,750,000 in a city with a population  
17 between 109,000 and 111,000 according to the most recent federal  
18 decennial census.

19 (c) Be accredited by CARF International.

20 (2) The unexpended funds appropriated in part 1 for  
21 underserved healthcare facility project are designated as a work  
22 project appropriation. Unencumbered or unallotted funds shall not  
23 lapse at the end of the fiscal year and shall be available for  
24 expenditures under this section until the project has been  
25 completed. All of the following are in compliance with section 451a  
26 of the management and budget act, 1984 PA 431, MCL 18.1451a:

27 (a) The purpose of the project is to acquire, renovate, build,  
28 and equip a facility to provide health care services to an  
29 underserved area.

1 (b) The project will be accomplished by a CARF International  
2 accredited wellness center.

3 (c) The estimated cost of the project is \$3,500,000.00.

4 (d) The tentative completion date is September 30, 2029.

5 Sec. 1949. (1) From the funds appropriated in part 1 for  
6 behavioral health urgent care program, the department shall  
7 allocate \$1,700,000.00 to a 24/7 crisis agency that has served the  
8 state for at least 50 years and is headquartered in a county with a  
9 population between 1,200,000 and 1,400,000 according to the most  
10 recent federal decennial census, to support the expansion of a  
11 behavioral health urgent care program to provide 7 days per week of  
12 virtual, mass violence care for those who are in need throughout  
13 the state regardless of geographic location.

14 (2) The unexpended funds appropriated in part 1 for behavioral  
15 health urgent care program are designated as a work project  
16 appropriation. Unencumbered or unallotted funds shall not lapse at  
17 the end of the fiscal year and shall be available for expenditures  
18 under this section until the project has been completed. The  
19 following is in compliance with section 451a(1) of the management  
20 and budget act, 1984 PA 431, MCL 18.1451a:

21 (a) The purpose of the project is to support the expansion of  
22 a behavioral health urgent care program to provide 7 days per week  
23 of virtual, mass violence care for those who are in need throughout  
24 this state regardless of geographic location.

25 (b) The project will be accomplished through a grant with a  
26 nonprofit, trauma-informed, recovery-oriented agency.

27 (c) The total estimated cost of the project is \$1,700,000.00.

28 (d) The tentative completion date is September 30, 2029.

29 Sec. 1951. (1) From the funds appropriated in part 1 for local



1 food infrastructure grant, the department shall allocate  
2 \$5,000,000.00 to a statewide, nonprofit trade association  
3 representing independent supermarkets, convenience stores and  
4 specialty food markets, and affiliates in the food wholesaling,  
5 distribution, and manufacturing industry that supports the retail  
6 industry with a Food Safety and Training program certified by the  
7 department and the United States Department of Agriculture (USDA)  
8 that was in place before January 1, 2022. The purpose of the grant  
9 is to aid grocers and food wholesale and retail merchants in this  
10 state in combating food deserts by increasing access to healthy  
11 food, increasing healthy food consumption, reducing obesity rates,  
12 increasing food security, and improving the local economy.

13 (2) The nonprofit organization identified in subsection (1)  
14 must work with the department to establish grant program guidelines  
15 and an application process for individuals and businesses seeking  
16 reimbursement for eligible costs associated with combating food  
17 deserts in USDA designated areas. Grant awards may not exceed  
18 eligible program costs. Unused funds issued to any applicant must  
19 be returned to the program administrator for deposit and reuse for  
20 other program applicants.

21 (3) For the purposes of this section, a "food desert" means  
22 that term as defined in "Characteristics and Influential Factors of  
23 Food Deserts", a publication from the United States Department of  
24 Agriculture, dated August 2012.

25 Sec. 1952. (1) From the funds appropriated in part 1 for  
26 medical debt relief pilot program, the department shall allocate  
27 \$8,000,000.00 to a national nonprofit organization organized under  
28 the laws of this state that is exempt from federal income tax under  
29 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,

1 and established in 2014 for the purpose of purchasing bundles of  
2 medical debt on secondary markets or directly from providers to  
3 abolish the medical debt for a group or groups of patients. The  
4 department shall ensure the following conditions and criteria are  
5 met before awarding grants under this section:

6 (a) The grant recipient may use an award under this section  
7 only to eliminate medical debt to patients with an income below the  
8 federal poverty level with a financial need or who face insolvency.

