

**SUBSTITUTE FOR
HOUSE BILL NO. 5784**

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2023; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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, 2023, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0
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Full-time equated classified positions	15,578.5
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1	Average population	770.0	
2	GROSS APPROPRIATION		\$ 32,929,661,400
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and		
5	intradepartmental transfers		14,696,000
6	ADJUSTED GROSS APPROPRIATION		\$ 32,914,965,400
7	Federal revenues:		
8	Social security act, temporary assistance for		
9	needy families		540,619,800
10	Capped federal revenues		471,436,200
11	Coronavirus state fiscal recovery fund		172,500,000
12	Total other federal revenues		22,370,210,100
13	Special revenue funds:		
14	Total local revenues		167,407,700
15	Total private revenues		179,716,400
16	Michigan merit award trust fund		61,268,700
17	Total other state restricted revenues		2,931,759,400
18	State general fund/general purpose		\$ 6,020,047,100
19	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
20	SUPPORT		
21	Full-time equated unclassified positions	6.0	
22	Full-time equated classified positions	856.4	
23	Unclassified salaries--FTEs	6.0	\$ 1,336,600
24	Administrative hearings officers		10,004,500
25	Demonstration projects--FTEs	7.0	7,070,800
26	Departmental administration and management--		
27	FTEs	632.4	103,951,700
28	Legal services		12,300,000



1	Office of inspector general--FTEs	197.0	25,965,700
2	Property management		64,701,200
3	Terminal leave payments		7,092,100
4	Training and program support--FTEs	20.0	2,616,500
5	Warehouse operations		3,400,000
6	Worker's compensation		8,682,500
7	GROSS APPROPRIATION		\$ 247,121,600
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG from department of education		1,951,100
11	IDG from department of technology, management,		
12	and budget - office of retirement services		600
13	Federal revenues:		
14	Social security act, temporary assistance for		
15	needy families		24,652,100
16	Capped federal revenues		18,584,800
17	Total other federal revenues		71,944,600
18	Special revenue funds:		
19	Total local revenues		86,000
20	Total private revenues		3,847,500
21	Total other state restricted revenues		1,342,800
22	State general fund/general purpose		\$ 124,712,100
23	Sec. 103. CHILD SUPPORT ENFORCEMENT		
24	Full-time equated classified positions	193.7	
25	Child support enforcement operations--FTEs	187.7	\$ 25,769,000
26	Child support incentive payments		24,409,600
27	Legal support contracts		113,600,300
28	State disbursement unit--FTEs	6.0	7,365,800



1	GROSS APPROPRIATION		\$ 171,144,700
2	Appropriated from:		
3	Federal revenues:		
4	Capped federal revenues		14,839,600
5	Total other federal revenues		131,015,800
6	State general fund/general purpose		\$ 25,289,300
7	Sec. 104. COMMUNITY SERVICES AND OUTREACH		
8	Full-time equated classified positions	76.6	
9	Bureau of community services and outreach--FTEs	24.0	\$ 3,482,700
10	Child advocacy centers--FTE	0.5	3,407,000
11	Community services and outreach administration--		
12	-FTEs	19.0	5,345,000
13	Community services block grant		25,840,000
14	Crime victim grants administration services--		
15	FTEs	17.0	3,045,200
16	Crime victim justice assistance grants		98,681,900
17	Crime victim rights services grants		19,869,900
18	Diaper assistance grant		1,500,000
19	Domestic violence prevention and treatment--		
20	FTEs	15.6	18,357,000
21	Homeless programs		24,082,500
22	Housing and support services		13,031,000
23	Human trafficking intervention services		200,000
24	Rape prevention and services--FTE	0.5	5,097,300
25	Runaway and homeless youth grants		7,784,100
26	School success partnership program		525,000
27	Uniform statewide sexual assault evidence kit		
28	tracking system		225,100



1	Weatherization assistance		15,505,000
2	GROSS APPROPRIATION	\$	245,978,700
3	Appropriated from:		
4	Federal revenues:		
5	Social security act, temporary assistance for		
6	needy families		17,844,300
7	Capped federal revenues		62,405,000
8	Total other federal revenues		117,597,800
9	Special revenue funds:		
10	Child advocacy centers fund		1,407,000
11	Compulsive gambling prevention fund		1,040,500
12	Crime victim's rights fund		18,764,100
13	Sexual assault victims' prevention and		
14	treatment fund		3,000,000
15	State general fund/general purpose	\$	23,920,000
16	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD		
17	WELFARE		
18	Full-time equated classified positions	4,154.2	
19	Adoption subsidies	\$	212,189,700
20	Adoption support services--FTEs	10.0	53,602,300
21	Attorney general contract		5,191,100
22	Child abuse and neglect - children's justice		
23	act--FTE	1.0	627,900
24	Child care fund		273,261,800
25	Child care fund - indirect cost allotment		3,500,000
26	Child legal representation		500,000
27	Child protection		2,050,300
28	Child welfare administration travel		390,000



1	Child welfare field staff - noncaseload		
2	compliance--FTEs	353.0	41,350,200
3	Child welfare institute--FTEs	53.0	9,331,000
4	Child welfare licensing--FTEs	59.0	7,357,400
5	Child welfare medical/psychiatric evaluations		10,428,500
6	Children's protective services - caseload		
7	staff--FTEs	1,615.0	171,293,200
8	Children's protective services supervisors--		
9	FTEs	387.0	47,996,600
10	Children's services administration--FTEs	202.2	24,251,200
11	Children's trust fund--FTEs	12.0	4,737,600
12	Contractual services, supplies, and materials		9,567,600
13	Court-appointed special advocates		1,000,000
14	Family preservation and prevention services		
15	administration--FTEs	9.0	1,412,100
16	Family preservation programs--FTEs	34.0	58,035,600
17	Foster care payments		331,246,200
18	Foster care services - caseload staff--FTEs	981.0	99,825,900
19	Foster care services supervisors--FTEs	227.0	31,054,200
20	Guardianship assistance program		11,741,200
21	Interstate compact		179,600
22	Peer coaches--FTEs	45.5	6,291,100
23	Performance-based funding implementation--FTEs	3.0	1,363,100
24	Permanency resource managers--FTEs	28.0	3,479,500
25	Prosecuting attorney contracts		8,142,800
26	Raise the age fund		16,838,900
27	Second line supervisors and technical staff--		
28	FTEs	126.0	19,848,000



1	Settlement monitor		2,219,900
2	Strong families/safe children		12,600,000
3	Title IV-E compliance and accountability		
4	office--FTEs	4.0	458,600
5	Youth in transition--FTEs	4.5	8,192,500
6	GROSS APPROPRIATION		\$ 1,491,555,600
7	Appropriated from:		
8	Interdepartmental grant revenues:		
9	IDG from department of education		244,400
10	Federal revenues:		
11	Social security act, temporary assistance for		
12	needy families		337,639,400
13	Capped federal revenues		111,535,400
14	Total other federal revenues		263,956,100
15	Special revenue funds:		
16	Local funds - county chargeback		42,770,200
17	Private - collections		2,700,000
18	Children's trust fund		2,895,300
19	Total other state restricted revenues		2,000,000
20	State general fund/general purpose		\$ 727,814,800
21	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE		
22	JUSTICE		
23	Full-time equated classified positions	120.5	
24	Bay Pines Center--FTEs	47.0	\$ 5,856,400
25	Committee on juvenile justice administration--		
26	FTEs	2.5	363,400
27	Committee on juvenile justice grants		3,000,000
28	Community support services--FTEs	3.0	2,137,100



1	County juvenile officers		3,977,600
2	Juvenile justice, administration and		
3	maintenance--FTEs	21.0	3,812,300
4	Shawono Center--FTEs	47.0	5,893,100
5	GROSS APPROPRIATION	\$	25,039,900
6	Appropriated from:		
7	Federal revenues:		
8	Capped federal revenues		8,559,300
9	Special revenue funds:		
10	Local funds - state share education funds		1,362,600
11	Local funds - county chargeback		4,526,800
12	State general fund/general purpose	\$	10,591,200
13	Sec. 107. PUBLIC ASSISTANCE		
14	Full-time equated classified position	1.0	
15	Emergency services local office allocations	\$	8,813,500
16	Family independence program		56,013,500
17	Food assistance program benefits		4,188,184,600
18	Food Bank Council of Michigan		2,045,000
19	Indigent burial		4,369,100
20	Legal assistance		50,000
21	Low-income home energy assistance program		174,951,600
22	Michigan energy assistance program--FTE	1.0	50,000,000
23	Refugee assistance program		3,054,200
24	State disability assistance payments		3,576,700
25	State supplementation		54,992,200
26	State supplementation administration		1,806,100
27	GROSS APPROPRIATION	\$	4,547,856,500
28	Appropriated from:		



1	Federal revenues:		
2	Social security act, temporary assistance for		
3	needy families		50,878,900
4	Capped federal revenues		178,005,800
5	Total other federal revenues		4,183,474,600
6	Special revenue funds:		
7	Child support collections		9,841,900
8	Low-income energy assistance fund		50,000,000
9	Public assistance recoupment revenue		4,820,000
10	Supplemental security income recoveries		914,400
11	State general fund/general purpose	\$	69,920,900
12	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES		
13	Full-time equated classified positions	5,733.5	
14	Administrative support workers--FTEs	221.0	\$ 14,270,600
15	Adult services field staff--FTEs	520.0	62,342,500
16	Contractual services, supplies, and materials		24,919,700
17	Donated funds positions--FTEs	238.0	28,530,400
18	Elder Law of Michigan MiCAFE contract		350,000
19	Electronic benefit transfer (EBT)		7,989,000
20	Employment and training support services		4,219,100
21	Field policy and administration--FTEs	124.0	19,518,600
22	Field staff travel		8,109,900
23	Food assistance reinvestment--FTEs	16.0	7,446,700
24	Medical/psychiatric evaluations		1,120,100
25	Nutrition education--FTEs	2.0	33,062,900
26	Pathways to potential--FTEs	231.0	25,390,700
27	Public assistance field staff--FTEs	4,381.5	479,727,200
28	SSI advocacy legal services grant		100



1	GROSS APPROPRIATION		\$	716,997,500
2	Appropriated from:			
3	Interdepartmental grant revenues:			
4	IDG from department of corrections			120,200
5	IDG from department of education			7,772,200
6	Federal revenues:			
7	Social security act, temporary assistance for			
8	needy families			73,477,200
9	Capped federal revenues			55,236,500
10	Total other federal revenues			273,011,400
11	Special revenue funds:			
12	Local funds - donated funds			4,251,200
13	Private funds - donated funds			10,045,000
14	State general fund/general purpose		\$	293,083,800
15	Sec. 109. DISABILITY DETERMINATION SERVICES			
16	Full-time equated classified positions	585.4		
17	Disability determination operations--FTEs	581.3	\$	116,419,500
18	Retirement disability determination--FTEs	4.1		636,800
19	GROSS APPROPRIATION		\$	117,056,300
20	Appropriated from:			
21	Interdepartmental grant revenues:			
22	IDG from department of technology, management,			
23	and budget - office of retirement services			813,400
24	Federal revenues:			
25	Total other federal revenues			112,224,900
26	State general fund/general purpose		\$	4,018,000
27	Sec. 110. BEHAVIORAL HEALTH PROGRAM			
28	ADMINISTRATION AND SPECIAL PROJECTS			



1	Full-time equated classified positions	107.0	
2	Behavioral health program administration--FTEs	76.0	\$ 51,405,200
3	Community substance use disorder prevention,		
4	education, and treatment--FTEs	9.0	79,705,200
5	Family support subsidy		10,195,100
6	Federal and other special projects		2,535,600
7	Gambling addiction--FTE	1.0	5,518,200
8	Mental health diversion council		3,850,000
9	Office of recipient rights--FTEs	21.0	2,920,100
10	Opioid response activities		83,155,600
11	Protection and advocacy services support		194,400
12	GROSS APPROPRIATION		\$ 239,479,400
13	Appropriated from:		
14	Federal revenues:		
15	Social security act, temporary assistance for		
16	needy families		10,374,900
17	Total other federal revenues		162,323,800
18	Special revenue funds:		
19	Total private revenues		2,904,700
20	Total other state restricted revenues		23,802,400
21	State general fund/general purpose		\$ 40,073,600
22	Sec. 111. BEHAVIORAL HEALTH SERVICES		
23	Full-time equated classified positions	15.0	
24	Autism services		\$ 286,697,900
25	Behavioral health community supports and		
26	services--FTEs	2.0	13,500,800
27	Certified community behavioral health clinic		
28	demonstration		101,252,100



1	Civil service charges		297,500
2	Community mental health non-Medicaid services		125,578,200
3	Court-appointed guardian reimbursements		100
4	Federal mental health block grant--FTEs	5.0	20,611,800
5	Health homes--FTE	1.0	61,337,400
6	Healthy Michigan plan - behavioral health		585,768,500
7	Medicaid mental health services		2,810,590,500
8	Medicaid substance use disorder services		85,421,900
9	Multicultural integration funding		17,284,900
10	Nursing home PAS/ARR-OBRA--FTEs	7.0	13,961,700
11	State disability assistance program substance		
12	use disorder services		2,018,800
13	GROSS APPROPRIATION		\$ 4,124,322,100
14	Appropriated from:		
15	Federal revenues:		
16	Social security act, temporary assistance for		
17	needy families		421,000
18	Capped federal revenues		184,500
19	Total other federal revenues		2,786,247,100
20	Special revenue funds:		
21	Total local revenues		10,190,500
22	Total other state restricted revenues		45,764,800
23	State general fund/general purpose		\$ 1,281,514,200
24	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND		
25	FORENSIC MENTAL HEALTH SERVICES		
26	Full-time equated classified positions	2,453.6	
27	Average population	770.0	



1	Caro Regional Mental Health Center -		
2	psychiatric hospital - adult--FTEs	537.7 \$	59,285,000
3	Average population	145.0	
4	Center for forensic psychiatry--FTEs	622.5	98,443,800
5	Average population	240.0	
6	Developmental disabilities council and		
7	projects--FTEs	10.0	3,169,400
8	Gifts and bequests for patient living and		
9	treatment environment		1,000,000
10	Hawthorn Center - psychiatric hospital -		
11	children and adolescents--FTEs	287.4	40,974,200
12	Average population	55.0	
13	IDEA, federal special education		120,000
14	Kalamazoo Psychiatric Hospital - adult--FTEs	559.2	70,392,300
15	Average population	170.0	
16	Purchase of medical services for residents of		
17	hospitals and centers		445,600
18	Revenue recapture		750,100
19	Special maintenance		924,600
20	State hospital administration--FTEs	24.0	4,251,900
21	Walter P. Reuther Psychiatric Hospital - adult-		
22	-FTEs	412.8	67,773,700
23	Average population	160.0	
24	GROSS APPROPRIATION	\$	347,530,600
25	Appropriated from:		
26	Federal revenues:		
27	Total other federal revenues		45,543,000
28	Special revenue funds:		



1	Total local revenues		23,283,200
2	Total private revenues		1,000,000
3	Total other state restricted revenues		15,189,200
4	State general fund/general purpose	\$	262,515,200
5	Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND		
6	INITIATIVES		
7	Full-time equated classified positions	41.7	
8	Certificate of need program administration--		
9	FTEs	10.8	\$ 2,716,700
10	Michigan essential health provider		3,519,600
11	Minority health grants and contracts--FTEs	3.0	1,146,200
12	Nurse education and research program--FTEs	3.0	816,500
13	Policy and planning administration--FTEs	21.9	2,994,100
14	Primary care services--FTEs	3.0	3,805,100
15	Rural health services		175,000
16	GROSS APPROPRIATION	\$	15,173,200
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG from department of education		2,400
20	IDG from department of licensing and regulatory		
21	affairs		816,500
22	IDG from department of treasury, Michigan		
23	finance authority		117,700
24	Federal revenues:		
25	Social security act, temporary assistance for		
26	needy families		160,100
27	Capped federal revenues		13,400
28	Total other federal revenues		3,092,700



1	Special revenue funds:		
2	Total private revenues		865,000
3	Total other state restricted revenues		3,270,200
4	State general fund/general purpose	\$	6,835,200
5	Sec. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL		
6	SERVICES, AND LABORATORY		
7	Full-time equated classified positions	416.9	
8	Bioterrorism preparedness--FTEs	53.0	\$ 30,841,600
9	Childhood lead program--FTEs	4.5	3,168,500
10	Emergency medical services program--FTEs	20.0	10,008,800
11	Epidemiology administration--FTEs	82.5	26,091,200
12	Healthy homes program--FTEs	21.0	32,799,400
13	Laboratory services--FTEs	102.0	29,008,000
14	Newborn screening follow-up and treatment		
15	services--FTEs	10.5	8,363,000
16	PFAS and environmental contamination response--		
17	FTEs	48.0	20,367,600
18	Vital records and health statistics--FTEs	75.4	11,412,100
19	GROSS APPROPRIATION	\$	172,060,200
20	Appropriated from:		
21	Interdepartmental grant revenues:		
22	IDG from department of environment, Great		
23	Lakes, and energy		1,797,800
24	Federal revenues:		
25	Capped federal revenues		81,100
26	Total other federal revenues		75,947,700
27	Special revenue funds:		
28	Total private revenues		342,600



1	Total other state restricted revenues		32,674,400
2	State general fund/general purpose	\$	61,216,600
3	Sec. 115. LOCAL HEALTH AND ADMINISTRATIVE		
4	SERVICES		
5	Full-time equated classified positions	154.1	
6	AIDS prevention, testing, and care programs--		
7	FTEs	59.5	\$ 109,609,200
8	Cancer prevention and control program--FTEs	18.0	15,870,500
9	Chronic disease control and health promotion		
10	administration--FTEs	19.4	8,285,900
11	Diabetes and kidney program--FTEs	8.0	4,135,000
12	Essential local public health services		51,419,300
13	Implementation of 1993 PA 133, MCL 333.17015		20,000
14	Local health services--FTEs	3.3	8,707,600
15	Medicaid outreach cost reimbursement to local		
16	health departments		12,500,000
17	Public health administration--FTEs	4.0	1,801,000
18	Sexually transmitted disease control program--		
19	FTEs	20.0	8,496,800
20	Smoking prevention program--FTEs	15.0	4,379,200
21	Violence prevention--FTEs	6.9	12,724,000
22	GROSS APPROPRIATION	\$	237,948,500
23	Appropriated from:		
24	Federal revenues:		
25	Total other federal revenues		89,007,600
26	Special revenue funds:		
27	Total local revenues		5,150,000
28	Total private revenues		75,689,100



1	Total other state restricted revenues		10,135,600
2	State general fund/general purpose	\$	57,966,200
3	Sec. 116. FAMILY HEALTH SERVICES		
4	Full-time equated classified positions	136.1	
5	Child and adolescent health care and centers	\$	16,242,700
6	Dental programs--FTEs	5.3	6,734,400
7	Drinking water declaration of emergency		4,621,000
8	Family, maternal, and child health		
9	administration--FTEs	55.0	10,589,400
10	Family planning local agreements		7,138,000
11	Immunization program--FTEs	15.8	20,659,600
12	Local MCH services		7,854,500
13	Maternal navigator pilot program		3,000,000
14	Maternity home program		4,000,000
15	Pregnancy prevention program		1,298,800
16	Pregnancy resource centers		1,500,000
17	Prenatal care and premature birth avoidance		
18	grant		1,000,000
19	Prenatal care outreach and service delivery		
20	support--FTEs	15.0	37,561,800
21	Special projects		6,289,100
22	Sudden and unexpected infant death and		
23	suffocation prevention program		321,300
24	Women, infants, and children program		
25	administration and special projects--FTEs	45.0	19,547,400
26	Women, infants, and children program local		
27	agreements and food costs		231,285,000
28	GROSS APPROPRIATION	\$	379,643,000



1	Appropriated from:		
2	Federal revenues:		
3	Social security act, temporary assistance for		
4	needy families		700,000
5	Total other federal revenues		228,749,700
6	Special revenue funds:		
7	Total local revenues		17,817,700
8	Total private revenues		64,785,700
9	Total other state restricted revenues		4,050,400
10	State general fund/general purpose	\$	63,539,500
11	Sec. 117. CHILDREN'S SPECIAL HEALTH CARE		
12	SERVICES		
13	Full-time equated classified positions	48.8	
14	Bequests for care and services--FTEs	2.8	\$ 2,087,100
15	Children's special health care services		
16	administration--FTEs	46.0	9,131,100
17	Medical care and treatment		278,236,400
18	Nonemergency medical transportation		801,200
19	Outreach and advocacy		5,510,000
20	GROSS APPROPRIATION	\$	295,765,800
21	Appropriated from:		
22	Federal revenues:		
23	Total other federal revenues		154,464,100
24	Special revenue funds:		
25	Total private revenues		1,365,500
26	Total other state restricted revenues		4,933,300
27	State general fund/general purpose	\$	135,002,900
28	Sec. 118. AGING SERVICES AGENCY		



1	Full-time equated classified positions	42.0		
2	Aging services administration--FTEs	42.0	\$	9,321,400
3	Community services			53,436,000
4	Employment assistance			3,500,000
5	Nutrition services			48,054,200
6	Respite care program			6,468,700
7	Senior volunteer service programs			4,765,300
8	GROSS APPROPRIATION		\$	125,545,600
9	Appropriated from:			
10	Federal revenues:			
11	Total other federal revenues			68,417,500
12	Special revenue funds:			
13	Total private revenues			1,020,000
14	Michigan merit award trust fund			4,068,700
15	Total other state restricted revenues			2,000,000
16	State general fund/general purpose		\$	50,039,400
17	Sec. 119. HEALTH SERVICES ADMINISTRATION			
18	Full-time equated classified positions	425.0		
19	Electronic health record incentive program		\$	8,000,000
20	Health services administration--FTEs	392.0		86,123,100
21	Healthy Michigan plan administration--FTEs	33.0		31,826,800
22	GROSS APPROPRIATION		\$	125,949,900
23	Appropriated from:			
24	Federal revenues:			
25	Total other federal revenues			86,851,100
26	Special revenue funds:			
27	Total local revenues			37,700
28	Total private revenues			1,001,300



1	Total other state restricted revenues	336,300
2	State general fund/general purpose	\$ 37,723,500
3	Sec. 120. HEALTH SERVICES	
4	Adult home help services	\$ 422,388,300
5	Ambulance services	18,448,200
6	Auxiliary medical services	7,113,500
7	Dental clinic program	1,000,000
8	Dental services	401,391,400
9	Federal Medicare pharmaceutical program	351,347,500
10	Health plan services	6,049,445,200
11	Healthy Michigan plan	5,178,598,600
12	Home health services	3,479,100
13	Hospice services	143,370,900
14	Hospital disproportionate share payments	45,000,000
15	Hospital services and therapy	781,363,600
16	Integrated care organizations	329,555,700
17	Long-term care services	1,816,796,200
18	Maternal and child health	35,100,000
19	Medicaid home- and community-based services	
20	waiver	417,461,400
21	Medicare premium payments	783,641,200
22	Personal care services	7,179,700
23	Pharmaceutical services	305,072,500
24	Physician services	212,192,200
25	Program of all-inclusive care for the elderly	229,720,900
26	School-based services	135,680,000
27	Special Medicaid reimbursement	333,762,400
28	Transportation	16,424,000



1	GROSS APPROPRIATION		\$ 18,025,532,500
2	Appropriated from:		
3	Federal revenues:		
4	Total other federal revenues		12,909,771,400
5	Special revenue funds:		
6	Total local revenues		57,931,800
7	Total private revenues		8,900,000
8	Michigan merit award trust fund		57,200,000
9	Total other state restricted revenues		2,691,566,400
10	State general fund/general purpose		\$ 2,300,162,900
11	Sec. 121. INFORMATION TECHNOLOGY		
12	Full-time equated classified positions	11.0	
13	Bridges information system		\$ 63,416,300
14	Child support automation		44,604,800
15	Comprehensive child welfare information system		3,373,200
16	Information technology services and projects		267,972,300
17	Michigan Medicaid information system--FTE	1.0	99,529,200
18	Michigan statewide automated child welfare		
19	information system		21,542,100
20	Technology supporting integrated service		
21	delivery--FTEs	10.0	16,053,100
22	GROSS APPROPRIATION		\$ 516,491,000
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG from department of education		1,059,700
26	Federal revenues:		
27	Social security act, temporary assistance for		
28	needy families		24,471,900



1	Capped federal revenues		21,990,800
2	Total other federal revenues		332,771,700
3	Special revenue funds:		
4	Total private revenues		5,250,000
5	Total other state restricted revenues		2,010,400
6	State general fund/general purpose	\$	128,936,500
7	Sec. 122. ONE-TIME APPROPRIATIONS		
8	Full-time equated classified positions	6.0	
9	Adoption support services	\$	100,000
10	ARP - behavioral health care services and		
11	facilities		125,000,000
12	ARP - First responder and public safety staff		
13	mental health		7,500,000
14	ARP - PACE program supports		40,000,000
15	Autism comprehensive care center		2,500,000
16	Behavioral health care services and facilities		138,600,000
17	Behavioral health patient health information		
18	tool		850,000
19	Behavioral health professionals for schools		1,000,000
20	Bone marrow donor and blood bank programs		100
21	Child advocacy centers		200,000
22	Child welfare day treatment pilot program		100
23	Children's health care		100
24	Committee on juvenile justice grants		500,000
25	Comprehensive child welfare information system-		
26	-FTEs	6.0	29,478,300
27	Direct care wage increase		400,389,000
28	Domestic violence prevention and treatment		210,300



1	Doula care services initiative	100
2	Food distribution	500,000
3	Food security council	100
4	Foster care services	1,000,000
5	Great Lakes recovery center	250,000
6	Health workforce development	6,550,000
7	Healthy communities grant	100
8	Home repair and plumbing assistance grants	100
9	Human trafficking victims inclusive services	
10	grant program	1,250,000
11	Jail diversion fund	100
12	Long-term care quality improvement	100
13	Mediation services	40,000
14	Narcotics awareness program	100
15	Parental stress and child mental health	
16	programs	500,000
17	Pathway hub	3,400,000
18	Safe harbor	100
19	Technology upgrades	400,100
20	Teen walk-in mental health	50,000
21	Wellness center pilot project	1,000,000
22	Wrap-around services	200,000
23	GROSS APPROPRIATION	\$ 761,468,800
24	Appropriated from:	
25	Federal revenues:	
26	Coronavirus state fiscal recovery fund	172,500,000
27	Total other federal revenues	273,797,500
28	State general fund/general purpose	\$ 315,171,300
29		



PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2022-2023 is \$9,013,075,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$1,800,065,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CHILD SUPPORT ENFORCEMENT

Child support incentive payments	\$	10,857,300
Legal support contracts		200

COMMUNITY SERVICES AND OUTREACH

Crime victim grants administration services		395,300
Crime victim rights services grants		12,033,300
Domestic violence prevention and treatment		217,600
Homeless programs		9,200
Housing and support services		121,300

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Adoption subsidies		25,400
Child care fund		152,649,000
Child care fund - indirect cost allotment		3,521,200
Child welfare licensing		120,000
Child welfare medical/psychiatric evaluations		19,000
Children's trust fund grants		24,200



1	Contractual services, supplies, and materials	156,200
2	Family preservation programs	311,500
3	Foster care payments	1,274,700
4	Strong families/safe children	73,800
5	Youth in transition	2,900
6	CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE	
7	Bay Pines Center	37,100
8	Community support services	103,300
9	Shawono Center	1,700
10	PUBLIC ASSISTANCE	
11	Emergency services local office allocations	765,600
12	Family independence program	900
13	Indigent burial	4,800
14	Michigan energy assistance program	216,100
15	State disability assistance payments	151,500
16	FIELD OPERATIONS AND SUPPORT SERVICES	
17	Contractual services, supplies, and materials	64,300
18	Employment and training support services	7,200
19	DISABILITY DETERMINATION SERVICES	
20	Disability determination operations	2,700
21	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND	
22	SPECIAL PROJECTS	
23	Behavioral health program administration	599,800
24	Gambling addiction	1,376,700
25	Mental health diversion council	202,200
26	BEHAVIORAL HEALTH SERVICES	
27	Autism services	99,585,400
28	Certified community behavioral health clinic	19,315,500



1	Community mental health non-Medicaid services	125,578,200
2	Community substance use disorder prevention,	
3	education, and treatment	4,977,700
4	Health homes	7,556,800
5	Healthy Michigan plan - behavioral health	58,224,800
6	Medicaid mental health services	959,352,600
7	Medicaid substance use disorder services	30,075,700
8	Multicultural integration funding	1,615,900
9	Nursing home PAS/ARR-OBRA	2,709,100
10	State disability assistance program substance	
11	use disorder services	1,788,900
12	STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL	
13	HEALTH SERVICES	
14	Caro Regional Mental Health Center -	
15	psychiatric hospital - adult	228,000
16	Center for forensic psychiatry	504,000
17	Hawthorn Center - psychiatric hospital -	
18	children and adolescents	68,000
19	Kalamazoo Psychiatric Hospital - adult	40,000
20	Walter P. Reuther Psychiatric Hospital - adult	50,000
21	HEALTH AND HUMAN SERVICES POLICY AND	
22	INITIATIVES	
23	Primary care services	98,000
24	EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND	
25	LABORATORY	
26	Epidemiology administration	285,100
27	Healthy homes program	1,333,200
28	LOCAL HEALTH AND ADMINISTRATIVE SERVICES	



1	AIDS prevention, testing, and care programs	2,416,200
2	Cancer prevention and control program	46,900
3	Essential local public health services	44,364,400
4	Implementation of 1993 PA 133, MCL 333.17015	400
5	Local health services	1,537,100
6	Sexually transmitted disease control program	505,100
7	Smoking prevention program	201,800
8	FAMILY HEALTH SERVICES	
9	Family planning local agreements	7,111,400
10	Immunization program	2,197,400
11	Pregnancy prevention program	28,100
12	Prenatal care outreach and service delivery	
13	support	4,967,400
14	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
15	Medical care and treatment	897,000
16	Outreach and advocacy	2,755,000
17	AGING SERVICES AGENCY	
18	Aging services administration	1,303,600
19	Community services	23,833,500
20	Nutrition services	13,031,400
21	Respite care program	5,632,700
22	Senior volunteer service programs	914,800
23	HEALTH SERVICES	
24	Adult home help services	172,000
25	Ambulance services	527,000
26	Auxiliary medical services	1,000
27	Dental services	632,000
28	Healthy Michigan plan	1,089,000



1	Home health services	8,000
2	Hospice services	43,000
3	Hospital disproportionate share payments	20,000
4	Hospital services and therapy	3,274,000
5	Long-term care services	99,363,000
6	Medicaid home- and community-based services	
7	waiver	13,383,000
8	Personal care services	32,000
9	Pharmaceutical services	18,000
10	Physician services	3,376,000
11	Special Medicaid reimbursement	40,000
12	Transportation	158,000
13	ONE-TIME APPROPRIATIONS	
14	Behavioral health professionals for schools	1,000,000
15	Direct care wage increase	58,298,300
16	Human trafficking victims inclusive services	
17	grant program	250,000
18	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,800,065,900

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

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

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

25 (b) "CMHSP" means a community mental health services program
26 as that term is defined in section 100a of the mental health code,
27 1974 PA 258, MCL 330.1100a.

28 (c) "CMS" means the Centers for Medicare and Medicaid
29 Services.



1 (d) "Current fiscal year" means the fiscal year ending
2 September 30, 2023.

3 (e) "Department" means the department of health and human
4 services.

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

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

7 (h) "EPSDT" means early and periodic screening, diagnosis, and
8 treatment.

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

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

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

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

18 (m) "HEDIS" means health care effectiveness data and
19 information set.

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

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

23 (p) "IDG" means interdepartmental grant.

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

25 (r) "Medicaid" means subchapter XIX of the social security
26 act, 42 USC 1396 to 1396w-6.

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

29 (t) "MiCAFE" means Michigan's coordinated access to food for



1 the elderly.

2 (u) "MICHild" means the program described in section 1670 of
3 this part.

4 (v) "MiSACWIS" means Michigan statewide automated child
5 welfare information system.

6 (w) "PAS/ARR-OBRA" means the preadmission screening and annual
7 resident review required under the omnibus budget reconciliation
8 act of 1987, section 1919(e)(7) of the social security act, 42 USC
9 1396r.

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

12 (y) "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 (z) "Previous fiscal year" means the fiscal year ending
21 September 30, 2022.

22 (aa) "Quarterly reports" means 4 reports shall be submitted to
23 the required recipients by the following dates: February 1, April
24 1, July 1, and September 30 of the current fiscal year.

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

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



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

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

5 (ff) "Title IV-B" means part B of title IV of the social
6 security act, 42 USC 621 to 629m.

7 (gg) "Title IV-D" means part D of title IV of the social
8 security act, 42 USC 651 to 669b.

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

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

14 Sec. 204. The department shall use the internet to fulfill the
15 reporting requirements of this part. This requirement shall include
16 transmission of reports via email to the recipients identified for
17 each reporting requirement and it shall include placement of
18 reports on an internet site.

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

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

26 (b) Preference must be given to goods or services, or both,
27 manufactured or provided by Michigan businesses, if they are
28 competitively priced and of comparable quality.

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



1 that are manufactured or provided by Michigan businesses owned and
2 operated by veterans, if they are competitively priced and of
3 comparable quality.

4 Sec. 206. To the extent permissible under the management and
5 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall
6 take all reasonable steps to ensure businesses in deprived and
7 depressed communities compete for and perform contracts to provide
8 services or supplies, or both. The director shall strongly
9 encourage firms with which the department contracts to subcontract
10 with certified businesses in depressed and deprived communities for
11 services, supplies, or both.

12 Sec. 207. The department shall prepare a report on out-of-
13 state travel expenses not later than January 1 of each year. The
14 travel report shall be a listing of all travel by classified and
15 unclassified employees outside this state in the previous fiscal
16 year that was funded in whole or in part with funds appropriated in
17 the department's budget. The report shall be submitted to the
18 senate and house appropriations committees, the senate and house
19 fiscal agencies, and the state budget office. The report shall
20 include the following information:

21 (a) The dates of each travel occurrence.

22 (b) The total transportation and related costs of each travel
23 occurrence, including the proportion funded with state general
24 fund/general purpose revenues, the proportion funded with state
25 restricted revenues, the proportion funded with federal revenues,
26 and the proportion funded with other revenues.

27 Sec. 208. Funds appropriated in part 1 shall not be used by
28 the department to hire a person to provide legal services that are
29 the responsibility of the attorney general. This prohibition does



1 not apply to legal services for bonding activities and for those
2 outside services that the attorney general authorizes.

3 Sec. 209. Not later than November 30, the state budget office
4 shall prepare and transmit a report that provides for estimates of
5 the total general fund/general purpose appropriation lapses at the
6 close of the previous fiscal year. This report shall summarize the
7 projected year-end general fund/general purpose appropriation
8 lapses by major departmental program or program areas. The report
9 shall be transmitted to the chairpersons of the senate and house
10 appropriations committees, and the senate and house fiscal
11 agencies.

12 Sec. 210. (1) In addition to the funds appropriated in part 1,
13 there is appropriated an amount not to exceed \$20,000,000.00 for
14 federal contingency authorization. These funds are not available
15 for expenditure until they have been transferred to another line
16 item in part 1 under section 393(2) of the management and budget
17 act, 1984 PA 431, MCL 18.1393. These funds shall not be made
18 available to increase TANF authorization.

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

25 (3) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$5,000,000.00 for local
27 contingency authorization. These funds are not available for
28 expenditure until they have been transferred to another line item
29 in part 1 under section 393(2) of the management and budget act,



1 1984 PA 431, MCL 18.1393.

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

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

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

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

14 (c) Fiscal year-to-date payments to a selected vendor,
15 including the vendor name, payment date, payment amount, and
16 payment description.

17 (d) The number of active department employees by job
18 classification.

19 (e) Job specifications and wage rates.

20 Sec. 212. Within 14 days after the release of the executive
21 budget recommendation, the department shall cooperate with the
22 state budget office to provide the chairpersons of the senate and
23 house appropriations committees, the chairpersons of the senate and
24 house appropriations subcommittees on the department budget, and
25 the senate and house fiscal agencies with an annual report on
26 estimated state restricted fund balances, state restricted fund
27 projected revenues, and state restricted fund expenditures for the
28 previous fiscal year and the current fiscal year.

29 Sec. 213. The department shall maintain, on a publicly



1 accessible website, a department scorecard that identifies, tracks,
2 and regularly updates key metrics that are used to monitor and
3 improve the department's performance.

4 Sec. 214. Total authorized appropriations from all sources
5 under part 1 for legacy costs for the current fiscal year are
6 estimated at \$309,264,700.00. From this amount, total department
7 appropriations for pension-related legacy costs are estimated at
8 \$187,764,100.00. Total department appropriations for retiree health
9 care legacy costs are estimated at \$121,500,600.00.

10 Sec. 215. If either of the following events occurs, within 30
11 days after that event the department shall notify the state budget
12 director, the chairs of the house and senate appropriations
13 subcommittees on the department budget, and the house and senate
14 fiscal agencies and policy offices of that fact:

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

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

21 Sec. 216. (1) In addition to funds appropriated in part 1 for
22 all programs and services, there is appropriated for write-offs of
23 accounts receivable, deferrals, and for prior year obligations in
24 excess of applicable prior year appropriations, an amount equal to
25 total write-offs and prior year obligations, but not to exceed
26 amounts available in prior year revenues.

27 (2) The department's ability to satisfy appropriation fund
28 sources in part 1 is not limited to collections and accruals
29 pertaining to services provided in the current fiscal year, but



1 also includes reimbursements, refunds, adjustments, and settlements
2 from prior years.

3 Sec. 217. (1) By November 10 of the current fiscal year, the
4 department shall report to the house and senate appropriations
5 subcommittees on the department budget, the house and senate fiscal
6 agencies, and the state budget director on the detailed name and
7 amounts of estimated federal, restricted, private, and local
8 sources of revenue that support the appropriations in each of the
9 line items in part 1.

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

16 Sec. 218. As required under part 23 of the public health code,
17 1978 PA 368, MCL 333.2301 to 333.2321, the department shall provide
18 an annual listing of proposed basic health services by October 1 of
19 the current fiscal year and each succeeding year to ensure that
20 appropriate review and comment occurs in the development of the
21 executive budget recommendations. The listing must be provided by
22 the department to the house and senate appropriations subcommittees
23 on the department budget, the house and senate fiscal agencies, the
24 house and senate policy offices, and the state budget office.

25 Sec. 219. (1) The department may contract with the Michigan
26 Public Health Institute for the design and implementation of
27 projects and for other public health-related activities prescribed
28 in section 2611 of the public health code, 1978 PA 368, MCL
29 333.2611. The department may develop a master agreement with the



1 Michigan Public Health Institute to carry out these purposes for up
2 to a 1-year period.

3 (2) The Michigan Public Health Institute shall not be a
4 passthrough, contract manager, or indirect contract manager for a
5 contract with the department for a project or other public health-
6 related activity.

7 (3) All of the following must apply regarding employment or
8 contracting by the Michigan Public Health Institute of current or
9 former employees of the department:

10 (a) An individual who is a current employee of the department
11 shall not be simultaneously employed by or under contract for
12 services with the Michigan Public Health Institute.

13 (b) An individual who is a former employee of the department
14 shall not begin employment with or contractual services with the
15 Michigan Public Health Institute before 3 months after the date of
16 the cessation of the individual's employment with the department.

17 (c) An individual who is a current employee of the department
18 or who is currently under contract with the department shall not
19 serve as a member of the board of directors of the Michigan Public
20 Health Institute during the duration of the individual's employment
21 or contractual commitment with the department.

22 (4) On the fifteenth day of each month, the department shall
23 provide a report listing all active contracts for projects between
24 the department and the Michigan Public Health Institute during the
25 previous month to the house and senate appropriations subcommittees
26 on the department budget, the house and senate fiscal agencies, the
27 house and senate policy offices, and the state budget director. The
28 list must include, but not be limited to, the project, the purpose
29 of the project, the initial project date, the project period, the



1 contractual project amount, the cumulative annual expenditures
2 through the reporting period, and the source of the funds.

3 (5) A contract between the department and the Michigan Public
4 Health Institute for a project of \$5,000,000.00 or greater must be
5 submitted to the legislature for approval at least 30 days before
6 the effective date of the contract. If the legislature does not
7 take action, the contract may take effect.

8 (6) A request for extension of a contract between the
9 department and the Michigan Public Health Institute that is more
10 than 36 months after the initial effective date of the contract
11 must be submitted to the legislature for approval at least 30 days
12 before the effective date of the extension of the contract
13 extension. If the legislature does not take action, the extension
14 of the contract may take effect.

15 (7) The department shall report to the house and senate
16 appropriations subcommittees on the department budget, the house
17 and senate fiscal agencies, and the state budget director on a
18 semiannual basis all of the following:

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

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

23 (c) The expected project duration.

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

27 (8) On a semiannual basis, the department shall provide to the
28 same parties listed in subsection (1) a copy of all reports,
29 studies, and publications produced by the Michigan Public Health



1 Institute, its subcontractors, or the department with the funds
2 appropriated in the department's budget in the previous fiscal year
3 and allocated to the Michigan Public Health Institute.

4 Sec. 219a. (1) An individual who is a current employee of the
5 department shall not be simultaneously employed by or under
6 contract for services with an outside agency that is currently
7 under contract with the department.

8 (2) An individual who is a former employee of the department
9 shall not begin employment with or contractual services with an
10 outside agency that is currently under contract with the department
11 before 3 months after the date of the cessation of the individual's
12 employment with the department.

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

19 Sec. 221. According to section 1b of the social welfare act,
20 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
21 part as a time-limited addendum to the social welfare act, 1939 PA
22 280, MCL 400.1 to 400.119b.

23 Sec. 222. (1) The department shall provide written
24 notification to the senate and house appropriations subcommittees
25 on the department budget, the senate and house fiscal agencies, the
26 senate and house policy offices, and the state budget office of any
27 major policy changes at least 30 days before the implementation
28 date of those policy changes.

29 (2) The department shall make the entire policy and procedures



1 manual available and accessible to the public via the department
2 website.

3 (3) The department shall report by April 1 of the current
4 fiscal year on each specific policy change made to implement a
5 public act affecting the department that took effect during the
6 prior calendar year to the senate and house appropriations
7 committees, the senate and house appropriations subcommittees on
8 the department budget, the joint committee on administrative rules,
9 and the senate and house fiscal agencies.

10 (4) The department shall attach each policy bulletin issued
11 during the prior calendar year to the report issued in subsection
12 (3).

13 Sec. 223. The department may establish and collect fees for
14 publications, videos and related materials, conferences, and
15 workshops. Collected fees are appropriated when received and shall
16 be used to offset expenditures to pay for printing and mailing
17 costs of the publications, videos and related materials, and costs
18 of the workshops and conferences. The department shall not collect
19 fees under this section that exceed the cost of the expenditures.
20 When collected fees are appropriated under this section in an
21 amount that exceeds the current fiscal year appropriation, within
22 30 days the department shall notify the chairs of the house and
23 senate appropriations subcommittees on the department budget, the
24 house and senate fiscal agencies and policy offices, and the state
25 budget director of that fact.

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



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

6 Sec. 225. (1) For providers and entities receiving funds from
7 the appropriations in part 1, sanctions, suspensions, conditions
8 for provisional license status, and other penalties shall not be
9 more stringent for private service providers than for public
10 entities performing equivalent or similar services.

11 (2) For services to be provided from the appropriations in
12 part 1, both of the following apply:

13 (a) Neither the department nor private service providers or
14 licensees shall be granted preferential treatment or considered
15 automatically to be in compliance with administrative rules based
16 on whether they have collective bargaining agreements with direct
17 care workers.

18 (b) Private service providers or licensees without collective
19 bargaining agreements shall not be subjected to additional
20 requirements or conditions of licensure based on their lack of
21 collective bargaining agreements.

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

28 Sec. 227. The state departments, agencies, and commissions
29 receiving tobacco tax funds and Healthy Michigan fund revenue from



1 part 1 shall report by April 1 of the current fiscal year to the
2 senate and house appropriations committees, the senate and house
3 fiscal agencies, and the state budget director on the following:

4 (a) A detailed spending plan by appropriation line item
5 including description of programs and a summary of organizations
6 receiving these funds.

7 (b) A description of allocations or bid processes including
8 need or demand indicators used to determine allocations.

9 (c) Eligibility criteria for program participation and maximum
10 benefit levels where applicable.

11 (d) Outcome measures used to evaluate programs, including
12 measures of the effectiveness of these programs in improving the
13 health of residents of this state.

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

24 (2) By September 30 of the current fiscal year, the department
25 shall report to the house and senate appropriations subcommittees
26 on the department budget, the house and senate fiscal agencies, and
27 the state budget office on penalty amounts assessed and paid by
28 account during the current fiscal year, the reason for the penalty,
29 and the current status of the account.



1 Sec. 229. From the \$370,000.00 of TANF revenue appropriated in
2 part 1 for training and program support, the department shall
3 extend the interagency agreement with the office of employment and
4 training within the department of labor and economic opportunity
5 for the duration of the current fiscal year, which concerns TANF
6 funding to provide job readiness and welfare-to-work programming.
7 \$10,000.00 of TANF revenue is appropriated in part 1 for the
8 department to report the following specific outcome and performance
9 measures to the senate and house appropriations subcommittees on
10 the department budget, the senate and house appropriations
11 subcommittees on general government, the senate and house fiscal
12 agencies, the senate and house policy offices, and the state budget
13 office by January 1 of the current fiscal year for the previous
14 fiscal year:

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

17 (i) Direct services to recipients.

18 (ii) Administrative expenditures.

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

21 (i) The number and percentage who obtained employment through
22 Michigan Works!

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

25 (iii) Average TANF spending per recipient.

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

29 (c) The following data itemized by Michigan Works! agency:



1 (i) The number of referrals to Michigan Works! job readiness
2 programs.

3 (ii) The number of referrals to Michigan Works! job readiness
4 programs who became a participant in the Michigan Works! job
5 readiness programs.

6 (iii) The number of participants who obtained employment, and
7 the cost per participant case.

8 Sec. 230. By December 31 of the current fiscal year, the
9 department shall report to the senate and house appropriations
10 subcommittees on the department budget, the senate and house fiscal
11 agencies and policy offices, and the state budget office on the
12 status of the implementation of any noninflationary, noncaseload,
13 programmatic funding increases in the current fiscal year from the
14 previous fiscal year. The report shall confirm the implementation
15 of already implemented funding increases and provide explanations
16 for any planned implementation of funding increases that have not
17 yet occurred. For any planned implementation of funding increases
18 that have not yet occurred, the department shall provide an
19 expected implementation date and the reasons for delayed
20 implementation.

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

26 (a) Continue the direct care wage increase for the services
27 noted in DHHS Medicaid Provider L Letter 21-76 under the Medicaid
28 managed care organization's relevant program.

29 (b) Ensure to the greatest extent possible the full amount for



1 funds appropriated for a direct care worker wage increase, except
2 for costs incurred by the employer, including payroll taxes, due to
3 direct care worker wages are provided to direct care workers
4 through maintained increased wages.

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

8 (d) Require direct care worker agencies that the Medicaid
9 managed care organization subcontracts with to track and report
10 quarterly the total amount and percent of Medicaid reimbursements
11 paid to that direct care worker agency that are used to pay direct
12 care worker wages.

13 (e) Require direct care worker agencies that the Medicaid
14 managed care provider subcontracts with to track and report
15 quarterly the hourly wages paid for each direct care worker hired
16 by the direct care worker agency.

17 (f) Track quarterly the hourly wages paid each direct care
18 worker hired directly by the Medicaid managed care organization or
19 by CMHSP.

20 (g) Report quarterly to the department the information
21 required in subdivisions (d), (e), and (f).

22 (2) Upon request, the department shall provide to the
23 legislature the quarterly reports required in subsection (1)(g).

24 (3) By June 30 of the current fiscal year, the department
25 shall provide the results of a market rate survey for direct care
26 worker wages by PIHP region to the senate and house appropriations
27 subcommittees on the department budget, the senate and house fiscal
28 agencies, the senate and house policy offices, and the state budget
29 office.



1 Sec. 232. (1) The department shall provide the approved
2 spending plan for each line item receiving an appropriation in the
3 current fiscal year to the senate and house appropriations
4 subcommittees on the department budget and the senate and house
5 fiscal agencies within 60 days after approval by the department but
6 not later than January 15 of the current fiscal year. Compliance
7 with this section is not met unless a line-item appropriation name
8 is included in all places that a line-item appropriation number is
9 listed. The spending plan shall include the following information
10 regarding planned expenditures for each category: allocation in the
11 previous period, change in the allocation, and new allocation. The
12 spending plan shall include the following information regarding
13 each revenue source for the line item: category of the fund source
14 indicated by general fund/general purpose, state restricted, local,
15 private, or federal. Figures included in the approved spending plan
16 shall not be assumed to constitute the actual final expenditures,
17 as line items may be updated on an as-needed basis to reflect
18 changes in projected expenditures and projected revenue. The
19 department shall supplement the spending plan information by
20 providing a list of all active contracts and grants in the
21 department's contract system. For amounts listed in the other
22 contracts category of each spending plan, the department shall
23 provide a list of all contracts and grants and amounts for the
24 current fiscal year, and include the name of the line item and the
25 name of the fund source related to each contract or grant and
26 amount. For amounts listed in the all other costs category of each
27 spending plan, the department shall provide a list detailing
28 planned expenditures and amounts for the current fiscal year, and
29 include the name of the line item and the name of the fund source



1 related to each amount and expenditure.

2 (2) Notwithstanding any other appropriation authority granted
3 in part 1, the department shall not appropriate any additional
4 general fund/general purpose funds or any related federal and state
5 restricted funds without providing a written 30-day notice to the
6 senate and house appropriations subcommittees on the department
7 budget, the senate and house fiscal agencies, and the senate and
8 house policy offices.

9 Sec. 233. If the state administrative board, acting under
10 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
11 appropriated under this article, the legislature may, by a
12 concurrent resolution adopted by a majority of the members elected
13 to and serving in each house, inter-transfer funds within this
14 article for the particular department, board, commission, office,
15 or institution.

16 Sec. 234. The departments and agencies receiving
17 appropriations in part 1 shall receive and retain copies of all
18 reports funded from appropriations in part 1. Federal and state
19 guidelines for short-term and long-term retention of records shall
20 be followed. The department may electronically retain copies of
21 reports unless otherwise required by federal and state guidelines.

22 Sec. 236. (1) From the funds appropriated in part 1, the
23 department shall do all of the following:

24 (a) Report to the house and senate appropriations committees,
25 the house and senate fiscal agencies, the house and senate policy
26 offices, and the state budget office any amount of severance pay
27 for a department director, deputy director, or other high-ranking
28 department official not later than 14 days after a severance
29 agreement with the director or official is signed. The name of the



1 director or official and the amount of severance pay must be
2 included in the report required by this subdivision.

3 (b) Maintain an internet website that posts any severance pay
4 in excess of 6 weeks of wages, regardless of the position held by
5 the former department employee receiving severance pay.

6 (c) By February 1, report to the house and senate
7 appropriations subcommittees on the department budget, the house
8 and senate fiscal agencies, the house and senate policy offices,
9 and the state budget office on the total amount of severance pay
10 remitted to former department employees during the fiscal year
11 ending September 30, 2022 and the total number of former department
12 employees that were remitted severance pay during the fiscal year
13 ending September 30, 2022.

14 (2) As used in this section, "severance pay" means
15 compensation that is both payable or paid upon the termination of
16 employment and in addition to either wages or benefits earned
17 during the course of employment or generally applicable retirement
18 benefits.

19 Sec. 237. (1) Any department, agency, board, commission, or
20 public officer that receives funding under part 1 shall not:

21 (a) Require as a condition of accessing any facility or
22 receiving services that an individual provide proof that he or she
23 has received a COVID-19 vaccine except as provided by federal law
24 or as a condition of receiving federal Medicare or Medicaid
25 funding.