9 (b) The grant recipient shall ensure that there are no adverse  
10 tax or income implications for the patient due to the elimination  
11 of the medical debt.

12 (c) The grant recipient shall provide evidence to the  
13 department that the grant recipient has a track record of  
14 performing the work described in this section.

15 (d) The grant recipient shall work with local units of  
16 government to eliminate medical debt for residents of those local  
17 units of government. The grant recipient shall give preference to  
18 local units of government that provide a dollar of matching funds  
19 for every dollar appropriated under this section.

20 (2) The unexpended funds appropriated in part 1 for medical  
21 debt relief pilot program are designated as a work project  
22 appropriation. Unencumbered or unallotted funds must not lapse at  
23 the end of the fiscal year and must be available for expenditures  
24 under this section until the project has been completed. All of the  
25 following are in compliance with section 451a of the management and  
26 budget act, 1984 PA 431, MCL 18.1451a:

27 (a) The purpose of the project is to purchase bundles of  
28 medical debt on secondary markets or directly from providers to  
29 abolish the medical debt for a group or groups of patients.

1 (b) The project will be accomplished by a national nonprofit  
2 501(c)(3) organization.

3 (c) The estimated cost of the project is \$8,000,000.00.

4 (d) The tentative completion date is September 30, 2029.

5 Sec. 1955. From the funds appropriated in part 1 for  
6 adolescent hair loss reimbursement, the department shall allocate  
7 \$250,000.00 to compensate state-certified hair restoration  
8 technicians who provide cranial hair prosthesis to any eligible  
9 individual who is less than 19 years of age, is a resident of this  
10 state, and has cranial hair loss as a result of a medical condition  
11 or as a result of a treatment for a medical condition.

12 Sec. 1957. (1) From the funds appropriated in part 1 for  
13 narcotics awareness program, the department shall allocate  
14 \$2,500,000.00 to a nonprofit organization organized under the laws  
15 of this state that is exempt from federal income tax under section  
16 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and  
17 with headquarters in a charter township with a population between  
18 100,000 and 105,000 in a county with a population between 700,000  
19 and 1,000,000 according to the most recent federal decennial  
20 census. To be eligible to receive funding, the nonprofit  
21 organization must have a stated mission to offer community-based,  
22 compassionate, best-practice/evidence-based services to those  
23 suffering from addiction, as well as their loved ones, and to erase  
24 the stigma of addiction and instill compassion and hope.

25 (2) The unexpended funds appropriated in part 1 for narcotics  
26 awareness program are designated as a work project appropriation.  
27 Unencumbered or unallotted funds shall not lapse at the end of the  
28 fiscal year and shall be available for expenditures under this  
29 section until the project has been completed. The following are in

1 compliance with section 451a of the management and budget act, 1984  
2 PA 431, MCL 18.1451a:

3 (a) The purpose of the project is to offer community-based,  
4 compassionate, best-practice/evidence-based services to those  
5 suffering from addiction, as well as their loved ones, and to erase  
6 the stigma of addiction and instill compassion and hope.

7 (b) The project will be accomplished by a nonprofit 501(c)(3)  
8 organization.

9 (c) The estimated cost of the project is \$2,500,000.00.

10 (d) The tentative completion date is September 30, 2029.

11 Sec. 1958. (1) From the funds appropriated in part 1 for  
12 Native American health services, the department shall allocate  
13 \$4,000,000.00 for a grant to an organization that specializes in  
14 American Indian health services and has a clientele that is  
15 comprised of a majority of Medicaid recipients to build a medical,  
16 behavioral health, and community wellness center located in a city  
17 with a population greater than 600,000 and located within a county  
18 with a population greater than 1,500,000 according to the most  
19 recent decennial census.

20 (2) As a provision of the grant described in subsection (1),  
21 the department shall require the grantee to provide periodic  
22 updates on the construction of the facility until it is open and  
23 operational.

24 (3) By September 30 of the current fiscal year, the department  
25 shall report on the updates described in subsection (2) to the  
26 standard report recipients.

27 Sec. 1959. (1) From the funds appropriated in part 1 for  
28 recovery residence program, the department shall allocate  
29 \$2,000,000.00 of opioid healing and recovery fund revenue to a

1 nonprofit organization organized under the laws of this state that  
2 is exempt from federal income tax under section 501(c)(3) of the  
3 internal revenue code of 1986, 26 USC 501, and that has a business  
4 office located in a city with a population between 76,500 and  
5 83,000 and in a county with a population between 900,000 and  
6 1,300,000 according to the most recent federal decennial census. In  
7 order to be eligible for funds under this section, the nonprofit  
8 organization must have a stated vision to promote community  
9 awareness of what is needed for long-term remission from substance  
10 use disorders and be a resource to connect to the appropriate level  
11 of care. The funds allocated under this section must be used to  
12 support a residential substance abuse treatment program and a sober  
13 living program.

14 (2) The unexpended funds appropriated in part 1 for recovery  
15 residence program are designated as a work project appropriation.  
16 Unencumbered or unallotted funds shall not lapse at the end of the  
17 fiscal year and shall be available for expenditures under this  
18 section until the project has been completed. The following is in  
19 compliance with section 451a(1) of the management and budget act,  
20 1984 PA 431, MCL 18.1451a:

21 (a) The purpose of the project is to support a residential  
22 substance abuse treatment program and a sober living program.

23 (b) The project will be accomplished through a grant with a  
24 nonprofit organization.

25 (c) The total estimated cost of the project is \$2,000,000.00.

26 (d) The tentative completion date is September 30, 2029.

27 Sec. 1961. From the funds appropriated in part 1 for fitness  
28 and wellness programming, the department shall allocate  
29 \$1,200,000.00 to a coalition located in a county with a population

1 of at least 1,500,000 according to the most recent federal  
2 decennial census with an aim to lead and support communities to  
3 dispel the myths and stigmas about drug addiction through public  
4 education, sharing stories of recovery, partnering with local and  
5 state leaders, creating positive social changes, and providing  
6 recovery support services for those in need. The funding must be  
7 used as follows:

8 (a) \$1,000,000.00 for a wellness program that offers  
9 personalized diabetes management, weight loss programs, and  
10 nutrition counseling.

11 (b) \$200,000.00 for a fitness campaign for seniors that  
12 promotes active and healthy aging.

13 Sec. 1963. From the funds appropriated in part 1 for community  
14 impact center, the department shall allocate \$5,000,000.00 to a  
15 community action agency located in a county with a population  
16 greater than 1,300,000 according to the most recent federal  
17 decennial census to redevelop a former elementary school to create  
18 a community center and campus.

19 Sec. 1965. (1) From the funds appropriated in part 1 for water  
20 affordability, the department shall allocate \$24,750,000.00 as  
21 grants to qualified providers to assist eligible residents who have  
22 a financial burden, have accumulated a balance on their water  
23 utility bill, have had their water service shut off, and/or are at  
24 risk of having their water service shut off. Eligible expenditures  
25 from these funds must be income-based and must include all of the  
26 following:

27 (a) Restoring residential water service.

28 (b) Paying down water bills currently in arrears.

29 (c) Supporting reasonable water affordability plans that are

1 based on an individual's ability to pay, including capped payments  
2 based on household income to prevent accumulating a balance on  
3 future water bills and funding to qualified providers to cover the  
4 remaining cost of service.

5 (d) Protecting participating residents from water shutoffs.

6 (2) To be considered a qualified provider under this section,  
7 the provider must be 1 of the following:

8 (a) A community water system.

9 (b) A community action agency.

10 (c) A nonprofit, community-based organization organized under  
11 the laws of this state that is exempt from federal income tax under  
12 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,  
13 with a history of doing utility assistance work.

14 (3) Qualified providers receiving grants under this section  
15 may spend not more than 3% of the total grant award for  
16 administrative services related to the implementation of this  
17 section.

18 (4) Qualified providers receiving grants under this section  
19 shall report to the department by September 30 of the current  
20 fiscal year on outcomes and performance measures for the program,  
21 including, but not limited to, all of the following:

22 (a) The total grant award received by the qualified provider.