26 (b) Produce, develop, issue, or require a COVID-19 vaccine
27 passport.

28 (c) Develop a database or make any existing database publicly
29 available to access an individual's COVID-19 vaccine status by any



1 person, company, or governmental entity.

2 (d) Require as a condition of employment that an employee or
3 official provide proof that he or she has received a COVID-19
4 vaccine. This subdivision does not apply to any hospital,
5 congregate care facility, or other medical facility or any
6 hospital, congregate care facility, or other medical facility
7 operated by a local subdivision that receives federal Medicare or
8 Medicaid funding.

9 (2) A department, agency, board, commission, or public officer
10 may not subject any individual to any negative employment
11 consequence, retaliation, or retribution because of that
12 individual's COVID-19 vaccine status.

13 (3) Subsection (1) does not prohibit any person, department,
14 agency, board, commission, or public officer from transmitting
15 proof of an individual's COVID-19 vaccine status to any person,
16 company, or governmental entity, so long as the individual provides
17 affirmative consent.

18 (4) If a department, agency, board, commission, subdivision,
19 or official or public officer is required to establish a vaccine
20 policy due to a federal mandate, it must provide exemptions to any
21 COVID-19 vaccine policy to the following individuals:

22 (a) An individual for whom a physician certifies that a COVID-
23 19 vaccine is or may be detrimental to the individual's health or
24 is not appropriate.

25 (b) An individual who provides a written statement to the
26 effect that the requirements of the COVID-19 vaccine policy cannot
27 be met because of religious convictions or other consistently held
28 objection to immunization.

29 (5) As used in this section, "public officer" means a person



1 appointed by the governor or another executive department official
2 or an elected or appointed official of this state or a political
3 subdivision of this state.

4 Sec. 238. An executive branch department, agency, board, or
5 commission that receives funding under part 1 shall not permit a
6 state employee who was not working remotely, either full-time or
7 part-time, before February 28, 2020 to work remotely, either full-
8 time or part-time, during the current fiscal year.

9 Sec. 239. For behavioral and physical health services provided
10 through managed care or the fee-for-service program, the department
11 shall require, for the nonfacility component of the reimbursement
12 rate, at least the same reimbursement for that service, if that
13 service is provided through telemedicine, as if the service
14 involved face-to-face contact between the health care professional
15 and the patient.

16 Sec. 240. Appropriations in part 1 shall, to the extent
17 possible by the department, not be expended until all existing work
18 project authorization available for the same purposes is exhausted.

19 Sec. 241. By March 1 of the current fiscal year, the
20 department shall report to the house and senate appropriations
21 subcommittees on the department budget, the house and senate fiscal
22 agencies, the house and senate policy offices, and the state budget
23 director on total actual expenditures in the previous fiscal year
24 for advertising and media outreach, including the purpose, amount,
25 and fund source by program or appropriation line-item.

26 Sec. 242. From the funds appropriated in part 1 for
27 departmental administration and management, \$100,000.00 is
28 allocated to produce a description of programs report for the
29 current fiscal year by November 10 of the current fiscal year. The



1 report shall be submitted to the senate and house appropriations
2 committees, the senate and house fiscal agencies, and the senate
3 and house policy offices. The report shall include the
4 appropriation unit, the line-item name and number, the
5 appropriation history, the program name, the program overview, the
6 financing detail, and where applicable, the legal basis for the
7 program and program effectiveness and outcomes.

8 Sec. 243. From the funds appropriated in part 1, the
9 department shall allocate \$50,000.00 to provide notice and
10 information to health care providers and the public that the
11 department shall not use state restricted funds or state general
12 funds, or allow grantees or subcontractors to use those funds,
13 appropriated in part 1 to fund any elective abortion. As used in
14 this section, "elective abortion" means the intentional use of an
15 instrument, drug, or other substance or device to terminate a
16 woman's pregnancy for a purpose other than to increase the
17 probability of a live birth, to preserve the life or health of the
18 child after live birth, or to remove a fetus that has died as a
19 result of natural causes, accidental trauma, or a criminal assault
20 on the pregnant woman. Elective abortion does not include any of
21 the following:

22 (a) The use or prescription of a drug or device intended as a
23 contraceptive.

24 (b) The intentional use of an instrument, drug, or other
25 substance or device by a physician to terminate a woman's pregnancy
26 if the woman's physical condition, in the physician's reasonable
27 medical judgment, necessitates the termination of the woman's
28 pregnancy to avert her death.

29 (c) Treatment upon a pregnant woman who is experiencing a



1 miscarriage or has been diagnosed with an ectopic pregnancy.

2 Sec. 244. On a monthly basis, the department shall report to
3 the senate and house appropriations subcommittees on the department
4 budget, the senate and house fiscal agencies, and the state budget
5 office on any line-item appropriation for which the department
6 estimates total annual expenditures would exceed the funds
7 appropriated for that line-item appropriation by 5% or more. The
8 department shall provide a detailed explanation for any relevant
9 line-item appropriation exceedance and shall identify the
10 corrective actions undertaken to mitigate line-item appropriation
11 expenditures from exceeding the funds appropriated for that line-
12 item appropriation by a greater amount. This section does not apply
13 for line-item appropriations that are part of the May revenue
14 estimating conference caseload and expenditure estimates.

15 Sec. 250. The director or a local health officer shall not
16 issue or enforce any orders or other directives that require an
17 individual in this state who is under the age of 18 to wear a face
18 mask or face covering.

19 Sec. 251. From the funds appropriated in part 1 for
20 departmental administration and support, the department must
21 develop reports related to emergency orders involving an epidemic
22 issued during the fiscal year ending on September 30, 2023. Within
23 7 days after the issuance of any emergency order involving an
24 epidemic, a report under this section must be provided to the
25 senate and house appropriations committees and the senate and house
26 fiscal agencies, and posted publicly on the department's website. A
27 report under this section must contain the following:

28 (a) An explanation of the nature and scope of the epidemic
29 that the emergency order is intended to address.



1 (b) A description of each area of the state that the
2 department has determined is threatened by the epidemic.

3 (c) If applicable, an explanation that contains the evidence
4 relied upon to determine that a procedure established in the
5 emergency order ensures the continuation of essential public health
6 services or the enforcement of health laws.

7 (d) If applicable, an explanation that contains the evidence
8 relied upon to determine that a prohibition on gathering contained
9 in the emergency order is necessary to protect the public health.

10 (e) A list of primary experts, organizations, or sources not
11 affiliated with the department that were relied upon to issue the
12 emergency order and any corresponding expenditures by the
13 department associated with any such experts, organizations, or
14 sources.

15 (f) A list of primary state government personnel responsible
16 for developing the emergency order.

17 (g) A description of what factors the department will consider
18 when deciding to terminate or modify the order.

19 Sec. 252. The appropriations in part 1 for Healthy Michigan
20 plan - behavioral health, Healthy Michigan plan administration, and
21 Healthy Michigan plan are contingent on the provisions of the
22 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were
23 contained in 2013 PA 107 not being amended, repealed, or otherwise
24 altered to eliminate the Healthy Michigan plan. If that occurs,
25 then, upon the effective date of the amendatory act that amends,
26 repeals, or otherwise alters those provisions, the remaining funds
27 in the Healthy Michigan plan - behavioral health, Healthy Michigan
28 plan administration, and Healthy Michigan plan line items shall
29 only be used to pay previously incurred costs and any remaining



1 appropriations shall not be allotted to support those line items.

2 Sec. 258. (1) In collaboration with the department of
3 education and the department of state police, the department shall
4 promote and support initiatives in schools and other educational
5 organizations that include, but are not limited to, training for
6 educators, teachers, and other personnel in school settings for all
7 of the following:

8 (a) The utilization of trauma-informed practices.

9 (b) Age-appropriate education and information on human
10 trafficking.

11 (c) Age-appropriate education and information on sexual abuse
12 prevention.

13 (2) The collaboration shall include the child welfare
14 institute within the department, which provides training and
15 education for public and private employees who work within the
16 child protective services, foster care, adoption, and juvenile
17 justice systems.

18 (3) The department shall report by March 1 of the current
19 fiscal year on the activities and status of implementation of the
20 requirements described in subsections (1) and (2) to the house and
21 senate appropriations subcommittees on the department budget, the
22 house and senate fiscal agencies, the house and senate policy
23 offices, and the state budget office.

24 Sec. 263. (1) Except as otherwise provided in this subsection,
25 before submission of a waiver, a state plan amendment, or a similar
26 proposal to CMS or other federal agency, the department shall
27 provide written notification of the planned submission to the house
28 and senate appropriations subcommittees on the department budget,
29 the house and senate fiscal agencies and policy offices, and the



1 state budget office. This subsection does not apply to the
2 submission of a waiver, a state plan amendment, or similar proposal
3 that does not propose a material change or is outside of the
4 ordinary course of waiver, state plan amendment, or similar
5 proposed submissions.

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

16 Sec. 264. The department shall not take disciplinary action
17 against an employee of the department in the state classified civil
18 service for communicating with a member of the legislature or his
19 or her staff, unless the communication is prohibited by law and the
20 department is exercising its authority as provided by law.

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



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

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

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

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

8 Sec. 274. (1) The department, in collaboration with the state
9 budget office, shall submit to the house and senate appropriations
10 subcommittees on the department budget, the house and senate fiscal
11 agencies, and the house and senate policy offices 1 week after the
12 day the governor submits to the legislature the budget for the
13 ensuing fiscal year a report on spending and revenue projections
14 for each of the capped federal funds listed below. The report shall
15 contain actual spending and revenue in the previous fiscal year,
16 spending and revenue projections for the current fiscal year as
17 enacted, and spending and revenue projections within the executive
18 budget proposal for the fiscal year beginning October 1, 2023 for
19 each individual line item for the department budget. The report
20 shall also include federal funds transferred to other departments.
21 The capped federal funds shall include, but not be limited to, all
22 of the following:

23 (a) TANF.

24 (b) Title XX social services block grant.

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

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

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

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



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

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

12 (a) Other departments.

13 (b) Local units of government.

14 (c) Private sources.

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

23 (2) On a quarterly basis the department shall report to the
24 house and senate appropriations subcommittees on the department
25 budget, the house and senate fiscal agencies, and the house and
26 senate policy offices on the realignment of federal fund sources
27 transacted to date in the current fiscal year under the authority
28 of subsection (1), including the dates, line items, and amounts of
29 the transactions.



1 (3) Within 30 days after the date on which year-end book
2 closing is completed, the department shall submit to the house and
3 senate appropriations subcommittees on the department budget, the
4 house and senate fiscal agencies, and the house and senate policy
5 offices a report on the realignment of federal fund sources that
6 took place as part of the year-end closing process for the previous
7 fiscal year.

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

16 (a) FTE authorization.

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

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

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

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

26 Sec. 288. (1) Indirect costs must be limited to no more than
27 10% of a grant award funded solely from state restricted funds or
28 general funds and designated in this part or part 1 to a specific
29 entity for the purpose of funding services to individuals.



1 (2) The department may allow a contract grant award to exceed
2 the limitation on indirect costs if the department and the grantee
3 can demonstrate that an exception should be made to the provision
4 in subsection (1).

5 (3) By September 30 of the current fiscal year, the department
6 shall report to the house and senate appropriations subcommittees
7 on the department budget, house and senate fiscal agencies, and
8 state budget office on the rationale for all exceptions made to the
9 provision in subsection (1) and the number of grant agreements
10 terminated due to violations of subsection (1). If, at the time the
11 report is due, there are no reportable items under this section,
12 then no report is required to be provided.

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

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

22 Sec. 296. From the funds appropriated in part 1, the
23 department to the extent permissible under section 8 of 1964 PA
24 170, MCL 691.1408, is responsible for the necessary and reasonable
25 attorney fees and costs incurred by private and independent legal
26 counsel chosen by current and former classified and unclassified
27 department employees in the defense of the employees in any state
28 or federal lawsuit or investigation related to the water system in
29 a city or community in which a declaration of emergency was issued



1 because of drinking water contamination.

2 Sec. 297. (1) On a quarterly basis, the department shall
3 report to the senate and house appropriations committees, the
4 senate and house appropriations subcommittees on the department
5 budget, and the senate and house fiscal agencies the following
6 information:

7 (a) The number of FTE positions in pay status by civil service
8 classification.

9 (b) A comparison by line item of the number of FTE positions
10 authorized from funds appropriated in part 1 to the actual number
11 of FTE positions employed by the department at the end of the
12 reporting period.

13 (2) By March 1 of the current fiscal year, the department
14 shall report to the senate and house appropriations committees, the
15 senate and house appropriations subcommittees on the department
16 budget, and the senate and house fiscal agencies the following
17 information:

18 (a) Number of employees that were engaged in remote work in
19 2022.

20 (b) Number of employees of the department authorized to work
21 remotely and the actual number of those working remotely in the
22 current reporting period.

23 (c) Estimated net cost savings achieved by the department by
24 remote work.

25 (d) Reduced use of office space associated with remote work.

26 Sec. 299. (1) No state department or agency shall issue a
27 request for proposal (RFP) for a contract in excess of
28 \$5,000,000.00, unless the department or agency has first considered
29 issuing a request for information (RFI) or a request for



1 qualification (RFQ) relative to that contract to better enable the
2 department or agency to learn more about the market for the
3 products or services that are the subject of the RFP. The
4 department or agency shall notify the department of technology,
5 management, and budget of the evaluation process used to determine
6 if an RFI or RFQ was not necessary prior to issuing the RFP.

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

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

28 (a) A summary of all RFPs issued for a contract in excess of
29 \$5,000,000.00 including whether an RFI or RFQ was considered, and



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

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

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

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

12 13 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

14 Sec. 301. From the funds appropriated in part 1 for terminal
15 leave payments, the department shall not spend in excess of its
16 annual gross appropriation unless it identifies and requests a
17 legislative transfer from another budgetary line item supporting
18 administrative costs, as provided by section 393(2) of the
19 management and budget act, 1984 PA 431, MCL 18.1393.

20 21 **CHILD SUPPORT ENFORCEMENT**

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

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

27 (3) From the federal money received for child support
28 incentive payments, \$14,500,000.00 shall be paid to the counties
29 based on each county's performance level for each of the federal



1 performance measures as established in 45 CFR 305.2.

2 (4) If the child support incentive payment to the state from
3 the federal government is greater than \$26,500,000.00, then 100% of
4 the excess shall be retained by the state and is appropriated until
5 the total retained by the state reaches \$15,397,400.00.

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

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

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

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

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



1 authorization by the same amount. This budget adjustment is
2 required to offset the loss of federal revenue due to the escheated
3 amount being counted as title IV-D program income in accordance
4 with federal regulations at 45 CFR 304.50.

5 (2) The department shall notify the chairs of the house and
6 senate appropriations subcommittees on the department budget and
7 the house and senate fiscal agencies within 15 days after the
8 authorization adjustment in subsection (1).

9
10 **COMMUNITY SERVICES AND OUTREACH**

11 Sec. 450. (1) From the funds appropriated in part 1 for school
12 success partnership program, the department shall allocate
13 \$525,000.00 of TANF revenue by December 1 of the current fiscal
14 year to support the Northeast Michigan Community Service Agency
15 programming. The department shall require the following performance
16 objectives be measured and reported for the duration of the state
17 funding for the school success partnership program:

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

20 (b) Increasing academic performance based on grades with
21 emphasis on math and reading.

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

24 (d) Increasing parent involvement with the parent's child's
25 school and community.

26 (2) By July 15 of the current fiscal year, the Northeast
27 Michigan Community Service Agency shall provide reports to the
28 department on the number of children and families served and the
29 services that were provided to families to meet the performance



1 objectives identified in this section. The department shall
2 distribute the reports within 1 week after receipt to the senate
3 and house appropriations subcommittees on the department budget,
4 the senate and house fiscal agencies, the senate and house policy
5 offices, and the state budget office.

6 Sec. 451. (1) From the funds appropriated in part 1 for crime
7 victim justice assistance grants, the department shall allocate
8 \$102,600.00 of state general fund/general purpose revenue for a
9 sexual assault nurse examiners program at a hospital in a city with
10 a population between 21,600 and 21,700 according to the most recent
11 federal decennial census within a county with a population between
12 64,300 and 64,400 according to the most recent federal decennial
13 census. Funds must be used to support staff compensation and
14 training, victim needs, and community awareness, education, and
15 prevention programs.

16 (2) The crime victim services commission may review the uses
17 of funds appropriated in this section to determine if it merits
18 utilization of the crime victim's rights fund on an ongoing basis
19 in subsequent fiscal years.

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

25 Sec. 453. (1) From the funds appropriated in part 1 for
26 homeless programs, the department shall allocate funds to the
27 emergency shelter program to support efforts of shelter providers
28 to move homeless individuals and households into permanent housing
29 as quickly as possible. Funding provided shall be equal to or



1 exceed the amount a provider would receive if paid a \$19.00 per
2 diem rate per bed night. Expected outcomes are increased shelter
3 discharges to stable housing destinations, decreased recidivism
4 rates for shelter clients, and a reduction in the average length of
5 stay in emergency shelters.

6 (2) By March 1 of the current fiscal year, the department
7 shall submit to the house and senate appropriations subcommittees
8 on the department budget, the house and senate fiscal agencies, the
9 house and senate policy offices, and the state budget office a
10 report on the total amount expended for the program in the prior 2
11 fiscal years, the total number of shelter nights provided, and the
12 average length of stay in an emergency shelter.

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

17 Sec. 455. As a condition of receipt of federal TANF revenue,
18 homeless shelters and human services agencies shall collaborate
19 with the department to obtain necessary TANF eligibility
20 information on families as soon as possible after admitting a
21 family to the homeless shelter. From the funds appropriated in part
22 1 for homeless programs, the department is authorized to make
23 allocations of TANF revenue only to the homeless shelters and human
24 services agencies that report necessary data to the department for
25 the purpose of meeting TANF eligibility reporting requirements.
26 Homeless shelters or human services agencies that do not report
27 necessary data to the department for the purpose of meeting TANF
28 eligibility reporting requirements will not receive reimbursements
29 that exceed the per diem amount they received in fiscal year 2000.



1 The use of TANF revenue under this section is not an ongoing
2 commitment of funding.

3 Sec. 456. From the funds appropriated in part 1 for homeless
4 programs, the department shall allocate \$90,000.00 to reimburse
5 public service agencies that provide documentation of paying birth
6 certificate fees on behalf of category 1 homeless clients at county
7 clerk's offices. Public service agencies shall be reimbursed for
8 the cost of the birth certificate fees quarterly until this
9 allocation is fully spent.

10 Sec. 457. (1) From the funds appropriated in part 1 for the
11 uniform statewide sexual assault evidence kit tracking system, in
12 accordance with the final report of the Michigan sexual assault
13 evidence kit tracking and reporting commission, \$225,100.00 is
14 allocated from the general fund to contract for the administration
15 of a uniform statewide sexual assault evidence kit tracking system.
16 The system shall include the following:

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

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

22 (c) Secure electronic access for victims.

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

26 (2) By March 30 of the current fiscal year, the department
27 shall submit to the senate and house appropriations subcommittees
28 on the department budget, the senate and house fiscal agencies, the
29 senate and house policy offices, and the state budget office a



1 status report on the administration of the uniform statewide sexual
2 assault evidence kit tracking system, including operational status
3 and any known issues regarding implementation.

4 (3) The sexual assault evidence tracking fund established in
5 section 1451 of 2017 PA 158 shall continue to be maintained in the
6 department of treasury. Money in the sexual assault evidence
7 tracking fund at the close of a fiscal year remains in the sexual
8 assault evidence tracking fund, does not revert to the general
9 fund, and shall be appropriated as provided by law for the
10 development and implementation of a uniform statewide sexual
11 assault evidence kit tracking system as described in subsection
12 (1).

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



1 Sec. 458. From the funds appropriated in part 1 for crime
2 victim rights services grants, the department shall allocate
3 \$2,000,000.00 from the crime victim's rights fund to maintain
4 increased grant funding to support the further use of crime victim
5 advocates in the criminal justice system. The purpose of the
6 additional funding is to increase available grant funding for crime
7 victim advocates to ensure that the advocates have the resources,
8 training, and funding needed to respond to the physical and
9 emotional needs of crime victims and to provide victims with the
10 necessary services, information, and assistance in order to help
11 them understand and participate in the criminal justice system and
12 experience a measure of safety and security throughout the legal
13 process.

14 Sec. 459. From the funds appropriated in part 1 for child
15 advocacy centers, the department shall allocate \$2,000,000.00 of
16 state general fund/general purpose revenue to child advocacy
17 centers to support the general operations of child advocacy
18 centers. The purpose of this additional funding is to increase the
19 amount of services provided to children and their families who are
20 victims of abuse over the amount provided in the previous fiscal
21 year. The additional funding directed in this section shall only be
22 used for the purposes described under section 4 of the children's
23 advocacy center act, 2008 PA 544, MCL 722.1044.

24 Sec. 461. (1) From the funds appropriated in part 1 for
25 runaway and homeless youth grants, the department shall allocate
26 \$900,000.00 of state general fund/general purpose revenue to
27 support the runaway and homeless youth services program. The
28 purpose of the funding is to support current programs for
29 contracted providers that provide emergency shelter and services to



1 homeless and runaway youth.

2 (2) From the funds appropriated in part 1 for runaway and
3 homeless youth grants, the department shall allocate \$100.00 to
4 support runaway and homeless youth services programs. The purpose
5 of the additional funding is to support current programs for
6 contracted providers that provide emergency shelter and services to
7 homeless and runaway youth.

8 (3) By March 1 of the current fiscal year, the department
9 shall submit to the house and senate appropriations subcommittees
10 on the department budget, the house and senate fiscal agencies, the
11 house and senate policy offices, and the state budget office a
12 report on the total amount expended for runaway and homeless youth
13 services programs in the previous year, and the total number of
14 shelter nights for youth provided.

15 Sec. 462. (1) If funding becomes available from the funds
16 appropriated in part 1 for crime victim justice assistance grants,
17 the department shall allocate \$4,000,000.00 to implement 4 trauma
18 recovery center program pilot projects. The pilot projects shall
19 utilize the evidence-informed integrated trauma recovery services
20 model developed by the University of California - San Francisco for
21 service provision and shall be located in a city with a population
22 between 52,300 and 53,000 according to the most recent federal
23 decennial census, in a city with a population between 21,600 and
24 21,700 according to the most recent federal decennial census, in a
25 city with a population between 81,200 and 81,300 according to the
26 most recent federal decennial census, and in a city with a
27 population greater than 500,000 according to the most recent
28 federal decennial census.

29 (2) It is the intent of the legislature that each pilot



1 project shall be designed to last at least 3 years.

2 (3) If funding becomes available, by March 1 of the current
3 fiscal year, the department shall report to the senate and house
4 subcommittees on the department budget, the senate and house fiscal
5 agencies, the senate and house policy offices, and the state budget
6 office on all of the following:

7 (a) The number of participants by pilot project site.

8 (b) The number of participants by crime type, broken down by
9 pilot project site.

10 (c) The number of direct service providers by pilot project
11 site.

12 (d) The number of direct services provided, broken down by
13 type of service and by pilot project site.

14 (e) The administrative costs by pilot project site.

15 (f) The average length of service provision by pilot project
16 site.

17 (g) The average length of service provision, broken down by
18 type of service and by pilot project site.

19 (h) The average cost per participant by pilot project site.

20 (4) The department may explore the development of a mobile
21 trauma recovery center to provide services to rural areas in this
22 state.

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

29 Sec. 464. From the funds appropriated in part 1 for diaper



1 assistance payments, \$1,500,000.00 must be allocated as grants to
2 diaper assistance programs established as of January 1, 2020. The
3 funds must be used only to purchase diapering supplies for children
4 under 36 months of age. Funds must be evenly distributed to all
5 regions of this state as defined by the Michigan economic recovery
6 council. From the funds appropriated in this section, the
7 department shall allocate \$1,000,000.00 to pregnancy resource
8 centers to fund the purchase of diapering supplies for children
9 under 36 months of age.

10 Sec. 465. (1) From the funds appropriated in part 1 for
11 community services and outreach administration, \$950,000.00 must be
12 distributed as provided in subsection (2). The amount distributed
13 under this subsection must not exceed 50% of the total operating
14 expenses of the program described in subsection (2), with the
15 remaining 50% paid by local United Way organizations and other
16 nonprofit organizations and foundations.

17 (2) Funds distributed under subsection (1) must be distributed
18 to Michigan 2-1-1, a nonprofit corporation organized under the laws
19 of this state that is exempt from federal income tax under section
20 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and
21 whose mission is to coordinate and support a statewide 2-1-1
22 system. Michigan 2-1-1 shall use the funds only to fulfill the
23 Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January
24 2005.

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

28 (4) Michigan 2-1-1 shall report annually to the department,
29 the house and senate standing committees with primary jurisdiction



1 over matters relating to human services and telecommunications, the
2 senate and house appropriations subcommittees on the department
3 budget, and the senate and house fiscal agencies on 2-1-1 system
4 performance, including, but not limited to, call volume by health
5 and human service needs and unmet needs identified through caller
6 data and number and percentage of callers referred to public or
7 private provider types.

8
9 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

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

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

22 Sec. 502. From the funds appropriated in part 1 for foster
23 care, the department shall provide 50% reimbursement to Indian
24 tribal governments for foster care expenditures for children who
25 are under the jurisdiction of Indian tribal courts and who are not
26 otherwise eligible for federal foster care cost sharing. The
27 department may provide up to 100% reimbursement to Indian tribal
28 governments that enter into a state-tribal title IV-E agreement
29 allowed under this state's title IV-E state plan.



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

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

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

20 (4) The department, in conjunction with members from both the
21 house of representatives and senate, private child placing
22 agencies, the courts, and counties shall continue to implement the
23 recommendations that are described in the workgroup report that was
24 provided in section 503 of article X of 2013 PA 59 to establish a
25 performance-based funding model pilot program for public and
26 private child welfare services providers. The department shall
27 provide quarterly reports on the status of the performance-based
28 contracting model to the senate and house appropriations
29 subcommittees on the department budget, the senate and house



1 standing committees on families and human services, and the senate
2 and house fiscal agencies and policy offices.