23 (b) The percentage of the grant award that was used for  
24 administrative costs.

25 (c) The total dollars spent broken down by type of assistance  
26 provided.

27 (d) The number of individuals helped broken down by type of  
28 assistance provided.

29 (e) The number of individual applicants denied assistance.

1           (5) Upon receipt of the information required under subsection  
2           (4), the department shall compile and forward the report to the  
3           standard report recipients.

4           (6) The unexpended funds appropriated in part 1 for water  
5           affordability are designated as a work project appropriation, and  
6           any unencumbered or unallotted funds shall not lapse at the end of  
7           the fiscal year and shall be available for expenditures for  
8           projects under this section until the projects have been completed.  
9           The following is in compliance with section 451a of the management  
10          and budget act, 1984 PA 431, MCL 18.1451a:

11          (a) The purpose of the project is to provide grants to  
12          qualified providers that assist eligible residents who have a  
13          financial burden, have accumulated a balance on their water utility  
14          bill, have had their water service shut off, and/or are at risk of  
15          having their water service shut off.

16          (b) The project will be accomplished through competitive  
17          grants to qualified providers.

18          (c) The total estimated cost of the project is \$24,750,000.00.

19          (d) The tentative completion date is September 30, 2029.

20          Sec. 1967. (1) From the funds appropriated in part 1 for  
21          trauma recovery center pilot program, the department shall allocate  
22          \$8,000,000.00 for a 3-year trauma recovery center pilot program at  
23          2 locations. The location of each pilot program must be at an adult  
24          level I Michigan designated trauma facility. One pilot program must  
25          be located in a city with a population of greater than 500,000  
26          according to the most recent federal decennial census and the other  
27          pilot program must be located in a county with a population between  
28          600,000 and 700,000 according to the most recent federal decennial  
29          census. A pilot program must do all of the following to be awarded



1 funding under this section:

2 (a) Use an evidence-informed integrated trauma recovery  
3 services model for providing and delivering services.

4 (b) Comply with applicable statutory requirements for its  
5 administration and operation, and for service requirements and  
6 funding.

7 (c) Except as otherwise provided in subsection (2),  
8 demonstrate to the department that it adheres to all guidelines for  
9 implementing and operating a trauma recovery center, as developed  
10 by the National Alliance of Trauma Recovery Centers.

11 (2) The department may award the funding to an adult level I  
12 Michigan designated trauma facility that does not adhere to the  
13 guidelines described in subsection (1) if the facility demonstrates  
14 to the department the facility's ability to comply with the  
15 guidelines on the receipt of the funds under this section.

16 (3) The unexpended funds appropriated in part 1 for trauma  
17 recovery center pilot program are designated as a work project  
18 appropriation. Unencumbered or unallotted funds must not lapse at  
19 the end of the fiscal year and must be available for expenditures  
20 under this section until the project has been completed. All of the  
21 following are in compliance with section 451a of the management and  
22 budget act, 1984 PA 431, MCL 18.1451a:

23 (a) The purpose of the project is to ensure that the pilot  
24 programs located in adult level I Michigan designated trauma  
25 facilities are developing a model for trauma service provision and  
26 delivery.

27 (b) The project will be accomplished by utilizing state  
28 employees, contracting with vendors, or working with local  
29 partners.

1 (c) The estimated cost of the project is \$8,000,000.00.

2 (d) The tentative completion date for the work project is  
3 September 30, 2029.

4 Sec. 1969. From the funds appropriated in part 1 for court-  
5 appointed special advocates, the department shall allocate  
6 \$750,000.00 to fund a project with a nonprofit, community-based  
7 organization organized under the laws of this state that is exempt  
8 from federal income tax under section 501(c)(3) of the internal  
9 revenue code of 1986, 26 USC 501, located in a charter township  
10 with a population between 18,000 and 19,000 that is located in a  
11 county with a population between 600,000 and 700,000, according to  
12 the most recent federal decennial census. The nonprofit  
13 organization recipient must have an existing network of affiliate  
14 programs operating in not less than 25 counties in this state. The  
15 recipient nonprofit organization shall use the funds to recruit,  
16 screen, train, and supervise volunteers who provide advocacy  
17 services on behalf of abused and neglected children.