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

17 Sec. 504. (1) From the funds appropriated in part 1, the
18 department shall continue the master agreement with the West
19 Michigan Partnership for Children Consortium for a performance-
20 based child welfare contracting program. The consortium shall
21 consist of a network of affiliated child welfare service providers
22 that will accept and comprehensively assess referred youth, assign
23 cases to members of its continuum or leverage services from other
24 entities, and make appropriate case management decisions during the
25 duration of a case.

26 (2) As a condition for receiving the funding in part 1, the
27 West Michigan Partnership of Children Consortium shall maintain a
28 contract agreement with the department that supports a global
29 capitated payment model. The capitated payment amount shall be



1 based on historical averages of the number of children served in
2 Kent County and for the costs per foster care case. The West
3 Michigan Partnership for Children Consortium is required to manage
4 the cost of the child population it serves. The capitated payment
5 amount shall be reviewed and adjusted no less than twice during the
6 current fiscal year or due to any policy changes implemented by the
7 department that result in a volume of placements that differ in a
8 statistically significant manner from the amount allocated in the
9 annual contract between the department and the West Michigan
10 Partnership for Children Consortium as determined by an independent
11 actuary as well as to account for changes in case volumes and any
12 statewide rate increases that are implemented. The contract
13 agreement requires that the West Michigan Partnership for Children
14 Consortium shall maintain the following stipulations and
15 conditions:

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

20 (b) To maintain a risk reserve of at least \$1,500,000.00 to
21 ensure it can meet unanticipated expenses within a given fiscal
22 year.

23 (c) That until the risk reserve is established, the West
24 Michigan Partnership for Children Consortium shall submit to the
25 department a plan for how they will manage expenses to fit within
26 their capitated payment revenue. The department shall review and
27 approve any new investments in provider payments above statewide
28 rates and norms to ensure they are supported by offsetting savings
29 so that costs remain within available revenue.



1 (d) To cooperate with the department on an independent fiscal
2 analysis of costs incurred and revenues received during the course
3 of the program to date.

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

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

20 Sec. 506. From the funds appropriated in part 1 for attorney
21 general contract, by March 1 of the current fiscal year, the
22 department shall submit to the senate and house appropriations
23 subcommittees on the department budget, the senate and house fiscal
24 agencies, the senate and house policy offices, and the state budget
25 office, a report on the juvenile justice system in any county in
26 which funds appropriated in part 1 are expended. The report shall
27 include, but not be limited to, the following:

28 (a) The number of youth referred or committed to the
29 department for care or supervision in the previous fiscal year and



1 in the first quarter of the current fiscal year.

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

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

9 Sec. 507. The department's ability to satisfy appropriation
10 deducts in part 1 for foster care private collections is not
11 limited to collections and accruals pertaining to services provided
12 only in the current fiscal year but may include revenues collected
13 during the current fiscal year for services provided in prior
14 fiscal years.

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

19 (2) For the funds described in subsection (1), the department
20 shall ensure that administrative delays are avoided and the local
21 grant recipients and direct service providers receive money in an
22 expeditious manner. The department and board shall make available
23 the children's trust fund contract funds to grantees within 31 days
24 of the start date of the funded project.

25 Sec. 509. From the funds appropriated in part 1 for adoption
26 support services, the department shall maintain the increase of
27 contracted rates paid to private child placing agencies for
28 adoption placement rates.

29 Sec. 510. The department may ask a state or private child



1 placing agency contracted by the receiving state to carry out
2 required visits and any additional visits that the department finds
3 necessary for a child placed in family foster care home out of
4 state.

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

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

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

23 (b) The total number of relatives with a placement who became
24 licensed.

25 (c) A list of the reasons from a sample of cases where
26 relatives were denied foster home licensure as documented by the
27 department.

28 Sec. 513. (1) The department shall not expend funds
29 appropriated in part 1 to pay for the direct placement by the



1 department of a child in an out-of-state facility unless all of the
2 following conditions are met:

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

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

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

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

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

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

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

29 Sec. 515. If a child protective services caseworker requests



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

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

13 Sec. 517. From the funds appropriated in part 1, no title IV-E
14 funds are appropriated under any title IV-E appeals policy that
15 differs from the appeals policy in place as of the fiscal year
16 ending September 30, 2017.

17 Sec. 519. The department shall permit any private agency that
18 has an existing contract with this state to provide foster care
19 services to be also eligible to provide treatment foster care
20 services.

21 Sec. 520. (1) The department shall submit a report to the
22 house and senate appropriations subcommittees on the department
23 budget, the house and senate fiscal agencies, the house and senate
24 policy offices, and the state budget office by February 15 of the
25 current fiscal year on the number of days of care and expenditures
26 by funding source for the previous fiscal year for out-of-home
27 placements by specific placement programs for child abuse or child
28 neglect and juvenile justice, including, but not limited to, paid
29 relative placement, department direct family foster care, private



1 agency supervised foster care, private child caring institutions,
2 county-supervised facilities, court-supervised facilities, and
3 independent living. The report shall also include the number of
4 days of care for department-operated residential juvenile justice
5 facilities by security classification.

6 (2) For the purposes of the report in subsection (1), living
7 arrangements include, but are not limited to, paid relative
8 placement, department direct family foster care, private agency
9 supervised foster care, private child caring institutions, county-
10 supervised facilities, court-supervised facilities, and independent
11 living.

12 Sec. 521. (1) From the funds appropriated in part 1 for child
13 care fund - indirect cost allotment, the department shall allocate
14 \$3,500,000.00 to counties and tribal governments that receive
15 reimbursements in part 1 from child care fund.

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

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

29 (2) By June 1 of the current fiscal year, the department shall



1 provide a report to the senate and house appropriations
2 subcommittees on the department budget, the senate and house fiscal
3 agencies, the senate and house policy offices, and the state budget
4 office that includes the number of youths who applied for
5 scholarships under this section, the number of youths who received
6 scholarships under this section and the amount of each scholarship,
7 and the total amount of funds spent or encumbered in the current
8 fiscal year.

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

20 Sec. 524. As a condition of receiving funds appropriated in
21 part 1 for strong families/safe children, counties must submit the
22 service spending plan to the department by October 1 of the current
23 fiscal year for approval. The department shall approve the service
24 spending plan within 30 calendar days after receipt of a properly
25 completed service spending plan.

26 Sec. 525. The department shall implement the same on-site
27 evaluation processes for privately operated child welfare and
28 juvenile justice residential facilities as is used to evaluate
29 state-operated facilities. Penalties for noncompliance shall be the



1 same for privately operated child welfare and juvenile justice
2 residential facilities and state-operated facilities.

3 Sec. 526. From the funds appropriated in part 1 for court-
4 appointed special advocates, the department shall allocate
5 \$1,000,000.00 to fund a project with a nonprofit, community-based
6 organization organized under the laws of this state that are exempt
7 from federal income tax under section 501(c)(3) of the internal
8 revenue code of 1986, 26 USC 501, located in a charter township
9 with a population of between 18,900 and 19,000 according to the
10 most recent federal decennial census that is located in a county
11 with a population of between 655,000 and 660,000 according to the
12 most recent federal decennial census. The nonprofit organization
13 recipient shall have an existing network of affiliate programs
14 operating in at least 25 counties in this state. The nonprofit
15 organization shall use the funds to recruit, screen, train, and
16 supervise volunteers who provide advocacy services on behalf of
17 abused and neglected children.

18 Sec. 528. From the funds appropriated in part 1 for adoption
19 support services, the department shall allocate \$10,000,000.00 to
20 fund marketing programs that promote the adoption of infants and to
21 develop factual educational information materials on adoption as an
22 alternative to abortion including the ability of the birth mother
23 to establish a pre-birth plan. The department shall issue a request
24 for proposal for a contract for the development of marketing
25 programs and information materials. The department shall notify the
26 senate and house appropriations subcommittees on the department
27 budget, the senate and house fiscal agencies, and the senate and
28 house policy offices on vendors submitting bids for the contract,
29 vendors receiving the contract, the evaluation process, and



1 criteria used by the department to award the contract for marketing
2 programs.

3 Sec. 529. From the funds appropriated in part 1 for family
4 preservation programs, the department shall maintain the total
5 combined funding levels of the families first, family
6 reunification, and families together building solutions family
7 preservation programs as of September 30, 2021. For the current
8 fiscal year as the department moves towards implementation of the
9 federal Family First Prevention Services Act, Public Law 115-123,
10 the funding available to serve families through the existing family
11 preservation programs shall not be reduced.

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

18 (2) By February 1 of the current fiscal year, the department
19 shall provide the senate and house appropriations subcommittees on
20 the department budget, the senate and house fiscal agencies and
21 policy offices, and the state budget office a report detailing
22 measurable performance indicators, desired outcomes, and an
23 assessment of the quality of services provided by the department
24 during the previous fiscal year.

25 Sec. 531. The department shall notify the house and senate
26 appropriations subcommittees on the department budget, the house
27 and senate fiscal agencies, and the house and senate policy offices
28 of any changes to a child welfare master contract template,
29 including the adoption master contract template, the independent



1 living plus master contract template, the child placing agency
2 foster care master contract template, and the residential foster
3 care juvenile justice master contract template, not less than 30
4 days before the change takes effect.

5 Sec. 532. From the funds appropriated in part 1 for adoption
6 support services, the department shall allocate \$2,000,000.00 to
7 fund a tax credit to adoptive parents. The department shall
8 coordinate with the department of treasury to ensure timely
9 processing and issuance of tax credits to adoptive parents.

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

16 Sec. 534. The department shall submit to the senate and house
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, the senate and house policy offices, and
19 the state budget office by March 1 of the current fiscal year a
20 report on the adoption subsidies expenditures from the previous
21 fiscal year. The report shall include, but is not limited to, the
22 range of non-\$0.00 annual adoption support subsidy amounts, for
23 both title IV-E eligible cases and state-funded cases, paid to
24 adoptive families, the number of title IV-E and state-funded cases,
25 the number of cases in which the adoption support subsidy request
26 of adoptive parents for assistance was denied by the department,
27 and the number of adoptive parents who requested a redetermination
28 of adoption support subsidy.

29 Sec. 535. (1) From the funds appropriated in part 1 for foster



1 care payments, the department shall allocate up to \$1,500,000.00 of
2 private revenues from The New Foster Care Inc. to fund a 3-year
3 culturally competent kinship placement, support, and licensing
4 services pilot program in a county with a population between
5 1,270,000 and 1,280,000 according to the most recent federal
6 decennial census and a county with a population over 1,500,000
7 according to the most recent federal decennial census based on the
8 work conducted by A Second Chance Inc. The goal of the pilot
9 program is to increase the kinship licensure rate and reduce the
10 average length of stay for children in foster care with the intent
11 to expand the program statewide, contingent on legislative
12 appropriations. Efforts to reach this goal shall include the
13 following:

14 (a) Locate appropriate kinship family for out-of-home
15 placement of children.

16 (b) Provide support to kinship care providers and facilitate
17 connections to programs and services to assist them in meeting the
18 needs of children.

19 (c) Assist kinship care providers in meeting state foster
20 parent licensing requirements.

21 (d) Support parents to expedite permanency planning.

22 (2) Subject to part 1 appropriations and pursuant to an annual
23 evaluation, the department through legislative appropriations shall
24 reallocate any savings and revenue stemming from program services
25 that result in a reduction in the length of stay in foster care for
26 the children served by the program compared to the average and
27 maximize federal funds associated with this pilot program.

28 (3) The agency selected to administer the pilot program will
29 be selected with input from The New Foster Care, Inc. and approved



1 by the executive director of the children's services agency.

2 Sec. 536. By March 1 of the current fiscal year, the
3 department shall submit to the senate and house appropriations
4 subcommittees on the department budget, the senate and house fiscal
5 agencies, and the policy offices a report on the status of the
6 department's planned and achieved implementation of the federal
7 family first prevention services act, Public Law 115-123. The
8 report shall include, but not be limited to, an estimate of the 5-
9 year spending plan for administrative and compliance costs, a
10 summary of all historical expenditures made to date for
11 implementation by line-item appropriation and program type,
12 information regarding compliance with title IV-E prevention
13 requirements, the status of statewide compliance with the qualified
14 residential treatment program requirements, a summary of provider
15 concerns with respect to requirements under the qualified
16 residential treatment program as that term is defined in section 1
17 of 1973 PA 116, MCL 722.111, a detailed methodology in determining
18 any savings realized or estimated from a reduction in congregate
19 care or residential placements, the department's conformity with
20 federal model licensing standards, the department's plan for
21 tracking and preventing child maltreatment deaths, and the
22 department's plan for extending John H. Chafee foster care
23 independence programs up to age 23.

24 Sec. 537. By March 1 of the current fiscal year, the
25 department shall submit to the senate and house appropriations
26 subcommittees on the department budget, the senate and house fiscal
27 agencies, and the senate and house policy offices a report on the
28 number of unlicensed relative providers with a relative placement
29 denied a foster home license for not meeting the standards



1 established for state licensing for foster care. The report shall
2 also include the status of title IV-E claims for foster care
3 maintenance payments and foster care administrative payments for
4 licensed relative caregivers with placements.

5 Sec. 538. By October 1 of the current fiscal year, the
6 department shall submit to the senate and house appropriations
7 subcommittees on the department budget, the senate and house fiscal
8 agencies, and the policy offices a report on the status of the
9 department's program improvement plan associated with round 3 of
10 the child and family services review (CFSR). The report shall also
11 include, but not be limited to, a specific and detailed plan to
12 provide an update on areas of substantial nonconformity identified
13 in the CFSR such as the inadequacy of caseworker training provided
14 by the department, the estimated costs necessary to reduce travel
15 time for service delivery to rural areas, plans to improve
16 caseworker engagement to reduce maltreatment in care, and steps
17 undertaken by the department to emphasize permanency in case
18 planning. Additionally, the department shall include the status for
19 items currently being implemented and the description and cost
20 estimate for the implementation for items that will be implemented
21 in the current fiscal year.

22 Sec. 539. The department, in collaboration with child placing
23 agencies, shall continue to comply with section 115o of the social
24 welfare act, 1939 PA 280, MCL 400.115o. Department caseworkers
25 responsible for preparing a recommendation to a court concerning a
26 juvenile placement shall provide, as part of the recommendation,
27 information regarding the requirements of section 115o of the
28 social welfare act, 1939 PA 280, MCL 400.115o.

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



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

10 Sec. 541. From the funds appropriated in part 1, the
11 department shall implement a program to help foster care
12 caseworkers achieve forgiveness for their student loan debt. By
13 July 1 of the current fiscal year, the department shall submit to
14 the house and senate appropriations subcommittees on the department
15 budget, the house and senate fiscal agencies, and the house and
16 senate policy offices a report on the department's findings.

17 Sec. 542. (1) The department shall develop strategies to use
18 the input from court-appointed special advocates and foster care
19 parents throughout case management and any legal proceedings for
20 abused and neglected children in foster care.

21 (2) By September 30 of the current fiscal year, the department
22 shall submit to the house and senate appropriations subcommittees
23 on the department budget, the house and senate fiscal agencies, and
24 the house and senate policy offices a report on the strategies
25 developed by the department.

26 Sec. 543. The department shall develop a clear policy that
27 caseworkers ensure that children who are victims of child abuse or
28 child neglect have the ability either in the courtroom or in the
29 judge's chambers to speak directly to, or be interviewed by, the



1 judge or magistrate who is overseeing their case, in order to give
2 children the opportunity to provide input into the legal
3 proceedings.

4 Sec. 544. The department may require all foster care parents,
5 caseworkers, and guardians ad litem to receive trauma-informed
6 training.

7 Sec. 545. From the funds appropriated in part 1 for the child
8 welfare institute, the department shall provide training that is
9 consistent with the practices taught under therapeutic crisis
10 intervention training to all department employees responsible for
11 the investigation of complaints and licensing determinations for
12 child caring institutions and shall offer trauma support directly
13 to all department child welfare caseworkers to help deal with the
14 effects of secondary trauma.

15 Sec. 546. (1) From the funds appropriated in part 1 for foster
16 care payments and from child care fund, the department shall pay
17 providers of general foster care, independent living, and trial
18 reunification services not less than a \$55.20 administrative rate.

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

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



1 actual costs of providing foster care services.

2 (4) From the funds appropriated in part 1, the department
3 shall maintain rates that are no less than the rates in place on
4 March 20, 2020 provided to each private provider of residential
5 services.

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

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

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

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



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

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

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

16 Sec. 553. It is the intent of the legislature that a child
17 protective services caseworker shall not be allowed to place an
18 individual on the child abuse and neglect central registry without
19 prior court approval.

20 Sec. 554. From the funds appropriated in part 1 for foster
21 care payments, the department shall allocate \$50,000.00 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, that currently has
25 locations in 3 cities and operates on a 100% volunteer basis with a
26 board of directors consisting of up to 15 members, and are a
27 dedicated community of individuals that give their time, talent,
28 and resources to provide the best quality shopping environment they
29 can to local children in need and provide clothing, shoes, toys,



1 linens, nursery furniture, strollers, car seats, school supplies,
2 hygiene products, and safety equipment to local foster children and
3 their families free of charge.

4 Sec. 555. The department shall explore the requirement that
5 foster care parents caring for a foster child for whom a petition
6 of adoption has been filed with the court shall continue to receive
7 the regularly scheduled maintenance payments until the child is no
8 longer in their care.

9 Sec. 556. From the funds appropriated in part 1 for child
10 welfare licensing, the department shall work to develop and
11 implement a simpler and more streamlined process for the annual
12 renewal of the license for family foster care homes, and shall
13 explore the development of a simpler and more efficient version of
14 the application form for renewal of the license for family foster
15 care homes.

16 Sec. 557. If a vehicle that is owned by the state is available
17 and not scheduled for use by other state workers, the department
18 may consider it an allowable use of the vehicle for a child
19 protective services caseworker or a foster care caseworker to drive
20 it to foster home visits or to drive it to their own home if it
21 would be helpful to the worker in conducting their work.

22 Sec. 558. 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. All private child placing
26 agency staff will be provided an opportunity to complete training
27 at their private child placing agency facilities in a virtual
28 format. A hybrid format that includes virtual and in-person
29 instruction will also be available to all private child placing



1 agency staff according to the preference of a given private child
2 placing agency.

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

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

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

27 Sec. 564. (1) The department shall maintain a clear policy for
28 parent-child visitations. The local county offices, caseworkers,
29 and supervisors shall meet an 85% success rate, after accounting



1 for factors outside of the caseworkers' control.

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

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

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

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

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

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

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

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



1 Sec. 568. (1) The department shall ensure youths transitioning
2 out of foster care are given assistance with obtaining a driver
3 license or state identification card and are issued a copy of their
4 Social Security number as required by department policy. Assistance
5 must be provided to youths who are eligible to obtain a driver
6 license or state identification card and a Social Security card
7 based on the youth's citizenship and legal residency status.

8 (2) The department shall provide a report on a semiannual
9 basis to the house and senate appropriations subcommittees on the
10 department budget, the house and senate fiscal agencies, the house
11 and senate policy offices, and the state budget office on the
12 number of youths who received assistance obtaining a driver license
13 or state identification card, the number of youths who received
14 assistance obtaining a Social Security card, the number of youths
15 eligible for assistance who did not receive it, and an explanation
16 as to why those youths did not receive assistance in obtaining the
17 documents.

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

23 Sec. 570. From the funds appropriated in part 1 for adoption
24 support services, the department shall pay not less than a \$23.00
25 contractor per diem adoption rate from case acceptance to the date
26 of adoption petition acceptance or for 150 days, whichever occurs
27 sooner, for licensed foster care agencies and nonprofit licensed
28 adoption agencies to provide adoption services for foster youth
29 referred for adoptive services. This per diem rate is to be



1 separate from the outcome-based reimbursement system and shall not
2 be deducted from the total reimbursement an agency receives for the
3 applicable placement or finalization rate of an adoption.

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

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

13 (3) The department shall submit a request to the settlement
14 monitor to define caseload ratios in the settlement to only include
15 active cases or to designate a zero case weight for cases that are
16 routed for case closure but remain open to complete administrative
17 activities.

18 Sec. 574. (1) From the funds appropriated for foster care
19 payments, \$1,375,000.00 is allocated to support family incentive
20 grants to private and community-based foster care service providers
21 to assist with home improvements or payment for physical exams
22 needed by foster families and unlicensed relatives caring for a
23 family member through the child welfare system to accommodate
24 children in foster care.

25 (2) By March 1 of the current fiscal year, the department
26 shall submit to the house and senate appropriations subcommittees
27 on the department budget, the house and senate fiscal agencies, the
28 house and senate policy offices, and the state budget office a
29 report on the total amount expended in the previous year for grants



1 to private and community-based foster care service providers for
2 home improvements or physical exams as referenced in subsection (1)
3 and the number of grants issued.

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

9 (a) Establish a public awareness campaign to educate the
10 public about kinship caregivers and the state's efforts to better
11 serve kinship caregivers.

12 (b) Consult and coordinate with the kinship caregiver
13 navigator program to collect aggregate data on individuals being
14 served by the kinship caregiver navigator program, including
15 information on what services these individuals need.

16 (c) Consult and collaborate with the provider of the kinship
17 caregiver navigator program on the design and administration of
18 that program.

19 (d) Establish, maintain, and update a list of local support
20 groups and programs that provide services to kinship families, and
21 devise a plan of action for engaging with the groups and programs
22 on the list in order to obtain a better understanding of the issues
23 facing kinship families.

24 (e) Develop methods to promote and improve collaboration
25 between state, county, and local governments and agencies and
26 private stakeholders to obtain a broad understanding of the
27 characteristics and prevalence of kinship caregiving, to improve
28 service delivery, and to include these in the council's
29 recommendations.



1 Sec. 578. The department shall explore the development and
2 implementation of a foster care worker apprenticeship program for
3 college students majoring in social work or other human services
4 field who are interested in working in child welfare. The goals of
5 the program would be to expose students directly to foster care
6 work and provide work experience to aid in the recruitment of
7 future child welfare caseworkers, and to provide current
8 caseworkers with apprentice support staff. By August 1 of the
9 current fiscal year, the department shall submit to the house and
10 senate appropriations subcommittees on the department budget, the
11 house and senate fiscal agencies, and the house and senate policy
12 offices a report on the department's recommendation for an
13 apprenticeship program. It is the intent of the legislature that
14 the department develop the program so that it can be implemented in
15 the following year and that students in the apprenticeship program
16 would receive payment for their services, if funding is made
17 available.

18 Sec. 579. The department shall require caseworkers ensure a
19 motion is filed with the court to request that children who are
20 victims of child abuse or child neglect have court redetermination
21 hearings more frequently than every 90 days when in the best
22 interest of the child. The intent of this language is to decrease
23 the time it will take for permanency to be finalized for the child.

24 Sec. 580. (1) From the funds appropriated in part 1 for child
25 legal representation, the department shall allocate \$500,000.00 to
26 implement 2 pilot projects to improve the quality of legal
27 representation for children and parents in child protective
28 hearings. The pilot projects must emphasize the reduction of
29 caseloads for lawyer-guardians ad litem, more frequent engagement



1 between the child and the families and the lawyer-guardians ad
2 litem, timely permanency and the expedition of legal milestones in
3 cases, and elevated training requirements and increased
4 compensation for lawyer-guardians ad litem.

5 (2) From the funding allocated in subsection (1), the
6 department shall allocate \$350,000.00 for a child legal
7 representation pilot project in the circuit court of a county with
8 a population between 655,000 and 660,000 according to the most
9 recent federal decennial census and allocate \$150,000.00 for a
10 child legal representation pilot project in the circuit court of a
11 county with a population between 103,500 and 104,000 according to
12 the most recent federal decennial census.

13 Sec. 581. From the funds appropriated in part 1 for foster
14 care payments, the department shall allocate \$50,000.00 for
15 caseworkers to provide immediate assistance with urgent needs such
16 as food, clothing, etc., for children upon removal from their home
17 or other dangerous environment, including children who are victims
18 of human trafficking. The department shall develop policies for the
19 use and access to these funds. The department shall track the
20 distribution of the funds and by June 1 of the current fiscal year
21 shall submit to the house and senate appropriations subcommittees
22 on the department budget, the house and senate fiscal agencies, and
23 the house and senate policy offices a report on the number of funds
24 distributed and the number of children impacted.

25 Sec. 583. By March 1 of the current fiscal year, the
26 department shall provide to the senate and house appropriations
27 subcommittees on the department budget, the senate and house
28 standing committees on families and human services, the senate and
29 house fiscal agencies and policy offices, and the state budget



1 office a report that includes all of the following:

2 (a) The number and percentage of foster parents that dropped
3 out of the program in the previous fiscal year, the reasons the
4 foster parents left the program, and how those figures compare to
5 prior fiscal years.

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

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

12 Sec. 588. (1) Concurrently with public release, the department
13 shall transmit all reports from the court-appointed settlement
14 monitor, including, but not limited to, the needs assessment and
15 period outcome reporting, to the state budget office, the senate
16 and house appropriations subcommittees on the department budget,
17 and the senate and house fiscal agencies and policy offices,
18 without revision.

19 (2) By October 1 of the current fiscal year, the department
20 shall submit to the senate and house appropriations subcommittees
21 on the department budget, the senate and house fiscal agencies, and
22 the policy offices a detailed plan that will terminate and dismiss
23 with prejudice the settlement by September 30 of the current fiscal
24 year.

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

28 (2) On a quarterly basis, the department shall report on the
29 monthly number of all foster care cases administered by the



1 department and all foster care cases administered by private
2 providers.

3 Sec. 592. The department shall submit quarterly reports to the
4 chairs of the house and senate standing oversight committees, the
5 house and senate appropriations subcommittees on the department
6 budget, the house and senate fiscal agencies, the house and senate
7 policy offices, and the state budget office that include data from
8 children's protective services staff for each of the following for
9 the most recent 30-day period before the report is submitted:

10 (a) The percent of investigations commenced within 24 hours
11 after receiving a report.

12 (b) The percent of central registry reviews performed for
13 required individuals.

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

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

19 (e) The percent of supervisory reviews performed in a timely
20 manner.

21 (f) The results of a department survey of child protective
22 services investigators on the number of investigators who are
23 concerned for his or her own personal safety.

24 (g) The percent of investigators using the mobile application
25 or other tool to document compliance.

26 Sec. 593. (1) The department shall conduct an annual review in
27 each county to determine if the county has adopted and implemented
28 standard child abuse and child neglect investigation and interview
29 protocols as required in section 8(6) of the child protection law,



1 1975 PA 238, MCL 722.628.

2 (2) By March 1 of the current fiscal year, the department
3 shall submit an annual report to the chairs of the house and senate
4 standing oversight committees, the governor's task force on child
5 abuse and neglect, the house and senate appropriations
6 subcommittees on the department budget, the house and senate fiscal
7 agencies, the house and senate policy offices, and the state budget
8 office on the findings of each county's review described in
9 subsection (1).

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

21 Sec. 595. (1) Due to the exigent circumstances found in the
22 department's children's protective services (CPS) program by the
23 office of the auditor general (OAG) audit number 431-1285-16, from
24 the funds appropriated in part 1, the department shall expend the
25 funding for children's protective services - caseload staff in
26 order to dedicate resources to CPS investigations. The department
27 shall hire staff from the funds appropriated in part 1 for
28 children's protective services - caseload staff for the department
29 to come into compliance and sustain measured corrective action as



1 determined by the OAG for OAG audit number 431-1285-16.

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

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

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

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

16 (3) From the funds appropriated in part 1 for foster care
17 payments, all new foster care cases coming into care shall be
18 placed with a private child placing agency supervision unless any
19 of the conditions in subsection (1) are met or until the statewide
20 ratio of foster care cases is 55% for private child placing agency
21 supervision to 45% department case management supervision
22 respectively.

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

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

27 Sec. 598. Partial child care fund reimbursements to counties
28 for undisputed charges must be made within 45 business days after
29 the receipt of the required forms and documentation. The department



1 shall commence activity to investigate and resolve a disputed
2 reimbursement charge from a county within 15 business days after
3 receiving the request for reimbursement. The activity to
4 investigate and resolve a disputed reimbursement request may
5 include, but is not limited to, the use of a formal appeals
6 process, pursuant to statute and department chargeback policy. The
7 department shall reimburse for corrected charges within 45 business
8 days after a properly corrected submission by the county.

9
10 **PUBLIC ASSISTANCE**

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

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

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

28 Sec. 604. (1) From the funds appropriated in part 1 for state
29 disability assistance payments, the department shall operate a



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

7 (a) Is a recipient of supplemental security income, social
8 security, or medical assistance due to disability or 65 years of
9 age or older.

10 (b) Is an individual with a physical or mental impairment that
11 meets federal supplemental security income disability standards,
12 except that the minimum duration of the disability shall be 90
13 days. Substance use disorder alone is not defined as a basis for
14 eligibility.

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

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

20 (e) Is an individual diagnosed as having acquired
21 immunodeficiency syndrome.

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

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

26 (2) Applicants for and recipients of the state disability
27 assistance program shall be considered needy if they do both of the
28 following:

29 (a) Meet the same asset test as is applied for the family



1 independence program.

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

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

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

24 Sec. 606. County department offices shall require each
25 recipient of family independence program and state disability
26 assistance who has applied with the social security administration
27 for supplemental security income to sign a contract to repay any
28 assistance rendered through the family independence program or
29 state disability assistance program upon receipt of retroactive



1 supplemental security income benefits.

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

11 (2) The department may use supplemental security income
12 recoveries to satisfy the deduct in any line in which the revenues
13 are appropriated, regardless of the source from which the revenue
14 is recovered.

15 Sec. 608. Adult foster care facilities providing domiciliary
16 care or personal care to residents receiving supplemental security
17 income or homes for the aged serving residents receiving
18 supplemental security income shall not require those residents to
19 reimburse the home or facility for care at rates in excess of those
20 legislatively authorized. To the extent permitted by federal law,
21 adult foster care facilities and homes for the aged serving
22 residents receiving supplemental security income are not prohibited
23 from accepting third-party payments in addition to supplemental
24 security income if the payments are not for food, clothing,
25 shelter, or result in a reduction in the recipient's supplemental
26 security income payment.

27 Sec. 609. The state supplementation level under the
28 supplemental security income program for the personal care/adult
29 foster care and home for the aged categories shall not be reduced



1 during the current fiscal year. The legislature shall be notified
2 not less than 30 days before any proposed reduction in the state
3 supplementation level.

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

8 (2) For purposes of determining housing affordability
9 eligibility for state emergency relief, a group is considered to
10 have sufficient income to meet ongoing housing expenses if their
11 total housing obligation does not exceed 75% of their total net
12 income.

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

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

19 (5) State emergency relief payments for rent assistance shall
20 be distributed directly to landlords and shall not be added to
21 Michigan bridge cards.

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

27 Sec. 613. (1) The department shall provide reimbursements for
28 the final disposition of indigent persons. The reimbursements shall
29 include all of the following:



1 (a) The maximum allowable reimbursement for the final
2 disposition is \$840.00.

3 (b) The adult burial with services allowance is \$765.00.

4 (c) The adult burial without services allowance is \$530.00.

5 (d) The infant burial allowance is \$210.00.

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

11 (3) The department shall report to the senate and house of
12 representatives appropriations subcommittees on the department
13 budget, the senate and house fiscal agencies, the senate and house
14 policy offices, and the state budget office by January 31 of the
15 current fiscal year on burial services payments issued from the
16 state emergency relief program during the previous fiscal year. The
17 report shall include the number of payments by burial services
18 category for the following:

19 (a) Fetus or infant under age 1 month.

20 (b) Burial with memorial service.

21 (c) Burial without memorial service.

22 (d) Cremation with memorial service.

23 (e) Cremation without memorial service.

24 (f) Transportation of a donated or unclaimed body being
25 cremated.

26 (g) Cremation permit fee for an unclaimed body.

27 (h) Disposition of an unclaimed body.

28 (i) Payment where an irrevocable funeral agreement exists.

29 (j) Unclaimed bodies received by universities.



1 Sec. 614. The department shall report to the senate and house
2 of representatives appropriations subcommittees on the department
3 budget, the senate and house fiscal agencies, and the senate and
4 house policy offices by January 15 of the current fiscal year on
5 the number and percentage of state disability assistance recipients
6 who were determined to be eligible for federal supplemental
7 security income benefits in the previous fiscal year.

8 Sec. 615. Except as required by federal law or regulations,
9 funds appropriated in part 1 shall not be used to provide public
10 assistance to a person who is not a United States citizen,
11 permanent resident alien, or refugee. This section does not
12 prohibit the department from entering into contracts with food
13 banks, emergency shelter providers, or other human services
14 agencies who may, as a normal part of doing business, provide food
15 or emergency shelter.

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

20 Sec. 618. By July 1 of the current fiscal year, the department
21 shall report to the senate and house appropriations subcommittees
22 on the department budget, the senate and house fiscal agencies, the
23 senate and house policy offices, and the state budget office the
24 quarterly number of supervised individuals who have absconded from
25 supervision and whom a law enforcement agency, the department of
26 corrections, or the department is actively seeking according to
27 section 84 of the corrections code of 1953, 1953 PA 232, MCL
28 791.284.

29 Sec. 619. The department shall not deny title IV-A assistance



1 and food assistance benefits under 21 USC 862a to any individual
2 who has been convicted of a felony that included the possession,
3 use, or distribution of a controlled substance, for which the act
4 that resulted in the conviction occurred after August 22, 1996, if
5 the individual is not in violation of his or her probation or
6 parole requirements.

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

13 (2) The department shall provide quarterly reports to the
14 senate and house appropriations subcommittees on the department
15 budget, the senate and house standing committees on families and
16 human services, the senate and house fiscal agencies, the senate
17 and house policy offices, and the state budget office on the
18 percentage of determinations of Medicaid eligibility that were
19 completed within the required time frame for both applications that
20 include disability as a determination factor and applications that
21 do not include disability as a determination factor, as described
22 under subsection (1), and for medical review team reviews achieved
23 statewide and at each local office.

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



1 Sec. 653. From the funds appropriated in part 1 for food
2 assistance program benefits, an individual who is the victim of
3 domestic violence or human trafficking and does not qualify for any
4 other exemption may be exempt from the 3-month in 36-month limit on
5 receiving food assistance under 7 USC 2015. This exemption can be
6 extended an additional 3 months upon demonstration of continuing
7 need.

8 Sec. 654. The department shall notify recipients of food
9 assistance program benefits that their benefits can be spent with
10 their bridge cards at many farmers' markets in the state. The
11 department shall also notify recipients about the Double Up Food
12 Bucks program that is administered by the Fair Food Network.
13 Recipients shall receive information about the Double Up Food Bucks
14 program, including information that when the recipient spends
15 \$20.00 at participating farmers' markets through the program, the
16 recipient can receive an additional \$20.00 to buy Michigan produce.

17 Sec. 655. Within 14 days after the spending plan for low-
18 income home energy assistance program is approved by the state
19 budget office, the department shall provide the spending plan,
20 including itemized projected expenditures and itemized expenditures
21 for the previous fiscal year, to the chairpersons of the senate and
22 house appropriations subcommittees on the department budget, the
23 senate and house fiscal agencies, the senate and house policy
24 offices, and the state budget office.

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

29 Sec. 672. (1) The department's office of inspector general



1 shall report to the senate and house of representatives
2 appropriations subcommittees on the department budget, the senate
3 and house fiscal agencies, and the senate and house policy offices
4 by February 15 of the current fiscal year on department efforts to
5 reduce inappropriate use of Michigan bridge cards and food
6 assistance program trafficking. The department shall provide
7 information on the number of recipients of services who used their
8 Michigan bridge card inappropriately and the current status of each
9 case, the number of recipients whose benefits were revoked, whether
10 permanently or temporarily, as a result of inappropriate use, and
11 the number of retailers that were fined or removed from the
12 electronic benefit transfer program for permitting inappropriate
13 use of the cards. The report shall also include the number of
14 Michigan bridge card trafficking instances and overall welfare
15 fraud referrals that includes such information as the number of
16 investigations completed, fraud and intentional program violation
17 dollar amounts identified, the number of referrals to prosecutors,
18 the number of administrative hearing referrals and waivers, and the
19 number of program disqualifications imposed. The report shall
20 distinguish between savings and cost avoidance. Savings include
21 receivables established from instances of fraud committed. Cost
22 avoidance includes expenditures avoided due to front-end
23 eligibility investigations and other preemptive actions undertaken
24 in the prevention of fraud.

25 (2) If a fourth Michigan bridge card has been issued in a 12-
26 month period, the department shall notify the household that they
27 have reached the number of issued cards threshold. At their fifth
28 and each subsequent card replacement request, a card will not be
29 issued until the recipient has spoken directly to the local office



1 district manager or county director. The district manager or county
2 director may issue a new Michigan bridge card under their authority
3 based on their assessment of the recipient's situation and
4 explanation.

5 (3) As used in this section:

6 (a) "Food assistance trafficking" means the buying and selling
7 of food assistance benefits for cash or items not authorized under
8 the 2008 food and nutrition act, 7 USC 2036b.

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

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

17 (2) The department shall provide an annual report, providing
18 quarterly data, to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies and policy offices, and the state budget director on the
21 number of cases referred to Partnership. Accountability. Training.
22 Hope. (PATH), the current percentage of family independence program
23 cases involved in PATH employment activities, an estimate of the
24 current percentage of family independence program cases that meet
25 federal work participation requirements on the whole, and an
26 estimate of the current percentage of the family independence
27 program cases that meet federal work participation requirements for
28 those cases referred to PATH.

29 (3) The department shall submit to the senate and house



1 appropriations subcommittees on the department budget, the senate
2 and house fiscal agencies, the senate and house policy offices, and
3 the state budget office an annual report, providing quarterly data,
4 that include all of the following:

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

7 (b) The average and range of wages of employed family
8 independence program recipients.

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

11 Sec. 686. (1) The department shall confirm that individuals
12 presenting personal identification issued by another state seeking
13 assistance through the family independence program, food assistance
14 program, state disability assistance program, or medical assistance
15 program are not receiving benefits from any other state.

16 (2) The department shall confirm the address provided by any
17 individual seeking family independence program benefits or state
18 disability assistance benefits.

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

23 (4) The department shall obtain an up-to-date telephone number
24 during the eligibility determination or redetermination process for
25 individuals seeking medical assistance benefits.

26 Sec. 687. (1) The department shall, in quarterly reports,
27 compile and make available on its website all of the following
28 information about the family independence program, state disability
29 assistance, the food assistance program, Medicaid, and state



1 emergency relief:

2 (a) The number of applications received.

3 (b) The number of applications approved.

4 (c) The number of applications denied.

5 (d) The number of applications pending and neither approved
6 nor denied.

7 (e) The number of cases opened.

8 (f) The number of cases closed.

9 (g) The number of cases at the beginning of the quarter and
10 the number of cases at the end of the quarter.

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

15 (3) The department shall, in quarterly reports, compile and
16 make available on its website the following family independence
17 program information:

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

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

22 (c) The number of cases sanctioned because of the school
23 truancy policy.

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

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

27 (f) The number of children ages 0-5 living in family
28 independence program-sanctioned households.

29 Sec. 688. From the funds appropriated in part 1 for the low-



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

6 Sec. 690. (1) From the funds appropriated in part 1 for legal
7 assistance, \$50,000.00 must be distributed to a county legal
8 assistance center located in a city with a population between 5,200
9 and 5,300 according to the most recent federal decennial census,
10 located within a county with a population between 120,500 and
11 120,600 according to the most recent federal decennial census. The
12 grantee must provide civil law legal assistance to low-income
13 individuals.

14 (2) The funds appropriated in part 1 for legal assistance must
15 be disbursed no later than March 1 of the current fiscal year.

16
17 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

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

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

29 Sec. 707. In order to be reimbursed for child care fund



1 expenditures, counties are required to submit department-developed
2 reports to enable the department to document potential federally
3 claimable expenditures. This requirement is in accordance with the
4 reporting requirements specified in section 117a(12) of the social
5 welfare act, 1939 PA 280, MCL 400.117a.

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

23 (2) Counties must submit amendments to current fiscal year
24 county service plans to the department no later than August 30.
25 Counties must submit current fiscal year payable estimates to the
26 department no later than September 15.

27 (3) The department shall submit a report to the house and
28 senate appropriations subcommittees on the department budget, the
29 house and senate fiscal agencies, the house and senate policy



1 offices, and the state budget office by February 15 of the current
2 fiscal year on the number of counties that fail to submit a service
3 spending plan by August 15 of the previous fiscal year and the
4 number of service spending plans not approved by October 15. The
5 report shall include the number of county service spending plans
6 that were not approved as first submitted by the counties, as well
7 as the number of plans that were not approved by the department
8 after being resubmitted by the county with the first revisions that
9 were requested by the department.

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

21 Sec. 715. (1) As a condition of receiving funds appropriated
22 in part 1 for raise the age fund, by deadlines established and
23 advised by the department, counties or tribal entities shall have
24 an approved raise the age fund budget plan for the current fiscal
25 year. Counties must submit the raise the age fund budget plan for
26 the following fiscal year to the department by February 1 of the
27 current fiscal year. The raise the age fund budget plan shall
28 specifically identify the types of costs to be reimbursed,
29 estimated costs for each item, and the total estimated cost to be



1 reimbursed. The types of costs to be reimbursed must comply with
2 the requirements of section 117i of the social welfare act, 1939 PA
3 280, MCL 400.117i. \$500,000.00 of the raise the age fund shall be
4 reserved for tribal entities. If total raise the age fund requests
5 from tribal entities are less than \$500,000.00, the funding may be
6 allocated to meet requests from counties. From the funds
7 appropriated in part 1 for raise the age fund, each county and
8 tribal entity eligible for reimbursement shall receive a minimum
9 \$10,000.00 allocation from the raise the age fund.

10 (2) County and tribal entity reimbursement from the raise the
11 age fund is limited to eligible youth and items specifically
12 identified in approved raise the age fund budget plans and shall
13 not exceed the total estimated cost included in the approved raise
14 the age fund budget plan.

15 (3) Counties and tribal entities must submit amendments to
16 current fiscal year raise the age fund budget plans by deadlines
17 established and advised by the department. Counties must submit
18 current fiscal year payable estimates for raise the age funds to
19 the department by deadlines established and advised by the
20 department.

21 (4) As used in this section, "eligible youth" includes both of
22 the following:

23 (a) Pre-adjudication eligible youth: A youth for whom a
24 petition has been filed alleging commission of a status or criminal
25 offense on or after his or her reaching the age of 17, but before
26 reaching the age of 18.

27 (b) Post-adjudication eligible youth: A youth who has been
28 adjudicated for a status or criminal offense for which a petition
29 was filed alleging commission of a status or criminal offense on or



1 after his or her reaching the age of 17, but before reaching the
2 age of 18.

3
4 **FIELD OPERATIONS AND SUPPORT SERVICES**

5 Sec. 801. (1) The department shall report monthly to the house
6 and senate appropriations subcommittees on the department budget,
7 the house and senate fiscal agencies, the house and senate policy
8 offices, and the state budget office on the most recent food
9 assistance program error rate derived from the active cases,
10 reported to the United States Department of Agriculture - Food and
11 Nutrition Services for the supplemental nutrition assistance
12 program.

13 (2) The department shall report quarterly on the progress of
14 the corrective action taken utilizing the funds appropriated for
15 food assistance reinvestment in lowering the food assistance
16 program error rate and improving program payment accuracy.

17 Sec. 802. From the funds appropriated in part 1 for field
18 staff travel, the department shall allocate up to \$100,000.00
19 annually toward reimbursing the out-of-pocket costs of county board
20 members and county department directors to attend statewide
21 meetings of the Michigan County Social Services Association.

22 Sec. 807. From the funds appropriated in part 1 for Elder Law
23 of Michigan MiCAFE contract, the department shall allocate not less
24 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
25 state's elderly population in participating in the food assistance
26 program. Of the \$350,000.00 allocated under this section, the
27 department shall use \$175,000.00, which are general fund/general
28 purpose funds, as state matching funds for not less than
29 \$175,000.00 in United States Department of Agriculture funding to



1 provide outreach program activities, such as eligibility screening
2 and information services, as part of a statewide food assistance
3 hotline.

4 Sec. 808. By March 1 of the current fiscal year, the
5 department shall provide a report to the senate and house
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, the senate and house policy offices, and
8 the state budget office on the nutrition education program. The
9 report shall include requirements made by the agriculture
10 improvement act of 2018, Public Law 115-334, such as how the
11 department shall use an electronic reporting system to evaluate
12 projects and an accounting of allowable state agency administrative
13 costs. The report shall also include documentation of the steps the
14 department shall take to ensure that projects and subgrantee
15 programs are evidence-based, appropriated for, and meet the
16 criteria for an eligible individual as that term is defined in
17 section 2036a(a) of the food and nutrition act, 7 USC 2036a, and
18 quantitative evidence that the programs contribute to a reduction
19 in obesity or an increase in the consumption of healthy foods.
20 Additionally, the report shall include planned allocation and
21 actual expenditures for the supplemental nutrition assistance
22 program education funding, planned and actual grant amounts for the
23 supplemental nutrition assistance program education funding, the
24 total amount of expected carryforward balance at the end of the
25 current fiscal year for the supplemental nutrition assistance
26 program education funding and for each subgrantee program, a list
27 of all supplemental nutrition assistance program education funding
28 programs by implementing agency, and the stated purpose of each of
29 the programs and each of the subgrantee programs.



1 Sec. 809. (1) The purpose of the pathways to potential program
2 is to reduce chronic absenteeism, increase graduation rate, and
3 decrease the number of students who repeat grades for schools that
4 are current or future participants in the pathways to potential
5 program. Before any deployment of resources into a participant
6 school, the department and the participant school shall establish
7 performance objectives for each participant school based on a 2-
8 year baseline prior to pathways to potential being established in
9 the participant school and shall evaluate the progress made in the
10 above categories from the established baseline. By March 1 of the
11 current fiscal year, the department shall provide to the senate and
12 house appropriations subcommittees on the department budget, the
13 senate and house fiscal agencies, and the senate and house policy
14 offices a report listing all participant schools, the number of
15 staff assigned to each school by participant school, and the
16 percentage of participating schools that achieved improved
17 performance in each of the 3 outcomes listed above compared to the
18 previous year, by each individual outcome. It is the intent of the
19 legislature that after a 2-year period without attaining an
20 increase in success in meeting the 3 listed outcomes from the
21 established baseline, the department shall work with the
22 participant school to examine the cause of the lack of progress and
23 shall seek to implement a plan to increase success in meeting the
24 identified outcomes. It is the intent of the legislature that
25 progress or the lack of progress made in meeting the performance
26 objectives shall be used as a determinant in future pathways to
27 potential resource allocation decisions.

28 (2) As used in this section, "baseline" means the initial set
29 of data from the center for educational performance and information



1 in the department of technology, management, and budget of the 3
2 measured outcomes as described in subsection (1).

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

10 (2) By November 30 of the current fiscal year, the department
11 shall provide to the senate and house appropriations subcommittees
12 on the department budget, the senate and house fiscal agencies, and
13 the senate and house policy offices a report detailing the total
14 number of payments for repairs, the number of payments for repairs
15 that exceeded \$500.00, the number of payments for repairs that cost
16 exactly \$500.00, and the number of payments for repairs that cost
17 exactly \$900.00 in the previous fiscal year.

18 Sec. 826. (1) From the funds appropriated in part 1 for field
19 policy and administration, not less than \$300,000.00 shall be
20 allocated for the department to contract with the Prosecuting
21 Attorneys Association of Michigan to provide the support and
22 services necessary to increase the capability of this state's
23 prosecutors, adult protective service system, and criminal justice
24 system to effectively identify, investigate, and prosecute elder
25 abuse and financial exploitation.

26 (2) By March 1 of the current fiscal year, the Prosecuting
27 Attorneys Association of Michigan shall provide a report to the
28 department on the efficacy of the contract. The department shall
29 submit the report to the state budget office, the house and senate



1 appropriations subcommittees on the department budget, the house
2 and senate fiscal agencies, and the house and senate policy offices
3 within 30 days after receipt from the Prosecuting Attorneys
4 Association of Michigan.

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

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

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

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

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

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

29 (5) The department shall classify as limited-term FTEs any new



1 employees who are hired to fulfill the donated funds position
2 contracts or are hired to fill any vacancies from employees who
3 transferred to a donated funds position.

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

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

21 (2) The department shall report no later than March 1 of the
22 current fiscal year to the house and senate appropriations
23 subcommittees on the department budget, the house and senate fiscal
24 agencies, and the house and senate policy offices on the services
25 provided to older adults who were victims of crime or fraud in the
26 previous fiscal year. The report shall include, but is not limited
27 to, the following by county: the percentage of investigations
28 commenced within 24 hours after a report is made to the department,
29 the number of face-to-face contacts established with the client



1 within 72 hours after a report is made to the department, the
2 number of investigations completed within 30 days after a report is
3 made to the department, and the total number of older adults that
4 were victims of crime or fraud in the previous fiscal year and were
5 provided services by the department as a result of being victims of
6 crime or fraud.

7
8 **DISABILITY DETERMINATION SERVICES**

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

14
15 **BEHAVIORAL HEALTH SERVICES ADMINISTRATION AND SPECIAL PROJECTS**

16 Sec. 901. The funds appropriated in part 1 are intended to
17 support a system of comprehensive community mental health services
18 under the full authority and responsibility of local CMHSPs or
19 PIHPs in accordance with the mental health code, 1974 PA 258, MCL
20 330.1001 to 330.2106, the Medicaid provider manual, federal
21 Medicaid waivers, and all other applicable federal and state laws.

22 Sec. 902. (1) From the funds appropriated in part 1, final
23 authorizations to CMHSPs or PIHPs shall be made upon the execution
24 of contracts between the department and CMHSPs or PIHPs. The
25 contracts shall contain an approved plan and budget as well as
26 policies and procedures governing the obligations and
27 responsibilities of both parties to the contracts. Each contract
28 with a CMHSP or PIHP that the department is authorized to enter
29 into under this subsection shall include a provision that the



1 contract is not valid unless the total dollar obligation for all of
2 the contracts between the department and the CMHSPs or PIHPs
3 entered into under this subsection for the current fiscal year does
4 not exceed the amount of money appropriated in part 1 for the
5 contracts authorized under this subsection.

6 (2) The department shall immediately report to the senate and
7 house appropriations subcommittees on the department budget, the
8 senate and house fiscal agencies, and the state budget director if
9 either of the following occurs:

10 (a) The department enters into any new contracts with CMHSPs
11 or PIHPs that would affect rates or expenditures.

12 (b) The department amends any contracts the department has
13 entered into with CMHSPs or PIHPs that would affect rates or
14 expenditures.

15 (3) The report required by subsection (2) shall include
16 information about the changes to the contracts and their effects on
17 rates and expenditures.

18 Sec. 904. (1) By May 31 of the current fiscal year, the
19 department shall provide a report on the CMHSPs, PIHPs, and
20 designated regional entities for substance use disorder prevention
21 and treatment to the members of the house and senate appropriations
22 subcommittees on the department budget, the house and senate fiscal
23 agencies, and the state budget director that includes the
24 information required by this section.

25 (2) The report required under subsection (1) shall contain,
26 unless otherwise noted, information for each CMHSP, PIHP, and
27 designated regional entity for substance use disorder prevention
28 and treatment, and a statewide summary, each of which shall include
29 at least the following information:



1 (a) A statewide summary of the demographic description of
2 service recipients that, minimally, shall include reimbursement
3 eligibility, client population, age, ethnicity, housing
4 arrangements, and diagnosis.

5 (b) Per capita expenditures in total and by client population
6 group.

7 (c) A statewide summary of Medicaid-funded cost information
8 for the 4 diagnosis groups of adults with a mental illness,
9 children with a serious emotional disturbance, individuals with an
10 intellectual or developmental disability, and individuals with a
11 substance use disorder that, minimally, includes expenditures by
12 service category for each of the 4 diagnosis groups, and cases,
13 units, and cost of each specific service code index or health care
14 common procedure coding system (HCPCS) code for each of the 4
15 diagnosis groups.

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

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

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

22 (ii) The number of individuals who requested services but did
23 not receive services.