18 Sec. 1971. From the funds appropriated in part 1 for  
19 disability and independent living program, the department shall  
20 allocate \$250,000.00 to a nonprofit organization organized under  
21 the laws of this state that is exempt from federal income tax under  
22 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,  
23 and that is located in a city with a population between 2,600 and  
24 3,200 in a county with a population greater than 1,500,000  
25 according to the most recent federal decennial census. To be  
26 eligible for funds under this section, the nonprofit organization  
27 must have a stated mission to enhance the lives of the  
28 organization's participants with disabilities and that through  
29 therapeutic, social, work-based, and community engagement, it seeks

1 to support, enrich, inspire, and embolden the organization's  
2 participants and the participants' families so that the  
3 participants can achieve the participants' goals.

4 Sec. 1973. From the funds appropriated in part 1 for  
5 reproductive health grant, the department shall allocate  
6 \$2,500,000.00 to a nonprofit organization organized under the laws  
7 of this state that is exempt from federal income tax under section  
8 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and  
9 that is the branch of a national nonprofit organization in this  
10 state that provides reproductive health care and family planning  
11 services to support the provision of health care services.

12 Sec. 1975. (1) From the funds appropriated in part 1 for  
13 Medicaid rate comparison study, the department shall allocate  
14 \$250,000.00 to enter into a contract with a research organization  
15 or public university to conduct an analysis of Medicaid  
16 reimbursement rates in this state. The report must do, at least,  
17 all of the following:

18 (a) Analyze the top 50 CPT codes for which the current  
19 reimbursement rates limit access to care.

20 (b) Compare Medicaid reimbursement rates in this state to  
21 rates in other states in the Midwest, broken down by CPT code.

22 (c) Assess the current Medicaid perinatal payment structure  
23 and make recommendations for services that should be included in  
24 the payment bundle and recommendations for reimbursement rate  
25 level, broken down by CPT code.

26 (2) The department shall submit the report described in  
27 subsection (1) to the standard report recipients not later than  
28 September 30 of the current fiscal year.

29 Sec. 1977. (1) From the funds appropriated in part 1 for

1 mobile vision clinic, the department shall allocate \$3,000,000.00  
2 to the local health department of a county with a population  
3 greater than 1,500,000 according to the most recent federal  
4 decennial census to provide free eye exams and glasses to children  
5 within the county. The local health department that receives funds  
6 under this section must partner with a national nonprofit  
7 organization that has experience operating mobile vision clinics  
8 and providing vision care to children in schools.

9 (2) The unexpended funds appropriated in part 1 for mobile  
10 vision clinic are designated as a work project appropriation.  
11 Unencumbered or unallotted funds must not lapse at the end of the  
12 fiscal year and must be available for expenditures under this  
13 section until the project has been completed. All of the following  
14 are in compliance with section 451a of the management and budget  
15 act, 1984 PA 431, MCL 18.1451a:

16 (a) The purpose of the project is to provide free eye exams  
17 and glasses to children.

18 (b) The project will be accomplished through a grant to a  
19 local health department.

20 (c) The estimated cost of the project is \$3,000,000.00.

21 (d) The tentative completion date is September 30, 2029.

22 Sec. 1979. From the funds appropriated in part 1 for  
23 children's mental health center, the department shall allocate  
24 \$3,000,000.00 to a nonprofit child well-being agency organized  
25 under the laws of this state that is exempt from federal income tax  
26 under section 501(c)(3) of the internal revenue code of 1986, 26  
27 USC 501, that was established in 1929, that is located in a city  
28 with a population greater than 500,000 according to the most recent  
29 federal decennial census, and that has a stated mission to help

1 children and families shape their own futures. The funds allocated  
2 under this section must be used to assist children and families to  
3 easily access comprehensive and evidence-based clinical therapy  
4 that is integrated into and supports their everyday lives.