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

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



1 (h) Performance indicator information required to be submitted
2 to the department in the contracts with CMHSPs, PIHPs, and
3 designated regional entities for substance use disorder prevention
4 and treatment.

5 (i) Administrative expenditures of each CMHSP, PIHP, and
6 designated regional entity for substance use disorder prevention
7 and treatment that include a breakout of the salary, benefits, and
8 pension of each executive-level staff and shall include the
9 director, chief executive, and chief operating officers and other
10 members identified as executive staff.

11 (3) The report in subsection (1) shall contain the following
12 information from the previous fiscal year on substance use disorder
13 prevention, education, and treatment programs:

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

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

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

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

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



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

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

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

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

17 Sec. 908. As a condition of their contracts with the
18 department, PIHPs and CMHSPs, in consultation with the Community
19 Mental Health Association of Michigan, shall work with the
20 department to implement section 206b of the mental health code,
21 1974 PA 258, MCL 330.1206b, to establish a uniform community mental
22 health services credentialing program.

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



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

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

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

21 Sec. 912. The department shall contract directly with the
22 Salvation Army Harbor Light program, at an amount not less than the
23 amount provided during the fiscal year ending September 30, 2020,
24 to provide non-Medicaid substance use disorder services if the
25 local coordinating agency or the department confirms the Salvation
26 Army Harbor Light program meets the standard of care. The standard
27 of care shall include, but is not limited to, utilization of the
28 medication assisted treatment option.

29 Sec. 913. (1) From the funds appropriated in part 1 for



1 behavioral health program administration, the department shall
2 allocate \$1,025,000.00 for the autism navigator program. The
3 department shall require any contractor receiving funds under this
4 section to comply with performance-related metrics to maintain
5 eligibility for funding. The performance-related metrics shall
6 include, but not be limited to, all of the following:

7 (a) Each contractor shall have accreditations that attest to
8 their competency and effectiveness in providing services.

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

10 (c) Each contractor shall ensure their ability to leverage
11 private dollars to strengthen and maximize service provision.

12 (d) Each contractor shall provide quarterly reports to the
13 department regarding the number of clients served by PIHP region,
14 units of service provision by PIHP region, and ability to meet
15 their stated goals.

16 (2) The department shall require an annual report from any
17 contractor receiving funding from this section. The annual report,
18 due to the department 60 days following the end of the contract
19 period, shall include specific information on services and programs
20 provided, the client base to which the services and programs were
21 provided, and the expenditures for those services. The department
22 shall provide the annual reports to the senate and house
23 appropriations subcommittees on the department budget, the senate
24 and house fiscal agencies, and the state budget office.

25 Sec. 914. By June 1 of the current fiscal year, the department
26 shall submit a report to the house and senate appropriations
27 subcommittees on the department budget, the house and senate fiscal
28 agencies, the house and senate policy offices, and the state budget
29 office on outcomes of the funds provided in part 1 to the Michigan



1 Child Collaborative Care (MC3). The outcomes reported must include,
2 but is not limited to, the number of same-day telephone
3 consultations with primary care providers and the number of local
4 resource recommendations made to primary care providers who are
5 providing medical care to patients who need behavioral health
6 services.

7 Sec. 915. From the funds appropriated in part 1 for community
8 substance use disorder prevention, education, and treatment and
9 opioid response activities, the department shall, to the extent
10 possible, provide grants, pursuant to federal laws, rules, and
11 regulations, to local public entities that provide substance use
12 disorder services and to 1 private entity that has a statewide
13 contract to provide community-based substance use disorder
14 services.

15 Sec. 916. From the funds appropriated in part 1 for behavioral
16 health program administration, the department shall allocate
17 \$100,000.00 as a grant to a nonprofit mental health clinic located
18 in a county with a population between 290,000 and 300,000 according
19 to the most recent federal decennial census that provides
20 counseling services, accepts clients regardless of their ability to
21 pay for services through sliding scale copayments and volunteer
22 services, and uses fundraising to support their clinic.

23 Sec. 917. From the funds appropriated in part 1 for opioid
24 response activities, the department shall allocate \$16,000,000.00
25 from the Michigan opioid healing and recovery fund created under
26 section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253,
27 to create or supplement opioid-related programs and services in a
28 manner consistent with the opioid judgement, settlement, or
29 compromise of claims pertaining to violations, or alleged



1 violations, of law related to the manufacture, marketing,
2 distribution, dispensing, or sale of opioids.

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

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

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

23 Sec. 924. From the funds appropriated in part 1 for autism
24 services, for the purposes of actuarially sound rate certification
25 and approval for Medicaid behavioral health managed care programs,
26 the department shall maintain a fee schedule for autism services
27 reimbursement rates for direct services. Expenditures used for rate
28 setting shall not exceed those identified in the fee schedule. The
29 rates for behavioral technicians shall not be less than \$50.00 per



1 hour and not more than \$55.00 per hour.

2 Sec. 926. (1) From the funds appropriated in part 1 for
3 community substance use disorder prevention, education, and
4 treatment, \$500,000.00 is allocated for a specialized substance use
5 disorder detoxification project administered by a 9-1-1 service
6 district in conjunction with a substance use and case management
7 provider and at a hospital within a 9-1-1 services district with at
8 least 600,000 residents and 15 member communities within a county
9 with a population of at least 1,500,000 according to the most
10 recent federal decennial census.

11 (2) The substance use and case management provider receiving
12 funds under this section shall collect and submit to the department
13 data on the outcomes of the project throughout the duration of the
14 project and the department shall submit a report on the project's
15 outcomes to the house and senate appropriations subcommittees on
16 the department budget, the house and senate fiscal agencies, and
17 the state budget office.

18 Sec. 927. (1) The department shall, in consultation with the
19 Community Mental Health Association of Michigan, establish,
20 maintain, and review as necessary, a uniform community mental
21 health services auditing process for use by CMHSPs and PIHPs.

22 (2) The uniform auditing process required under this section
23 must do all of the following:

24 (a) Create uniformity in the collection of data and consistent
25 measurement of the quality, efficacy, and cost effectiveness of
26 provided services and supports.

27 (b) Establish a uniform audit tool that contains information
28 necessary for the uniform community mental health services auditing
29 process and adheres to national standards.



1 (c) Strive to meet the needs of community mental health
2 service beneficiaries and meet all statewide audit requirements.

3 (d) Maintain audit responsibility at the local agency level.

4 (3) By March 1 of the current fiscal year, the department
5 shall submit a report to the senate and house appropriations
6 subcommittees on the department budget, the senate and house fiscal
7 agencies, and the senate and house policy offices on the
8 implementation status of the uniform auditing process and any
9 barriers to implementation.

10 (4) A state department or agency that provides, either
11 directly or through a contract, community mental health services
12 and supports must comply with the uniform auditing process and
13 utilize the audit tool maintained by the department. All forms,
14 processes, and contracts used by the state that relate to the
15 provision of community mental health services and supports must
16 comply with the uniform auditing process.

17 (5) As used in this section, "national standards" means
18 standards established by a national accrediting entity such as the
19 Joint Commission, Commission on Accreditation of Rehabilitation
20 Facilities, Council on Accreditation, National Committee for
21 Quality Assurance, or other credible body approved by the
22 department.

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



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

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

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

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



1 Sec. 940. (1) According to section 236 of the mental health
2 code, 1974 PA 258, MCL 330.1236, the department shall review
3 expenditures for each CMHSP to identify CMHSPs with projected
4 allocation surpluses and to identify CMHSPs with projected
5 allocation shortfalls. The department shall encourage the board of
6 a CMHSP with a projected allocation surplus to concur with the
7 department's recommendation to reallocate those funds to CMHSPs
8 with projected allocation shortfalls.

9 (2) A CMHSP that has its funding allocation transferred out
10 during the current fiscal year as described in subsection (1) is
11 not eligible for any additional funding reallocations during the
12 remainder of the current fiscal year, unless that CMHSP is
13 responding to a public health emergency as determined by the
14 department.

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

18 (4) The department shall notify the chairs of the
19 appropriation subcommittees on the department budget when a request
20 is made and when the department grants approval for reallocation as
21 described in subsection (1). By September 30 of the current fiscal
22 year, the department shall provide a report on the amount of
23 funding reallocated to the senate and house appropriations
24 subcommittees on the department budget, the senate and house fiscal
25 agencies, the senate and house policy offices, and the state budget
26 office.

27 Sec. 942. A CMHSP shall provide at least 30 days' notice
28 before reducing, terminating, or suspending services provided by a
29 CMHSP to CMHSP clients, with the exception of services authorized



1 by a physician that no longer meet established criteria for medical
2 necessity.

3 Sec. 950. From the funds appropriated in part 1 for court-
4 appointed guardian reimbursements, the department shall allocate
5 \$100.00 to reimburse court-appointed public guardians for
6 recipients who also receive CMHSP services at a reimbursement of
7 \$50.00 per month. It is the intent of the legislature that these
8 funds be used in addition to any other funds currently paid to
9 court-appointed public guardians, but a court-appointed public
10 guardian shall not be compensated more than \$83.00 per month for
11 any CMHSP eligible recipients regardless of funding source. By
12 September 15 of the current fiscal year, the department shall
13 provide a report to the house and senate appropriations
14 subcommittees on the department budget, the house and senate fiscal
15 agencies, the house and senate policy offices, and the state budget
16 office on the number of court-appointed public guardians who
17 received these funds, the number of court-appointed public
18 guardians who were also reimbursed by the counties, and the per-
19 month reimbursement rates provided by the counties.

20 Sec. 959. (1) The department shall continue to convene a
21 workgroup in collaboration with the chairs of the house and senate
22 appropriations subcommittees on the department budget or their
23 designees, CMHSP members, autism services provider clinical and
24 administrative staff, community members, Medicaid autism services
25 clients, and family members of Medicaid autism services clients to
26 make recommendations to ensure appropriate cost and service
27 provision, including, but not limited to, the following:

28 (a) Evaluation and reduction of the variability in diagnostic
29 rates across different regions of the state.



1 (b) Evaluation of the factors resulting in the voluntary
2 disenrollment from, or declination of, therapeutic services by
3 eligible families.

4 (2) By April 15 of the current fiscal year, the department
5 shall provide an update on the workgroup's recommendations and
6 findings to the senate and house appropriations subcommittees on
7 the department budget, the senate and house fiscal agencies, and
8 the state budget office.

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

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

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

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

28 (c) Limit the authority to perform a diagnostic evaluation for
29 Medicaid autism services to qualified licensed practitioners.



1 Qualified licensed practitioners are limited to the following:

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

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

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

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

14 (v) A clinical social worker with at least 1 year of
15 experience working within his or her scope of practice who is
16 qualified and experienced in diagnosing autism spectrum disorders.

17 (vi) An advanced practice registered nurse with training,
18 experience, or expertise in autism spectrum disorders or behavioral
19 health.

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

22 (d) Require that a client whose initial diagnosis was
23 performed by a diagnostician with master's level credentials have
24 their diagnosis and treatment recommendations reviewed by a
25 physician, psychiatric nurse practitioner, physician's assistant
26 with training, experience, or expertise in autism spectrum
27 disorders or behavioral health, or fully credentialed psychologist.

28 (e) Allow and expand the utilization of telemedicine and
29 telepsychiatry to increase access to diagnostic evaluation



1 services.

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

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

13 (h) Maintain regular statewide provider trainings on autism
14 spectrum disorder standard clinical best practice guidelines for
15 treatment and diagnostic services.

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

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

29 Sec. 964. By October 1 of the current fiscal year, the



1 department shall provide the house and senate appropriations
2 subcommittees on the department budget, the house and senate fiscal
3 agencies, the house and senate policy offices, and the state budget
4 office with the standardized fee schedule for Medicaid behavioral
5 health services and supports. The report shall also include the
6 adequacy standards to be used in all contracts with PIHPs and
7 CMHSPs. In the development of the standardized fee schedule for
8 Medicaid behavioral health services and supports during the current
9 fiscal year, the department must prioritize and support essential
10 service providers and must develop a standardized fee schedule for
11 revenue code 0204.

12 Sec. 965. From the funds appropriated in part 1, the
13 department and the PIHPs shall increase the comparison rates and
14 any associated reimbursement rates of the bundled rate H0020 for
15 the administration and services of methadone to \$19.00.

16 Sec. 970. The department shall maintain the policies in effect
17 on October 1, 2018 for the federal home and community-based
18 services rule as it relates to skill building assistance services.
19 The skill building assistance services shall remain eligible for
20 federal match until March 17, 2022 as stated in the CMS
21 informational bulletin dated May 9, 2017. From the funds
22 appropriated in part 1, the department shall continue to seek
23 federal matching funds for skill building assistance services. As a
24 condition of their contracts with the department, CMHSPs shall
25 retain any federally approved skill building assistance services
26 available as of October 1, 2018.

27 Sec. 972. From the funds appropriated in part 1 for behavioral
28 health program administration, the department shall allocate not
29 less than \$3,000,000.00 general fund/general purpose revenue and



1 any associated federal match or federal grant funding, including,
2 but not limited to, associated federal 988 grant funding for the
3 mental health telephone access line known as the Michigan crisis
4 and access line (MiCAL), to provide primary coverage in regions
5 where a regional national suicide prevention lifeline center does
6 not provide coverage and for statewide secondary coverage, to
7 establish and make available to the public MiCAL in accordance with
8 section 165 of the mental health code, 1974 PA 258, MCL 330.1165.

9 Sec. 974. The department and PIHPs shall allow an individual
10 with an intellectual or developmental disability who receives
11 supports and services from a CMHSP to instead receive supports and
12 services from another provider if the individual shows that he or
13 she is eligible and qualified to receive supports and services from
14 another provider. Other providers may include, but are not limited
15 to, MIChoice and program of all-inclusive care for the elderly
16 (PACE). The department may contract with an independent person-
17 planning company to coordinate these services.

18 Sec. 977. From the funds appropriated in part 1 for community
19 substance use disorder prevention, education, and treatment,
20 \$600,000.00 is allocated as grants to high schools specifically
21 designated for students recovering from a substance use disorder in
22 accordance with section 273a of the mental health code, 1974 PA
23 258, MCL 330.1273a.

24 Sec. 978. From the funds appropriated in part 1 for community
25 substance use disorder prevention, education, and treatment, the
26 department shall allocate \$1,200,000.00 as grants for recovery
27 community organizations to offer or expand recovery support center
28 services or recovery community center services to individuals
29 seeking long-term recovery from substance use disorders in



1 accordance with section 273b of the mental health code, 1974 PA
2 258, MCL 330.1273b.

3 Sec. 979. If funds become available, the department shall seek
4 the appropriate federal approvals to allow for the utilization of
5 Medicaid funding for services provided at adult psychiatric
6 residential treatment facilities. By March 1 of the current fiscal
7 year, the department shall report on its progress toward receiving
8 the appropriate federal approvals to allow for federal Medicaid
9 reimbursements for services provided at adult psychiatric
10 residential treatment facilities to the house and senate
11 appropriations subcommittees on the department budget, the house
12 and senate fiscal agencies, the house and senate policy offices,
13 and the state budget office.

14 Sec. 995. (1) From the funds appropriated in part 1 for mental
15 health diversion council, the department shall allocate
16 \$3,850,000.00 to continue to implement the jail diversion pilot
17 programs intended to address the recommendations of the mental
18 health diversion council.

19 (2) By March 1 of the current fiscal year, the department
20 shall report to the senate and house appropriations subcommittees
21 on the department budget, the senate and house fiscal agencies, and
22 the senate and house policy offices on the planned allocation of
23 the funds appropriated for mental health diversion council.

24 Sec. 996. From the funds appropriated in part 1 for family
25 support subsidy, the department shall make monthly payments of
26 \$229.31 to the parents or legal guardians of children approved for
27 the family support subsidy by a CMHSP.

28 Sec. 997. The population data used in determining the
29 distribution of substance use disorder block grant funds shall be



1 from the most recent federal data from the United States Census
2 Bureau.

3 Sec. 998. For distribution of state general funds to CMHSPs,
4 if the department decides to use census data, the department shall
5 use the most recent federal data from the United States Census
6 Bureau.

7
8 **BEHAVIORAL HEALTH SERVICES**

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

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

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



1 Sec. 1005. (1) From the funds appropriated in part 1 for
2 health homes, the department shall maintain the number of
3 behavioral health homes in PIHP regions 1, 2, and 8 and maintain
4 the number of substance use disorder health homes in PIHP regions
5 1, 2, 4, and 9. The department shall expand the number of
6 behavioral health homes in regions 6 and 7, expand the number of
7 substance use disorder health homes in regions 6, 7, and 10, and
8 create and implement intellectual or developmental disability
9 health homes in at least 2 regions.

10 (2) On a quarterly basis, the department shall provide a
11 report to the house and senate appropriations subcommittees on the
12 department budget, the house and senate fiscal agencies, the house
13 and senate policy offices, and the state budget office on the
14 number of individuals being served and expenditures incurred by
15 each PIHP region by site.

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

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

28 (b) Take an active role in managing mental health care by
29 ensuring consistent and high-quality service delivery throughout



1 its network and promote a conflict-free care management
2 environment.

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

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

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

18 Sec. 1011. To the extent permissible under section 919 of the
19 mental health code, 1974 PA 258, MCL 330.1919, the funds
20 appropriated in part 1 for behavioral health services may be used
21 to reimburse out-of-state providers of crisis resolution services
22 and outpatient services if the out-of-state provider is enrolled as
23 a state Medicaid provider and the out-of-state provider is located
24 closer to the client's home than an in-state provider.

25 Sec. 1012. It is the intent of the legislature that the
26 department pursue any and all federal Medicaid waivers to maximize
27 the use of federal Medicaid reimbursements for substance use
28 disorder services and treatments for justice-involved individuals.
29 By March 9 of the current fiscal year, the department shall provide



1 a report on the types of substance use disorder waivers submitted
2 by the department, whether those waivers have been approved by the
3 Centers for Medicare and Medicaid Services, and the steps the
4 department will take to request any and all federal Medicaid
5 waivers to maximize the use of federal Medicaid reimbursements for
6 substance use disorder services and treatments to the house and
7 senate appropriations subcommittees on the department budget, the
8 house and senate fiscal agencies, the house and senate policy
9 offices, and the state budget office.

10 Sec. 1013. CMHSPs that operate preadmission screening units,
11 or that have designated a hospital as a preadmission screening
12 unit, may permit a sheriff's office to use a qualified contracted
13 entity to transport an individual for preadmission screening.

14 Sec. 1014. (1) From the funds appropriated in part 1 to
15 agencies providing physical and behavioral health services to
16 multicultural populations, the department shall award grants in
17 accordance with the requirements of subsection (2). This state is
18 not liable for any spending above the contract amount. The
19 department shall not release funds until reporting requirements
20 under section 1014 of article 6 of 2021 PA 87 are satisfied.

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

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

29 (b) Each contractor or subcontractor shall have a mission that



1 is consistent with the purpose of the multicultural agency.

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

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

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

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

13 (3) The department shall require an annual report from the
14 contractors described in subsection (2). The annual report, due 60
15 days following the end of the contract period, shall include
16 specific information on services and programs provided, the client
17 base to which the services and programs were provided, information
18 on any wraparound services provided, and the expenditures for those
19 services. By February 1 of the current fiscal year, the department
20 shall provide the annual reports to the senate and house
21 appropriations subcommittees on the department budget, the senate
22 and house fiscal agencies, and the state budget office.

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

29



STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

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

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

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

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

(3) Four months after the certification of closure required in section 19(6) of the state employees' retirement act, 1943 PA 240,



1 MCL 38.19, the department shall provide a closure plan to the house
2 and senate appropriations subcommittees on the department budget
3 and the state budget director.

4 (4) Upon the closure of state-run operations and after
5 transitional costs have been paid, the remaining balances of funds
6 appropriated for that operation shall be transferred to CMHSPs or
7 PIHPs responsible for providing services for individuals previously
8 served by the operations.

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

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

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

28 (a) The average wait time for individuals determined
29 incompetent to stand trial before admission to the center for



1 forensic psychiatry.

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

5 (c) The average number of individuals waiting to receive
6 admission into the center for forensic psychiatry.

7 (d) The average number of individuals waiting to receive
8 admission into the other state-operated hospitals and centers.

9 (e) The average wait time for individuals awaiting admission
10 into the other state-operated hospitals and centers through the
11 civil admissions process.

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

18 (g) The number of individuals denied admission into the center
19 for forensic psychiatry.

20 (h) The number of individuals denied admission into the other
21 state-operated hospitals and centers.

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

27 Sec. 1060. By March 1 of the current fiscal year, the
28 department shall provide a report on mandatory overtime, staff
29 turnover, and staff retention at the state psychiatric hospitals



1 and centers to the senate and house appropriations subcommittees on
2 the department budget, the senate and house fiscal agencies, and
3 the state budget office. The report shall include, but is not
4 limited to, the following:

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

8 (b) A breakdown of voluntary and mandatory overtime hours
9 worked by position and by hospital, and how that compares to the
10 breakdown of voluntary and mandatory overtime hours during the
11 previous fiscal year.

12 (c) The ranges of wages paid by position and by hospital, and
13 how that compares to wages paid during the previous fiscal year.

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

22 Sec. 1063. (1) From the funds appropriated in part 1 for
23 Hawthorn Center - psychiatric hospital - children and adolescents,
24 the department shall maintain a psychiatric transitional unit and
25 children's transition support team. These programs shall augment
26 the continuum of behavioral health services for high-need youth and
27 provide additional continuity of care and transition into
28 supportive community-based services.

29 (2) Outcomes and performance measures for these programs



1 include, but are not limited to, the following:

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

4 (b) The measured change in the Child and Adolescent Functional
5 Assessment Scale for children served through these programs.

6
7 **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

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

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

21 Sec. 1143. From the funds appropriated in part 1 for primary
22 care services, the department shall allocate no less than
23 \$675,000.00 for island primary health care access and services
24 including island clinics, in the following amounts:

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

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

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

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

29 Sec. 1145. The department will take steps necessary to work



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

6 Sec. 1148. The department shall provide a report by November 1
7 of the current fiscal year to the house and senate appropriations
8 subcommittees on the department budget, the house and senate fiscal
9 agencies, the house and senate policy offices, and the state budget
10 director on the implementation of the appropriation from the
11 previous fiscal year of \$100,000.00 from the policy and planning
12 administration line item for informational materials related to
13 section 27(2)(a) of article I of the state constitution of 1963
14 regarding human embryo and embryonic stem cell research.

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

25 (2) By October 1 of the current fiscal year, the department
26 shall submit a report to the senate and house appropriations
27 subcommittees on the department budget, the senate and house fiscal
28 agencies, the senate and house policy offices, and the state budget
29 office on how the department is working with local substance use



1 disorder agencies and addiction treatment providers to ensure that
2 Medicaid beneficiaries are informed of all available and medically
3 appropriate treatment options for opioid addiction when their
4 treating physician stops prescribing prescription opioid medication
5 for pain, and to address other appropriate recommendations of the
6 task force. The report shall include any potential barriers to
7 medication-assisted treatment, as recommended by the Michigan
8 medication-assisted treatment guidelines, for Medicaid
9 beneficiaries in both office-based opioid treatment and opioid
10 treatment program facility settings.
11

12 **EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY**

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

27 Sec. 1181. From the funds appropriated in part 1 for
28 epidemiology administration, the department shall maintain a vapor
29 intrusion response unit. The vapor intrusion response unit shall



1 assess risks to public health at vapor intrusion sites and respond
2 to vapor intrusion risks where appropriate. The goals of the vapor
3 intrusion response unit shall include reducing the number of
4 residents of this state exposed to toxic substances through vapor
5 intrusion and improving health outcomes for individuals that are
6 identified as having been exposed to vapor intrusion.

7 Sec. 1182. (1) From the funds appropriated in part 1 for
8 healthy homes program, no less than \$7,291,000.00 of general
9 fund/general purpose funds and \$18,259,000.00 of federal funds
10 shall be allocated for lead abatement of homes.

11 (2) By April 1 of the current fiscal year, the department
12 shall provide a report to the house and senate appropriations
13 subcommittees on the department budget, the house and senate fiscal
14 agencies, and the state budget office on the expenditures and
15 activities undertaken by the lead abatement program in the previous
16 fiscal year from the funds appropriated in part 1 for the healthy
17 homes program. The report shall include, but is not limited to, a
18 funding allocation schedule, the expenditures by category of
19 expenditure and by subcontractor, the revenues received, a
20 description of program elements, the number of housing units abated
21 of lead-based paint hazards, and a description of program
22 accomplishments and progress.

23 Sec. 1184. (1) From the funds appropriated in part 1 for
24 emergency medical services program, the department shall, in
25 coordination with the state emergency medical services coordination
26 committee established under section 20915 of the public health
27 code, 1978 PA 368, MCL 333.20915, medical control authorities, and
28 other emergency medical services organizations, review, revise, and
29 improve the process for the consideration, discussion,



1 announcement, and implementation of any changes proposed by the
2 department for emergency medical services system guidance,
3 guidelines, or protocols.

4 (2) The goal to improve the current process shall be the
5 effective and safe provision of emergency medical services.

6 (3) The revised and improved process shall include, but not be
7 limited to, the following:

8 (a) Increased communication, transparency, and collaboration,
9 to culminate in clarity of, and real-time access to, current
10 department guidance, guidelines, or protocols, and the status of
11 any changes being considered.

12 (b) Formal notification of proposed changes to guidance,
13 guidelines, or protocols from the department to the state emergency
14 medical services coordination committee no less than 30 days before
15 implementation.

16 (c) Receipt by the department of a recommendation from the
17 state emergency medical services coordination committee regarding
18 the proposed changes to guidance, guidelines, or protocols before
19 implementation by the department of the changes.

20 (4) The department shall provide access and status updates,
21 including any proposed rules being considered through the
22 administrative rules process, to the public on the department's
23 website, which shall be updated by the department on a weekly
24 basis.

25 (5) The department shall report to the house and senate
26 appropriations subcommittees on the department budget, the house
27 and senate fiscal agencies and policy offices, and the state budget
28 director by April 15 of the current fiscal year on the findings of
29 the review and include summaries of actions undertaken to identify,



1 revise, and improve any weaknesses in the current process.