5       Sec. 1981. From the funds appropriated in part 1 for  
6 children's campus renovation, the department shall allocate  
7 \$3,000,000.00 to a nonprofit organization organized under the laws  
8 of this state that is exempt from federal income tax under section  
9 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that  
10 was established in 1917, and that has a headquarters located in a  
11 charter township with a population between 35,000 and 95,000 and in  
12 a county with a population greater than 1,500,000 according to the  
13 most recent federal decennial census, for the building, developing,  
14 and managing of a pediatric health and wellness center. In order to  
15 be eligible for funds under this section, the nonprofit  
16 organization must have a stated mission to provide individualized  
17 treatment, care, advocacy, and permanency to children and families  
18 impacted by childhood trauma.

19       Sec. 1983. From the funds appropriated in part 1 for food  
20 pantry grants, the department shall allocate \$2,429,400.00 in the  
21 following manner:

22       (a) \$500,000.00 must be allocated to a nonprofit organization  
23 organized under the laws of this state that is exempt from federal  
24 income tax under section 501(c)(3) of the internal revenue code of  
25 1986, 26 USC 501, that is located in a charter township with a  
26 population between 35,000 and 95,000 and in a county with a  
27 population greater than 1,500,000 according to the most recent  
28 federal decennial census, and that is dedicated to feeding those in  
29 need and reducing the amount of food waste piling up in landfills.

1 (b) \$1,929,400.00 must be allocated to a nonprofit  
2 organization organized under the laws of this state that is exempt  
3 from federal income tax under section 501(c)(3) of the internal  
4 revenue code of 1986, 26 USC 501, and that is located in a city  
5 with a population between 77,000 and 85,000 in a county with a  
6 population between 900,000 and 1,500,000, according to the most  
7 recent federal decennial census, for expansion of a food market  
8 that operates to support a food pantry. In order to be eligible for  
9 funding under this section, the nonprofit organization must have a  
10 stated mission to offer comprehensive support services for  
11 individuals and their families in and around the area that are in  
12 need or have limited access to everyday necessities due to  
13 insufficient financial resources or family instability.

14 Sec. 1984. From the funds appropriated in part 1 for community  
15 opportunity hub, the department shall appropriate \$1,000,000.00 to  
16 a nonprofit organization organized under the laws of this state  
17 that is exempt from federal income tax under section 501(c)(3) of  
18 the internal revenue code of 1986, 26 USC 501, that was established  
19 in 2010, and that is located in a city with a population greater  
20 than 500,000 according to the most recent federal decennial census,  
21 to renovate and repurpose former school buildings into opportunity  
22 hubs, repair owner-occupied homes, and provide other community  
23 wraparound supports. To be eligible for funds under this section,  
24 the nonprofit organization must organize an annual 6-day event to  
25 beautify the area surrounding the opportunity hub.

26 Sec. 1985. From the funds appropriated in part 1 for  
27 pharmacogenomic testing pilot project, the department shall  
28 allocate \$100.00 to provide pharmacogenomic PGx testing to no fewer  
29 than 3,000 individuals with multiple prescriptions who are

1 receiving behavioral health Medicaid services. The department must  
2 work with a full-service blood lab that has experience and  
3 expertise in pharmacogenomic PGx testing to compile data, analyze  
4 and interpret results, and report all findings. The selected lab  
5 must have been providing full-scale lab services for a minimum of 5  
6 years and be headquartered in a city with a population greater than  
7 600,000 according to the most recent federal decennial census, and  
8 must partner with at least 2 nonprofit health care organizations  
9 that specialize in mental health or autism treatment. The  
10 department shall report to the standard report recipients by no  
11 later than September 30 of the current fiscal year on both of the  
12 following:

13 (a) The findings of the pilot project, including improvements  
14 to the individual's quality of life and potential savings.

15 (b) An evaluation of the pilot project, including a  
16 recommendation for or against expansion of the pilot project.

17 Sec. 1987. (1) From the funds appropriated in part 1 for  
18 Michigan Energy Assistance Program stabilization fund, the  
19 department shall allocate \$24,750,000.00 to address the increased  
20 need of currently served qualified households due to inflation, and  
21 reduce the number of currently underserved qualified households at  
22 or below 150% of the federal poverty level.

23 (2) The unexpended funds appropriated in part 1 for Michigan  
24 Energy Assistance Program stabilization fund are designated as a  
25 work project appropriation. Unencumbered or unallotted funds must  
26 not lapse at the end of the fiscal year and must be available for  
27 expenditures under this section until the project has been  
28 completed. All of the following are in compliance with section 451a  
29 of the management and budget act, 1984 PA 431, MCL 18.1451a:

1 (a) The purpose of the project is to address the increased  
2 need of currently served qualified households due to inflation, and  
3 reduce the number of currently underserved qualified households at  
4 or below 150% of the federal poverty level.

5 (b) The project will be accomplished by utilizing state  
6 employees, contracting with vendors, or working with local  
7 partners.

8 (c) The estimated cost of the project is \$24,750,000.00.

9 (d) The tentative completion date is September 30, 2029.

10 Sec. 1989. From the funds appropriated in part 1 for permanent  
11 supportive recovery housing, the department shall allocate  
12 \$3,000,000.00 from the Michigan opioid healing and recovery fund to  
13 leverage state and federal tax credits to create a funding  
14 mechanism for a permanent supportive recovery housing project. In  
15 order to be eligible for funding under this section, the  
16 organization must meet both of the following criteria:

17 (a) Be a nonprofit organization organized under the laws of  
18 this state that is exempt from federal income tax under section  
19 501(c)(3) of the internal revenue code of 1986, 26 USC 501, be  
20 located in a county with a population between 155,000 and 160,370  
21 according to the most recent federal decennial census, and have a  
22 stated mission to educate the community on opiate abuse and to  
23 provide support for families and those suffering from addiction.

24 (b) Have partnered with a nonprofit organization organized  
25 under the laws of this state that is exempt from federal income tax  
26 under section 501(c)(3) of the internal revenue code of 1986, 26  
27 USC 501, and headquartered in a city with a population between  
28 50,000 and 200,000 and in a county with a population between  
29 265,000 and 290,000 according to the most recent federal decennial



1 census, that is a community development financial organization.

2 Sec. 1991. From the funds appropriated in part 1 for center  
3 for independent living relocation, the department shall allocate  
4 \$500,000.00 to a center for independent living located in a county  
5 with a population between 400,000 and 650,000 according to the most  
6 recent federal decennial census, to relocate onto the campus of the  
7 community mental health service provider for that county.

8 Sec. 1993. From the funds appropriated in part 1 for surgical  
9 robot, the department shall appropriate \$2,000,000.00 to a public,  
10 nonprofit teaching medical center organized under the laws of this  
11 state that is exempt from federal income tax under section  
12 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located  
13 in a city with a population between 50,000 and 100,000 and in a  
14 county with a population between 400,000 and 650,000 according to  
15 the most recent federal decennial census, to acquire surgical  
16 robotic equipment and the associated initial calibration, repair,  
17 and service costs.

18 Sec. 1995. From the funds appropriated in part 1 for  
19 infrastructure grants, the department shall appropriate  
20 \$6,000,200.00 for health infrastructure projects. The funds under  
21 this section must be allocated as follows:

22 (a) \$100.00 for a medical center located in a city with a  
23 population between 5,000 and 5,500 and in a county with a  
24 population between 109,000 and 110,000, according to the most  
25 recent federal decennial census.

26 (b) \$5,000,000.00 for Michigan Medicine emergency ground and  
27 air transportation services.

28 (c) \$1,000,000.00 for a nonprofit rescue mission organized  
29 under the laws of this state that is exempt from federal income tax

1 under section 501(c)(3) of the internal revenue code of 1986, 26  
2 USC 501, located in a city with a population between 107,000 and  
3 108,000 and in a county with a population between 284,000 and  
4 285,000, according to the most recent federal decennial census.

5 (d) \$100.00 for a health care provider located in a city with  
6 a population between 198,000 and 199,000 and in a county with a  
7 population between 657,000 and 660,000, according to the most  
8 recent federal decennial census specializing in achieving  
9 intelligence-based precision medicine through AI enabled molecular  
10 imaging and theranostics for the purpose of opening its second  
11 clinic in the state in the southeast Michigan area.