2 Sec. 1185. From the funds appropriated in part 1 for emergency
3 medical services program, \$25,000.00 is allocated for a grant to
4 fund a free family emergency readiness public expo event held in a
5 county with a population between 193,000 and 194,000 according to
6 the most recent federal decennial census. The purpose of the event
7 shall be to educate local residents about preparedness in an
8 emergency, disaster, or crisis including planning, assessing
9 specific personal and household needs, and skills to cope, survive,
10 recover, and prevail.

11 Sec. 1186. (1) From the funds appropriated in part 1 for
12 emergency medical services program, the department shall allocate
13 \$3,000,000.00 to establish a statewide stroke and STEMI system of
14 care for time-sensitive emergencies. This system must be integrated
15 into the statewide trauma care system within the emergency medical
16 services system and must include at least all of the following:

17 (a) The designation of facilities as stroke and STEMI
18 facilities based on a verification that national certification or
19 accreditation standards, as approved by the stroke advisory
20 subcommittee and the STEMI advisory subcommittee as established
21 under section 20910(1)(m) of the public health code, 1978 PA 368,
22 MCL 333.20910, have been met.

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

25 (c) The development and utilization of stroke and STEMI
26 registries that utilize nationally recognized data platforms with
27 confidentiality standards, as approved by the stroke advisory
28 subcommittee and the STEMI advisory subcommittee as established
29 under section 20910(1)(m) of the public health code, 1978 PA 368,



1 MCL 333.20910.

2 (2) By March 1 of the current fiscal year, the department
3 shall provide a report to the house and senate appropriations
4 subcommittees on the department budget, the house and senate fiscal
5 agencies and policy offices, and the state budget office on the
6 expenditures and activities undertaken by the statewide stroke and
7 STEMI system of care program in the previous fiscal year from the
8 funds appropriated under section 1186(1) of article 6 of 2021 PA
9 87. The report must include, but is not limited to, a funding
10 allocation schedule, expenditures by category of expenditure and by
11 vendor or grantee, and a description of program accomplishments and
12 progress.

13 (3) For the purposes of this section, "STEMI" means an ST-
14 elevation myocardial infarction.

15
16 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

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

25 Sec. 1221. If a county that has participated in a district
26 health department or an associated arrangement with other local
27 health departments takes action to cease to participate 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. This penalty shall only be assessed to the local
4 county that requests the dissolution of the health department.

5 Sec. 1222. (1) Funds appropriated in part 1 for essential
6 local public health services shall be prospectively allocated to
7 local health departments to support immunizations, infectious
8 disease control, sexually transmitted disease control and
9 prevention, hearing screening, vision services, food protection,
10 public water supply, private groundwater supply, and on-site sewage
11 management. Food protection shall be provided in consultation with
12 the department of agriculture and rural development. Public water
13 supply, private groundwater supply, and on-site sewage management
14 shall be provided in consultation with the department of
15 environment, Great Lakes, and energy.

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

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

22 (4) If a local health officer has an emergency order under
23 section 2453 of the public health code, 1978 PA 368, MCL 333.2453,
24 in effect as of October 1, 2022, the funds appropriated in part 1
25 for essential local public health services are unappropriated. This
26 subsection does not apply if a county board of commissioners passes
27 a nonbinding resolution by a record roll call vote to support any
28 emergency orders the local health officer has in effect on October
29 1 of the current fiscal year.



1 (5) By February 1 of the current fiscal year, the department
2 shall provide a report to the house and senate appropriations
3 subcommittees on the department budget, the house and senate fiscal
4 agencies, and the state budget director on the planned allocation
5 of the funds appropriated for essential local public health
6 services.

7 (6) The department shall continue implementation of the
8 distribution formula for the allocation of essential local public
9 health services funding to local health departments as specified by
10 section 1234 of article X of 2018 PA 207.

11 (7) From the funds appropriated in part 1 for essential local
12 public health services, each local public health department is
13 allocated not less than the amount allocated to that local public
14 health department during the previous fiscal year.

15 (8) Distributions in subsection (1) for the second, third, and
16 fourth quarterly allocations must be made only to counties that
17 have submitted a request for the quarterly allocation that
18 includes, from the county board of commissioners, a statement of
19 approval of the local health department's quarterly budget for the
20 essential local public health services funding.

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

26 Sec. 1227. The department shall establish criteria for all
27 funds allocated for health and wellness initiatives. The criteria
28 must include a requirement that all programs funded be evidence-
29 based and supported by research, include interventions that have



1 been shown to demonstrate outcomes that lower cost and improve
2 quality, and be designed for statewide impact. Preference must be
3 given to programs that utilize the funding as match for additional
4 resources, including, but not limited to, federal sources.

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

19 (2) By March 1 of the current fiscal year, the department
20 shall provide a report to the house and senate appropriations
21 subcommittees on the department budget, the house and senate fiscal
22 agencies, and the state budget office on actual expenditures in the
23 previous fiscal year and planned spending in the current fiscal
24 year of the funds described in subsection (1), including recipient
25 entities, amount of allocation, general category of allocation, and
26 detailed uses.

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



1 military training sites and support facilities.

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

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

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

19 (a) Developing a list of rare diseases.

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

22 (c) Updating the list of rare diseases.

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

26
27 **FAMILY HEALTH SERVICES**

28 Sec. 1301. (1) Before April 1 of the current fiscal year, the
29 department shall submit a report to the house and senate fiscal



1 agencies and the state budget director on planned allocations from
2 the amounts appropriated in part 1 for local MCH services, prenatal
3 care outreach and service delivery support, family planning local
4 agreements, and pregnancy prevention programs. Using applicable
5 federal definitions, the report shall include information on all of
6 the following:

7 (a) Funding allocations.

8 (b) Actual number of women, children, and adolescents served
9 and amounts expended for each group for the previous fiscal year.

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

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

15 (3) As used in this section, "rural" means a county, city,
16 village, or township with a population of 30,000 or less, including
17 those entities if located within a metropolitan statistical area.

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

29 Sec. 1304. The department shall not use state restricted funds



1 or state general funds, or allow grantees or subcontractors to use
2 those funds, appropriated in part 1 in the pregnancy prevention
3 program or family planning local agreements appropriation line
4 items for abortion counseling, referrals, or services.

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

14 (2) The department shall give priority to counties or health
15 districts where no contracts or grants currently exist for family
16 planning or pregnancy prevention services before contracting with
17 or awarding grants to an entity that engages in 1 or more of the
18 activities described in section 1(1) of 2002 PA 360, MCL 333.1091,
19 if that entity is located in a county where family planning and
20 pregnancy prevention services are provided by the county, the
21 health district, or another qualified entity that does not engage
22 in the activities described in section 1(1) of 2002 PA 360, MCL
23 333.1091.

24 Sec. 1306. (1) From the funds appropriated in part 1 for the
25 drinking water declaration of emergency, the department shall
26 allocate funds to address needs in a city in which a declaration of
27 emergency was issued because of drinking water contamination. These
28 funds may support, but are not limited to, the following
29 activities:



1 (a) Nutrition assistance, nutritional and community education,
2 food bank resources, and food inspections.

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

5 (c) Support for child and adolescent health centers,
6 children's health care access program, and pathways to potential
7 programming.

8 (d) Nursing services, breastfeeding education, evidence-based
9 home visiting programs, intensive services, and outreach for
10 children exposed to lead coordinated through local community mental
11 health organizations.

12 (e) Department field operations costs.

13 (f) Lead poisoning surveillance, investigations, treatment,
14 and abatement.

15 (g) Nutritional incentives provided to local residents through
16 the double up food bucks expansion program.

17 (h) Genesee County health department food inspectors to
18 perform water testing at local food service establishments.

19 (i) Transportation related to health care delivery.

20 (j) Senior initiatives.

21 (k) Lead abatement contractor workforce development.

22 (2) From the funds appropriated in part 1 for the drinking
23 water declaration of emergency, the department shall allocate
24 \$300,000.00 for Revive Community Health Center for health support
25 services as the center pursues certification as a federally
26 qualified health center.

27 (3) From the funds appropriated in part 1 for the drinking
28 water declaration of emergency, the department shall allocate
29 \$500,000.00 for rides to wellness through the Flint mass



1 transportation authority.

2 Sec. 1307. From the funds appropriated in part 1 for prenatal
3 care outreach and service delivery support, \$700,000.00 of TANF
4 revenue shall be allocated for a pregnancy and parenting support
5 services program, which must promote childbirth, alternatives to
6 abortion, and grief counseling. The department shall establish a
7 program with a qualified contractor that will contract with
8 qualified service providers to provide free counseling, support,
9 and referral services to eligible women during pregnancy through 12
10 months after birth. As appropriate, the goals for client outcomes
11 shall include an increase in client support, an increase in
12 childbirth choice, an increase in adoption knowledge, an
13 improvement in parenting skills, and improved reproductive health
14 through abstinence education. The contractor of the program shall
15 provide for program training, client educational material, program
16 marketing, and annual service provider site monitoring. The
17 department shall submit a report to the house and senate
18 appropriations subcommittees on the department budget and the house
19 and senate fiscal agencies by April 1 of the current fiscal year on
20 the number of clients served.

21 Sec. 1308. From the funds appropriated in part 1 for prenatal
22 care outreach and service delivery support, not less than
23 \$500,000.00 of funding shall be allocated for evidence-based
24 programs to reduce infant mortality including nurse family
25 partnership programs. The funds shall be used for enhanced support
26 and education to nursing teams or other teams of qualified health
27 professionals, client recruitment in areas designated as
28 underserved for obstetrical and gynecological services and other
29 high-need communities, strategic planning to expand and sustain



1 programs, and marketing and communications of programs to raise
2 awareness, engage stakeholders, and recruit nurses.

3 Sec. 1309. Funds appropriated for educational and other
4 programs and services primarily pertaining to family planning or
5 reproductive health services, or both, in any line item in section
6 116 of part 1 for family health services, shall be allocated by the
7 department according to section 1 of 2002 PA 360, MCL 333.1091.

8 Sec. 1311. From the funds appropriated in part 1 for prenatal
9 care outreach and service delivery support, not less than
10 \$2,750,000.00 state general fund/general purpose funds shall be
11 allocated for a rural home visit program. Equal consideration shall
12 be given to all eligible evidence-based providers in all regions in
13 contracting for rural home visitation services.

14 Sec. 1312. From the funds appropriated in part 1 for prenatal
15 care and premature birth avoidance grant, the department shall
16 allocate \$1,000,000.00 as a grant to help fulfill contract
17 obligations between the department and a federal Healthy Start
18 Program located in a county with a population between 650,000 and
19 660,000 according to the most recent federal decennial census. To
20 be eligible to receive funding, the organization must be a
21 partnership between various health agencies, and utilize a social
22 impact bonding strategy approved by the department to enhance
23 support to underserved populations for prenatal care and premature
24 birth avoidance.

25 Sec. 1313. (1) The department shall continue developing an
26 outreach program on fetal alcohol syndrome services, targeting
27 health promotion, prevention, and intervention.

28 (2) The department shall explore federal grant funding to
29 address prevention services for fetal alcohol syndrome and reduce



1 alcohol consumption among pregnant women.

2 (3) By February 1 of the current fiscal year, the department
3 shall provide a report to the house and senate appropriations
4 subcommittees on the department budget, the house and senate fiscal
5 agencies, and the state budget office on planned spending of
6 appropriations within the department budget for fetal alcohol
7 syndrome projects and services, including appropriation line item,
8 agency or recipient entities, amount and purpose of allocation, and
9 detailed uses. The report shall include a summary of outcomes
10 accomplished by the funding investments and metrics used to
11 determine outcomes, if available.

12 Sec. 1314. The department shall seek to enhance education and
13 outreach efforts that encourage women of childbearing age to seek
14 confirmation at the earliest indication of possible pregnancy and
15 initiate continuous and routine prenatal care upon confirmation of
16 pregnancy. The department shall seek to ensure that department
17 programs, policies, and practices promote prenatal and obstetrical
18 care by doing the following:

19 (a) Supporting access to care.

20 (b) Reducing and eliminating barriers to care.

21 (c) Supporting recommendations for best practices.

22 (d) Encouraging optimal prenatal habits such as prenatal
23 medical visits, use of prenatal vitamins, and cessation of use of
24 tobacco, alcohol, or drugs.

25 (e) Tracking of birth outcomes to study improvements in the
26 prevalence of neonatal substance exposure, fetal alcohol syndrome,
27 and other preventable neonatal disease.

28 (f) Tracking of maternal increase in healthy behaviors
29 following childbirth.



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

5 (2) By February 1 of the current fiscal year, the department
6 shall report to the senate and house appropriations subcommittees
7 on the department budget, the senate and house standing committees
8 on health policy, the senate and house fiscal agencies, and the
9 state budget office the number of individual patients treated,
10 number of procedures performed, and approximate total market value
11 of those procedures from the previous fiscal year.

12 Sec. 1316. The department shall use revenue from mobile
13 dentistry facility permit fees received under section 21605 of the
14 public health code, 1978 PA 368, MCL 333.21605, to offset the costs
15 of processing and issuing mobile dentistry facility permits.

16 Sec. 1317. (1) From the funds appropriated in part 1 for
17 dental programs, \$1,750,000.00 of general fund/general purpose
18 revenue and any associated federal match shall be distributed to
19 local health departments who partner with a qualified nonprofit
20 provider of dental services for the purpose of providing high-
21 quality dental homes for seniors, children, and adults enrolled in
22 Medicaid, and low-income uninsured.

23 (2) In order to be considered a qualified nonprofit provider
24 of dental services, the provider must demonstrate the following:

25 (a) An effective health insurance enrollment process for
26 uninsured patients.

27 (b) An effective process of charging patients on a sliding
28 scale based on the patient's ability to pay.

29 (c) Utilization of additional fund sources including, but not



1 limited to, federal Medicaid matching funds.

2 (3) Providers shall report to the department by September 30
3 of the current fiscal year on outcomes and performance measures for
4 the program under this section including, but not limited to, the
5 following:

6 (a) The number of uninsured patients who visited a
7 participating dentist over the previous year, broken down between
8 adults and children.

9 (b) The number of patients assisted with health insurance
10 enrollment, broken down between adults and children.

11 (c) A 5-year trend of the number of uninsured patients being
12 served, broken down between adults and children.

13 (d) The number of unique patient visits by center.

14 (e) The number of unique Medicaid or Healthy Michigan plan
15 patients served broken down by center.

16 (f) The number of children, seniors, and veterans served
17 broken down by center.

18 (g) The total value of services rendered by the organization
19 broken down by center.

20 (4) Within 15 days after receipt of the report required in
21 subsection (3), the department shall provide a copy of the report
22 to the senate and house appropriations subcommittees on the
23 department budget, the senate and house fiscal agencies, the senate
24 and house policy offices, and the state budget office.

25 Sec. 1320. It is the intent of the legislature that funds
26 appropriated in part 1 that may be expended for a public media
27 campaign regarding publicly funded family planning or pregnancy
28 prevention services shall not be used to communicate in that media
29 campaign any message that implies, states, or can be interpreted to



1 mean that abortion is a method of family planning or pregnancy
2 prevention.

3 Sec. 1321. From the funds appropriated in part 1 for the
4 Michigan model for health comprehensive health education curriculum
5 in the family, maternal, and child health administration line item,
6 the department may, in consultation with the department of
7 education, the Michigan domestic and sexual violence prevention and
8 treatment board, and the Michigan Coalition to End Domestic and
9 Sexual Violence, redraft the curriculum for the "Growing Up &
10 Staying Healthy" and "Healthy & Responsible Relationships" modules
11 to include age-appropriate information about each of the following:

12 (a) The importance of consent, setting and respecting personal
13 boundaries, and the prevention of child sexual abuse as outlined in
14 section 1505 of the revised school code, 1976 PA 451, MCL 380.1505,
15 and consistent with the recommendations and guidelines set by the
16 task force on the prevention of sexual abuse of children created
17 under section 12b of the child protection law, 1975 PA 238, MCL
18 722.632b.

19 (b) The prevention of sexual assault and dating violence.

20 (c) The prevention of human trafficking.

21 Sec. 1322. (1) The department shall provide a report by April
22 15 of the current fiscal year to the house and senate
23 appropriations subcommittees on the department budget, the house
24 and senate fiscal agencies, the house and senate policy offices,
25 and the state budget office on state immunization policy and
26 practices. The report shall include all of the following items:

27 (a) A list of recommended vaccinations.

28 (b) The basis and rationale for inclusion of each listed item.

29 (c) The indicators, measures, and performance outcomes that



1 document improvement in human health for each listed item.

2 (2) From the funds appropriated in part 1 for immunization
3 program, \$50,000.00 shall be allocated for the purpose of
4 publishing and printing the report described in subsection (1) in a
5 summary format to be made available to the public as an
6 informational brochure, provided free of charge through the
7 department's health promotions clearinghouse to providers, groups,
8 or individuals for free distribution.

9 Sec. 1323. From the funds appropriated in part 1 for maternity
10 home program, the department shall allocate \$4,000,000.00 for
11 grants and other expenditures for safe housing and comprehensive
12 supportive services without charge for pregnant women who are
13 without a safe home and in need statewide, which must include
14 access to health and prenatal care, parenting and life skill
15 development, and services and education for a stable transition to
16 independent living. The department shall provide grants of up to
17 \$50,000.00 to support and expand existing maternity home housing
18 and services programs as described under this section. The
19 department shall conduct a statewide assessment to identify
20 underserved communities in need of greater access to maternity home
21 programs.

22 Sec. 1341. The department shall utilize income eligibility and
23 verification guidelines established by the Food and Nutrition
24 Service agency of the United States Department of Agriculture in
25 determining eligibility of individuals for the special supplemental
26 nutrition program for women, infants, and children (WIC) as stated
27 in current WIC policy.

28 Sec. 1342. From the funds appropriated in part 1 for family,
29 maternal, and child health administration, \$500,000.00 shall be



1 allocated for a school children's healthy exercise program to
2 promote and advance physical health for school children in
3 kindergarten through grade 8. The department shall recommend model
4 programs for sites to implement that incorporate evidence-based
5 best practices. The department shall grant the funds appropriated
6 in part 1 for before- and after-school programs. The department
7 shall establish guidelines for program sites, which may include
8 schools, community-based organizations, private facilities,
9 recreation centers, or other similar sites. The program format
10 shall encourage local determination of site activities and shall
11 encourage local inclusion of youth in the decision-making regarding
12 site activities. Program goals shall include children experiencing
13 improved physical health and access to physical activity
14 opportunities, the reduction of obesity, providing a safe place to
15 play and exercise, and nutrition education. To be eligible to
16 participate, program sites shall provide a 20% match to the state
17 funding, which may be provided in full, or in part, by a
18 corporation, foundation, or private partner. The department shall
19 seek financial support from corporate, foundation, or other private
20 partners for the program or for individual program sites.

21 Sec. 1343. From the funds appropriated in part 1 for dental
22 programs, the department shall allocate \$1,760,000.00 of state and
23 local funds plus any private contributions received to support the
24 program to establish and maintain a dental oral assessment program
25 to provide assessments to school children as provided in section
26 9316 of the public health code, 1978 PA 368, MCL 333.9316.

27 Sec. 1344. Programs funded in the department budget in the
28 previous fiscal year with federal title X family planning funds or
29 federal social security act title V MCH block grant funds shall be



1 funded in the current fiscal year with general fund/general purpose
2 funds. For these programs, the department shall not contract with
3 any direct or third-party vendor that provides abortion services.

4 Sec. 1345. From the funds appropriated in part 1 for maternal
5 navigator pilot program, the department must establish not less
6 than 2 geographically diverse maternal navigator pilot programs.
7 Eligible maternal navigator pilot program grantees must be a
8 nonprofit counseling or other similar nonprofit service
9 organization that promotes childbirth and alternatives to abortion.
10 The services provided by the maternal navigator pilot programs must
11 include, but are not limited to, all of the following:

12 (a) Referral services, and partial or full reimbursement, for
13 counseling for victims of rape and other forms of abuse and
14 violence that result in pregnancy.

15 (b) Referral services, and partial or full reimbursement, for
16 specialized substance use disorder services, including residential
17 services.

18 (c) Referral services, and partial or full reimbursement, to a
19 hospital or health system for information and services for women of
20 childbearing age who are seeking nutritional, prenatal, childbirth,
21 and postnatal care and who are also in need of assistance with
22 understanding recent advances in prenatal and postnatal medicines.

23 (d) Referral services, and partial or full reimbursement, for
24 counseling, emotional support services, genetic counseling, and
25 other services to individuals and couples experiencing difficulties
26 or having genetic concerns related to pregnancy or parenting.

27 Sec. 1346. (1) From the funds appropriated in part 1 for
28 pregnancy resource centers, the department shall allocate
29 \$1,500,000.00 as grants to pregnancy resource centers operating in



1 the state. The department shall accept applications from pregnancy
2 resource centers through December 31 of the current fiscal year and
3 distribute the grant funds equally to each eligible pregnancy
4 resource center applicant.

5 (2) As used in this section, "pregnancy resource centers"
6 means private nonprofit organizations that promote childbirth and
7 alternatives to abortion, provide referrals and information, and
8 may also provide other services related to pregnancy or post-
9 pregnancy.

10 Sec. 1347. The department shall not use state restricted funds
11 or state general funds appropriated in part 1, or allow grantees or
12 subcontractors to use those funds, for abortion counseling,
13 referrals, or services, or for any activities regarding human
14 cloning or research in which a human embryo or embryos are
15 destroyed or discarded.

16 Sec. 1348. From the funds appropriated in part 1, the
17 department shall submit a report by February 18 of the current
18 fiscal year to the senate and house appropriations committees, the
19 senate and house appropriations subcommittees on the department
20 budget, the senate and house fiscal agencies, and the senate and
21 house policy offices on any request for proposals issued by this
22 state for the healthy moms healthy babies program and on any
23 healthy moms healthy babies programs that are established.

24 Sec. 1349. Subject to federal approval, from the funds
25 appropriated in part 1 for immunization program, the department
26 shall allocate \$740,000.00 general fund/general purpose plus any
27 available work project funds and federal match through an
28 administered contract with oversight from health services
29 administration and public health administration. The funds shall be



1 used to support a statewide media campaign for improving this
2 state's immunization rates.

3
4 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

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

6 (a) Provide special formulas for eligible clients with
7 specified metabolic and allergic disorders.

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

10 (c) Provide medical care and treatment to eligible patients
11 with hereditary coagulation defects, commonly known as hemophilia,
12 who are 21 years of age or older.

13 (d) Provide human growth hormone to eligible patients.

14 (e) Provide mental health care for mental health needs that
15 result from, or are a symptom of, the individual's qualifying
16 medical condition.

17 (f) Provide medical care and treatment to eligible patients
18 with sickle cell disease who are 21 years of age or older.

19 Sec. 1361. From the funds appropriated in part 1 for medical
20 care and treatment, the department may spend those funds for the
21 continued development and expansion of telemedicine capacity to
22 allow families with children in the children's special health care
23 services program to access specialty providers more readily and in
24 a more timely manner. The department may spend funds to support
25 chronic complex care management of children enrolled in the
26 children's special health care services program to minimize
27 hospitalizations and reduce costs to the program while improving
28 outcomes and quality of life.

29 Sec. 1363. From the funds appropriated in part 1 for



1 children's special health care services administration, the
2 department shall allocate \$1,000,000.00 as a grant to an
3 independent biomedical research and science education organization
4 in a county with a population between 600,000 and 700,000 and in a
5 city with a population over 185,000 according to the most recent
6 federal decennial census to be used for matching federal funds,
7 private and nonprofit grants, and private contributions.

8
9 **AGING SERVICES AGENCY**

10 Sec. 1402. The department may encourage the Food Bank Council
11 of Michigan to collaborate directly with each area agency on aging
12 and any other organizations that provide senior nutrition services
13 to secure the food access of older adults.

14 Sec. 1403. (1) By February 1 of the current fiscal year, the
15 aging services agency shall require each region to report to the
16 aging services agency and to the legislature home-delivered meals
17 waiting lists based upon standard criteria. Determining criteria
18 shall include all of the following:

19 (a) The recipient's degree of frailty.

20 (b) The recipient's inability to prepare his or her own meals
21 safely.

22 (c) Whether the recipient has another care provider available.

23 (d) Any other qualifications normally necessary for the
24 recipient to receive home-delivered meals.

25 (2) Data required in subsection (1) shall be recorded only for
26 individuals who have applied for participation in the home-
27 delivered meals program and who are initially determined as likely
28 to be eligible for home-delivered meals.

29 Sec. 1417. The department shall provide to the senate and



1 house appropriations subcommittees on the department budget, senate
2 and house fiscal agencies, and state budget director a report by
3 March 30 of the current fiscal year that contains all of the
4 following:

5 (a) The total allocation of state resources made to each area
6 agency on aging by individual program and administration.

7 (b) Detailed expenditures by each area agency on aging by
8 individual program and administration including both state-funded
9 resources and locally funded resources.

10 Sec. 1421. From the funds appropriated in part 1 for community
11 services, \$1,100,000.00 shall be allocated to area agencies on
12 aging for locally determined needs.

13 Sec. 1425. The department shall coordinate with the department
14 of licensing and regulatory affairs to ensure that, upon receipt of
15 the order of suspension of a licensed adult foster care home, home
16 for the aged, or nursing home, the department of licensing and
17 regulatory affairs shall provide notice to the department, to the
18 house and senate appropriations subcommittees on the department
19 budget, and to the members of the house and senate that represent
20 the legislative districts of the county in which the facility lies.

21
22 **HEALTH SERVICES ADMINISTRATION**

23 Sec. 1501. (1) From the funds appropriated in part 1 for
24 health services administration, the department shall allocate
25 \$200,000.00 to assess Medicaid reimbursement rates for medical,
26 behavioral, and dental services relative to Medicare reimbursement
27 rates for the same services.

28 (2) By July 1 of the current fiscal year, the department shall
29 report on the findings of subsection (1) and submit the provider



1 reimbursement rate comparison tables to the house and senate
2 appropriations subcommittees on the department budget, the house
3 and senate fiscal agencies, the house and senate policy offices,
4 and the state budget office. The provider reimbursement rate
5 comparison tables shall include, but not be limited to, all of the
6 following:

7 (a) Medicaid reimbursement rates, as of October 1, 2022,
8 itemized by current procedural terminology (CPT) code, by provider
9 type.

10 (b) Medicare reimbursement rates for Michigan Locality 01, as
11 of October 1 2022, itemized by CPT code, by provider type.

12 (c) Comparison between Medicaid and Medicare reimbursement
13 rates by CPT code detailing the current Medicaid reimbursement
14 rates as a percentage of the current Medicare reimbursement rates
15 for Michigan Locality 01, by provider type.

16 (3) As used in this section, "provider type" means all of the
17 following categories of procedure codes, fee screens, or other
18 billing reimbursement information administered by the department:

19 (a) Ambulance.

20 (b) Chiropractors.

21 (c) Dental.

22 (d) Family planning.

23 (e) Genetic counselors.

24 (f) Hearing services and hearing aid dealers.

25 (g) Home health.

26 (h) Hospice.

27 (i) Independent diagnostic testing facilities.

28 (j) Laboratory.

29 (k) Maternal infant health program.



1 (l) Medical suppliers, including, orthotists, prosthetists, and
2 durable medical equipment dealers.

3 (m) Non-physician behavioral health.

4 (n) Physicians, practitioners, and medical clinics.

5 (o) Portable X-ray suppliers.

6 (p) Private duty nurse.

7 (q) Occupational, physical, and speech therapies.

8 (r) Urgent care centers.

9 (s) Vision.

10 Sec. 1502. By March 1 of the current fiscal year, the
11 department shall report to the house and senate appropriations
12 subcommittees on the department budget, the house and senate fiscal
13 agencies, the house and senate policy offices, and the state budget
14 office on the administrative expenditures of each Medicaid health
15 plan and include a breakout of the salary, benefits, and pension of
16 each executive-level staff, including the director, chief
17 executive, chief operating officer, and other members identified as
18 executive staff.

19 Sec. 1505. By March 1 of the current fiscal year, the
20 department shall submit a report to the senate and house
21 appropriations subcommittees on the department budget, the senate
22 and house fiscal agencies, and the state budget office on the
23 actual reimbursement savings and cost offsets that have resulted
24 from the funds appropriated in part 1 for the office of inspector
25 general and third party liability efforts in the previous fiscal
26 year.

27 Sec. 1507. From the funds appropriated in part 1 for office of
28 inspector general, the inspector general shall audit and recoup
29 inappropriate or fraudulent payments from Medicaid managed care



1 organizations to health care providers. Unless authorized by
2 federal or state law, the department shall not fine, temporarily
3 halt operations of, disenroll as a Medicaid provider, or terminate
4 a managed care organization or health care provider from providing
5 services due to the discovery of an inappropriate payment found
6 during the course of an audit.

7 Sec. 1511. On a monthly basis, the department shall work with
8 the department of labor and economic opportunity to report to the
9 senate and house appropriations subcommittees on the department
10 budget, the senate and house fiscal agencies, the senate and house
11 policy offices, and the state budget office on the utilization of
12 workforce development programs by Healthy Michigan plan recipients
13 through Michigan Works! The report shall include, but not be
14 limited to, all of the following:

15 (a) The number of recipients currently receiving employment
16 supports and services through workforce development programs.

17 (b) The total year-to-date number of recipients who have
18 received employment supports and services through workforce
19 development programs.

20 (c) The number of recipients who secured employment in this
21 state after receiving employment supports and services through
22 workforce development programs.

23 (d) A summary of employment supports and services provided to
24 recipients through workforce development programs.

25 Sec. 1512. The updated Medicaid utilization and net cost
26 report shall continue to separate nonclinical administrative costs
27 from actual claims and encounter costs.

28 Sec. 1513. By September 30 of the current fiscal year, the
29 department shall report to the senate and house appropriations



1 subcommittees on the department budget, the senate and house fiscal
2 agencies, the senate and house policy offices, and the state budget
3 office on the implementation of recommendations made by the
4 workgroup required by section 1513 of 2019 PA 67. The report shall
5 include, but is not limited to, the following:

6 (a) Updates on the recommendations being implemented.

7 (b) Updates on the recommendations not being implemented and
8 barriers preventing implementation.

9 Sec. 1514. From the funds appropriated in part 1 for health
10 services administration, the department shall allocate \$300,000.00
11 general fund/general purpose revenue and any associated federal
12 match to support a predictive modeling tool to improve provider
13 billing accuracy and reduce fraud, waste, and abuse in the Medicaid
14 program. The tool must provide a prepayment cost avoidance solution
15 that uses statistical predictive modeling techniques to identify
16 outlier claims.

17 Sec. 1515. A qualified job placement agency may request
18 contact information from the department for Healthy Michigan plan
19 recipients for the geographic region the agency services. This
20 contact information shall not include personal health information
21 or extensive personal identifying information. As used in this
22 section, a "qualified job placement agency" means a regional
23 Michigan Works! agency or another nonprofit, governmental, or
24 quasi-governmental body that provides job placement assistance as
25 designated by the department.

26 Sec. 1517. By October 1 of the current fiscal year, the
27 department shall report to the house and senate appropriations
28 subcommittees on the department budget, the house and senate fiscal
29 agencies, the house and senate policy offices, and the state budget



1 office on the progress of the implementation of the specialty
2 Medicaid managed care health plan for children in foster care, as
3 required under section 1517 of article 6 of 2021 PA 87.

4
5 **HEALTH SERVICES**

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

11 Sec. 1605. The protected income level for Medicaid coverage
12 determined pursuant to section 106(1)(b) (iii) of the social welfare
13 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
14 assistance 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) An applicant for Medicaid, whose qualifying
20 condition is pregnancy, shall immediately be presumed to be
21 eligible for Medicaid coverage unless the preponderance of evidence
22 in her application indicates otherwise. The applicant who is
23 qualified as described in this subsection shall be allowed to
24 select or remain with the Medicaid participating obstetrician of
25 her choice.

26 (2) All qualifying applicants shall be 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 shall be paid at the



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

6 (3) In the event that an applicant, presumed to be eligible
7 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 an applicant under this section is entitled
10 to reimbursement for those services until they are notified by the
11 department that the applicant was found to be ineligible for
12 Medicaid.

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

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

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

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

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 co-payment, 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), Medicaid reimbursement for
11 hospital services provided to dual Medicare/Medicaid recipients
12 with Medicare part B coverage only shall equal, when combined with
13 payments for Medicare and other third-party resources, if any,
14 those amounts established for Medicaid-only patients, including
15 capital payments.

16 Sec. 1615. (1) To minimize errors and overpayments, and to
17 ensure the quality of actuarial rate setting of capitated rates,
18 the department shall provide effective oversight and ensure the
19 integrity of encounter claims submitted to the department by
20 Medicaid health plans.

21 (2) The department may require Medicaid health plans to
22 provide medical records to support claims data, upon request by the
23 department. This subsection shall not require the disclosure of
24 personal identifying information or any information that would be
25 in violation of the health insurance portability and accountability
26 act of 1996, Public Law 104-191.

27 (3) It is the intent of the legislature that the department
28 perform annual internal audits of Medicaid claims provided by
29 Medicaid health plans and report the findings to the house and



1 senate appropriations subcommittees on the department budget, the
2 house and senate fiscal agencies, the house and senate policy
3 offices, and the state budget office. Internal audits performed
4 under this subsection shall be conducted utilizing quantitative
5 methodologies that provide for valid statistical results to
6 include, but not be limited to, minimizing the impact of selection
7 bias and insufficient sample sizes.

8 (4) If an internal audit performed in accordance with this
9 section identifies discrepancies in the quality of actuarial rates,
10 the department shall develop and implement actuarial procedures to
11 reconcile encounter claims data and shall provide for a publicly
12 available explanation of these procedures on the department's
13 website.

14 Sec. 1616. (1) By October 1 of the current fiscal year, the
15 department shall consult the federal government on potential
16 allowable avenues to further utilize Community Health Workers
17 (CHW), including doulas, as Medicaid providers and obtain federal
18 Medicaid matching funds for CHW services. The potential expansion
19 should be geographically broad based, evidence-based, and
20 commensurate with CHW training.

21 (2) By March 1 of the current fiscal year, the department
22 shall report on the expansion of the use of CHW, including doulas,
23 as Medicaid providers and any federal Medicaid match obtained for
24 CHW services, as required under section 1616 of article 6 of 2021
25 PA 87, to the chairs of the house and senate appropriations
26 subcommittees on the department budget, the house and senate fiscal
27 agencies, the house and senate policy offices, and the state budget
28 office.

29 (3) As used in this section, "doula" means a professional



1 labor assistant who provides physical and emotional support during
2 and after pregnancy.

3 Sec. 1617. (1) The department shall evaluate the merits of
4 transitioning the Medicaid reimbursement methodology for federally
5 qualified health centers from a prospective payment system to an
6 alternative payment methodology. The alternative payment
7 methodology must be a population-based capitated payment system
8 that is based on a per-patient per-month reimbursement for each
9 Medicaid recipient assigned to each federally qualified health
10 center.

11 (2) By September 30 of the current fiscal year, the department
12 shall report on the findings of the evaluation required under
13 subsection (1) to the house and senate appropriations subcommittees
14 on the department budget, the house and senate fiscal agencies, the
15 house and senate policy offices, and the state budget office.

16 Sec. 1620. (1) For fee-for-service Medicaid claims, the
17 professional dispensing fee for drugs indicated as specialty
18 medications on the Michigan pharmaceutical products list is \$20.02
19 or the pharmacy's submitted dispensing fee, whichever is less.

20 (2) For fee-for-service Medicaid claims, for drugs not
21 indicated as specialty drugs on the Michigan pharmaceutical
22 products list, the professional dispensing fee for medications is
23 as follows:

24 (a) For medications indicated as preferred on the department's
25 preferred drug list, \$10.80 or the pharmacy's submitted dispensing
26 fee, whichever is less.

27 (b) For medications not on the department's preferred drug
28 list, \$10.64 or the pharmacy's submitted dispensing fee, whichever
29 is less.



1 (c) For medications indicated as nonpreferred on the
2 department's preferred drug list, \$9.00 or the pharmacy's submitted
3 dispensing fee, whichever is less.

4 (3) The department shall require a prescription co-payment for
5 Medicaid recipients not enrolled in the Healthy Michigan plan or
6 with an income less than 100% of the federal poverty level of \$1.00
7 for a generic drug or any drug indicated as preferred on the
8 department's preferred drug list and \$3.00 for a brand-name drug
9 not indicated as preferred on the department's preferred drug list,
10 except as prohibited by federal or state law or regulation.

11 (4) The department shall require a prescription co-payment for
12 Medicaid recipients enrolled in the Healthy Michigan plan with an
13 income of at least 100% of the federal poverty level of \$4.00 for a
14 generic drug or any drug indicated as preferred on the department's
15 preferred drug list and \$8.00 for a brand-name drug not indicated
16 as preferred on the department's preferred drug list, except as
17 prohibited by federal or state law or regulation.

18 Sec. 1625. The department shall not enter into any contract
19 with a Medicaid managed care organization that relies on a pharmacy
20 benefit manager that does not do all of the following:

21 (a) For pharmacies with not more than 7 retail outlets,
22 utilizes a pharmacy reimbursement methodology of the national
23 average drug acquisition cost plus a professional dispensing fee
24 comparable to the applicable professional dispensing fee provided
25 through section 1620. The pharmacy benefit manager or the involved
26 pharmacy services administrative organization shall not receive any
27 portion of the additional professional dispensing fee. The
28 department shall identify the pharmacies this subdivision applies
29 to and provide the list of applicable pharmacies to the Medicaid



1 managed care organizations.

2 (b) For pharmacies with not more than 7 retail outlets,
3 utilizes a pharmacy reimbursement methodology, when a national
4 average drug acquisition cost price is not available, for brand
5 drugs of the lesser of the wholesale acquisition cost, the average
6 wholesale price less 16.7% plus a professional dispensing fee
7 comparable to the applicable professional dispensing fee provided
8 through section 1620, or the usual and customary charge by the
9 pharmacy. The department shall identify the pharmacies this
10 subdivision applies to and provide the list of applicable
11 pharmacies to the Medicaid managed care organizations.

12 (c) For pharmacies with not more than 7 retail outlets,
13 utilizes a pharmacy reimbursement methodology, when a national
14 average drug acquisition cost price is not available, for generic
15 drugs of the lesser of wholesale acquisition cost plus a
16 professional dispensing fee comparable to the applicable
17 professional dispensing fee provided through section 1620, average
18 wholesale price less 30.0% plus a professional dispensing fee
19 comparable to the applicable professional dispensing fee provided
20 through section 1620, or the usual and customary charge by the
21 pharmacy. The department shall identify the pharmacies this
22 subdivision applies to and provide the list of applicable
23 pharmacies to the Medicaid managed care organizations.

24 (d) Reimburses for a legally valid claim at a rate not less
25 than the rate in effect at the time the original claim adjudication
26 as submitted at the point of sale.

27 (e) Agrees to move to a transparent "pass-through" pricing
28 model, in which the pharmacy benefit manager discloses the
29 administrative fee as a percentage of the professional dispensing



1 costs to the department.

2 (f) Agrees to not create new pharmacy administration fees and
3 to not increase current fees more than the rate of inflation. This
4 subdivision does not apply to any federal rule or action that
5 creates a new fee.

6 (g) Agrees to not terminate an existing contract with a
7 pharmacy with not more than 7 retail outlets for the sole reason of
8 the additional professional dispensing fee authorized under this
9 section.

10 Sec. 1626. (1) By January 15 of the current fiscal year, each
11 pharmacy benefit manager that receives reimbursements, either
12 directly or through a Medicaid health plan, from the funds
13 appropriated in part 1 for medical services must submit all of the
14 following information to the department for the previous fiscal
15 year:

16 (a) The total number of prescriptions that were dispensed.

17 (b) The aggregate wholesale acquisition cost for each drug on
18 its formulary.

19 (c) The aggregate amount of rebates, discounts, and price
20 concessions that the pharmacy benefit manager received for each
21 drug on its formulary. The amount of rebates shall include any
22 utilization discounts the pharmacy benefit manager receives from a
23 manufacturer.

24 (d) The aggregate amount of administrative fees that the
25 pharmacy benefit manager received from all pharmaceutical
26 manufacturers.

27 (e) The aggregate amount identified in subdivisions (b) and
28 (c) that were retained by the pharmacy benefit manager and did not
29 pass through to the department or to the Medicaid health plan.



1 (f) The aggregate amount of reimbursements the pharmacy
2 benefit manager pays to contracting pharmacies.

3 (g) Any other information considered necessary by the
4 department.

5 (2) By March 1 of the current fiscal year, the department
6 shall submit the information provided under subsection (1) to the
7 house and senate appropriations subcommittees on the department
8 budget, the house and senate fiscal agencies, the house and senate
9 policy offices, and the state budget office.

10 (3) Any nonaggregated information submitted under this section
11 shall be confidential and shall not be disclosed to any person by
12 the department. Such information is not considered a public record
13 of the department.

14 Sec. 1627. By March 1 of the current fiscal year, the
15 department shall provide a report to the house and senate
16 appropriations subcommittees on the department budget, the house
17 and senate fiscal agencies, and the house and senate policy offices
18 on both of the following:

19 (a) The cost per Medicaid prescription for the fee-for-service
20 population and separately the cost per Medicaid prescription for
21 the managed care population for the fiscal years ending September
22 30, 2017 through the previous fiscal year.

23 (b) Projected cost per Medicaid prescription for the fee-for-
24 service population and projected cost per Medicaid prescription for
25 the managed care population for the current fiscal year.

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



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

5 (2) Except as otherwise prohibited by federal or state law or
6 regulation, the department shall require Medicaid recipients not
7 enrolled in the Healthy Michigan plan or with an income less than
8 100% of the federal poverty level to pay not less than the
9 following co-payments:

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

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

12 (c) Fifty dollars for the first day of an inpatient hospital
13 stay.

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

15 (3) Except as otherwise prohibited by federal or state law or
16 regulation, the department shall require Medicaid recipients
17 enrolled in the Healthy Michigan plan with an income of at least
18 100% of the federal poverty level to pay the following co-payments:

19 (a) Four dollars for a physician office visit.

20 (b) Eight dollars for a hospital emergency room visit.

21 (c) One hundred dollars for the first day of an inpatient
22 hospital stay.

23 (d) Four dollars for an outpatient hospital visit or any other
24 medical provider visit to the extent allowed by federal or state
25 law or regulation.

26 Sec. 1641. An institutional provider that is required to
27 submit a cost report under the Medicaid program shall submit cost
28 reports completed in full within 5 months after the end of its
29 fiscal year.



1 Sec. 1644. (1) From the funds appropriated in part 1, the
2 department shall continue the direct care wage increase to direct
3 care workers employed by skilled nursing facilities for the current
4 fiscal year. This funding must include all costs incurred by the
5 employer, including payroll taxes, due to the wage increase. As
6 used in this subsection, "direct care workers" means a registered
7 professional nurse, licensed practical nurse, competency-evaluated
8 nursing assistant, and respiratory therapist.

9 (2) From the funds appropriated in part 1, the department
10 shall continue the direct care wage increase to direct care workers
11 employed by licensed adult foster care facilities and licensed
12 homes for the aged that provide Medicaid-funded fee-for-service
13 personal care services that were not eligible for any direct care
14 worker pay adjustment under Medicaid-funded managed care. This
15 funding must include all costs incurred by the employer, including
16 payroll taxes, due to the wage increase.

17 Sec. 1645. (1) The department shall update the Medicaid
18 provider manual policy for the class I nursing facility current
19 asset value bed limit to use a rolling 15-year history of new
20 construction when establishing a current asset value bed limit for
21 the fiscal year beginning on October 1, 2022.

22 (2) It is the intent of the legislature that, for the fiscal
23 year beginning October 1, 2023 and subsequent fiscal years, the
24 increase in the current asset value bed limit based on the rolling
25 15-year history of new construction shall not exceed 4% of the
26 previous fiscal year's limit.

27 Sec. 1646. (1) From the funds appropriated in part 1 for long-
28 term care services, the department shall continue to administer a
29 nursing facility quality measure initiative program. The initiative



1 shall be financed through the quality assurance assessment for
2 nursing homes and hospital long-term care units, and the funds
3 shall be distributed according to the following criteria:

4 (a) The department shall award more dollars to nursing
5 facilities that have a higher CMS 5-star quality measure domain
6 rating, then adjusted to account for both positive and negative
7 aspects of a patient satisfaction survey.

8 (b) A nursing facility with a CMS 5-star quality measure
9 domain star rating of 1 or 2 must file an action plan with the
10 department describing how it intends to use funds appropriated
11 under this section to increase quality outcomes before funding
12 shall be released.

13 (c) The total incentive dollars must reflect the following
14 Medicaid utilization scale:

15 (i) For nursing facilities with a Medicaid participation rate
16 of above 63%, the facility shall receive 100% of the incentive
17 payment.

18 (ii) For nursing facilities with a Medicaid participation rate
19 between 50% and 63%, the facility shall receive 75% of the
20 incentive payment.

21 (iii) For nursing facilities with a Medicaid participation rate
22 of less than 50%, the facility shall receive a payment
23 proportionate to their Medicaid participation rate.

24 (iv) For nursing facilities not enrolled in Medicaid, the
25 facility shall not receive an incentive payment.

26 (d) Facilities designated as special focus facilities are not
27 eligible for any payment under this section.

28 (e) Number of licensed beds.

29 (2) The department and nursing facility representatives shall



1 evaluate the quality measure incentive program's effectiveness on
2 quality, measured by the change in the CMS 5-star quality measure
3 domain rating since the implementation of quality measure incentive
4 program. By March 1 of the current fiscal year, the department
5 shall report to the senate and house appropriations subcommittees
6 on the department budget, the senate and house fiscal agencies, and
7 the senate and house policy offices on the findings of the
8 evaluation.

9 Sec. 1647. If a nursing home or hospital long-term care unit
10 was overcharged for the quality assurance assessment during either
11 the fiscal year ending September 30, 2018 or the fiscal year ending
12 September 20, 2019, then, by no later than October 15 of the
13 current fiscal year, the nursing home or hospital long-term care
14 unit may request a retroactive recalculation and refund of the
15 quality assurance assessment. By November 15 of the current fiscal
16 year, the department shall issue the refunds and submit a report on
17 the number of retroactive recalculation requests submitted by a
18 nursing home or hospital long-term care unit and the status and
19 amount of any refunds paid to the house and senate appropriations
20 subcommittees on the department budget, the house and senate fiscal
21 agencies, the house and senate policy offices, and the state budget
22 office.

23 Sec. 1657. (1) Reimbursement for Medicaid to screen and
24 stabilize a Medicaid recipient, including stabilization of a
25 psychiatric crisis, in a hospital emergency room shall not be made
26 contingent on obtaining prior authorization from the recipient's
27 HMO. If the recipient is discharged from the emergency room, the
28 hospital shall notify the recipient's HMO within 24 hours of the
29 diagnosis and treatment received.



1 (2) If the treating hospital determines that the recipient
2 will require further medical service or hospitalization beyond the
3 point of stabilization, that hospital shall receive authorization
4 from the recipient's HMO prior to admitting the recipient.

5 (3) Subsections (1) and (2) do not require an alteration to an
6 existing agreement between an HMO and its contracting hospitals and
7 do not require an HMO to reimburse for services that are not
8 considered to be medically necessary.

9 Sec. 1662. (1) The department shall ensure that an external
10 quality review of each contracting HMO is performed that results in
11 an analysis and evaluation of aggregated information on quality,
12 timeliness, and access to health care services that the HMO or its
13 contractors furnish to Medicaid beneficiaries.

14 (2) The department shall require Medicaid HMOs to provide
15 EPSDT utilization data through the encounter data system, and HEDIS
16 well child health measures in accordance with the National
17 Committee for Quality Assurance prescribed methodology.

18 (3) The department shall provide a copy of the analysis of the
19 Medicaid HMO annual audited HEDIS reports and the annual external
20 quality review report to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies, and the state budget director, within 30 days after the
23 department's receipt of the final reports from the contractors.

24 Sec. 1670. (1) The appropriation in part 1 for the MICHild
25 program is to be used to provide comprehensive health care to all
26 children under age 19 who reside in families with income at or
27 below 212% of the federal poverty level, who are uninsured and have
28 not had coverage by other comprehensive health insurance within 6
29 months of making application for MICHild benefits, and who are



1 residents of this state. The department shall develop detailed
2 eligibility criteria through the health services administration
3 public concurrence process, consistent with the provisions of this
4 part and part 1.

5 (2) The department may provide up to 1 year of continuous
6 eligibility to children eligible for the MICHild program unless the
7 family fails to pay the monthly premium, a child reaches age 19, or
8 the status of the children's family changes and its members no
9 longer meet the eligibility criteria as specified in the state
10 plan.

11 (3) The department may make payments on behalf of children
12 enrolled in the MICHild program as described in the MICHild state
13 plan approved by the United States Department of Health and Human
14 Services, or from other medical services.

15 Sec. 1673. The department may establish premiums for MICHild
16 eligible individuals in families with income at or below 212% of
17 the federal poverty level. The monthly premiums shall be \$10.00 per
18 month.

19 Sec. 1677. The MICHild program shall provide, at a minimum,
20 all benefits available under the Michigan benchmark plan that are
21 delivered through contracted providers and consistent with federal
22 law, including, but not limited to, the following medically
23 necessary services:

24 (a) Inpatient mental health services, other than substance use
25 disorder treatment services, including services furnished in a
26 state-operated mental hospital and residential or other 24-hour
27 therapeutically planned structured services.

28 (b) Outpatient mental health services, other than substance
29 use disorder services, including services furnished in a state-



1 operated mental hospital and community-based services.

2 (c) Durable medical equipment and prosthetic and orthotic
3 devices.

4 (d) Dental services as outlined in the approved MIChild state
5 plan.

6 (e) Substance use disorder treatment services that may include
7 inpatient, outpatient, and residential substance use disorder
8 treatment services.

9 (f) Care management services for mental health diagnoses.

10 (g) Physical therapy, occupational therapy, and services for
11 individuals with speech, hearing, and language disorders.

12 (h) Emergency ambulance services.

13 Sec. 1682. (1) In addition to the appropriations in part 1,
14 the department is authorized to receive and spend penalty money
15 received as the result of noncompliance with Medicaid certification
16 regulations. Penalty money, characterized as private funds,
17 received by the department shall increase authorizations and
18 allotments in the long-term care accounts.

19 (2) Any unexpended penalty money, at the end of the year,
20 shall carry forward to the following year.

21 Sec. 1692. (1) The department is authorized to pursue
22 reimbursement for eligible services provided in Michigan schools
23 from the federal Medicaid program. The department and the state
24 budget director are authorized to negotiate and enter into
25 agreements, together with the department of education, with local
26 and intermediate school districts regarding the sharing of federal
27 Medicaid services funds received for these services. The department
28 is authorized to receive and disburse funds to participating school
29 districts pursuant to such agreements and state and federal law.



1 (2) From the funds appropriated in part 1, the department is
2 authorized to do all of the following:

3 (a) Finance activities within the health services
4 administration related to this project.

5 (b) Reimburse participating school districts pursuant to the
6 fund-sharing ratios negotiated in the state-local agreements
7 authorized in subsection (1).

8 (c) Offset general fund costs associated with the Medicaid
9 program.

10 Sec. 1693. The special Medicaid reimbursement appropriation in
11 part 1 may be increased if the department submits a Medicaid state
12 plan amendment pertaining to this line item at a level higher than
13 the appropriation. The department is authorized to appropriately
14 adjust financing sources in accordance with the increased
15 appropriation.

16 Sec. 1694. From the funds appropriated in part 1 for special
17 Medicaid reimbursement, \$1,121,400.00 of general fund/general
18 purpose revenue and any associated federal match shall be
19 distributed for poison control services to an academic health care
20 system that has a high indigent care volume.

21 Sec. 1697. The department shall require that Medicaid health
22 plans administering Healthy Michigan plan benefits maintain a
23 network of dental providers in sufficient numbers, mix, and
24 geographic locations throughout their respective service areas in
25 order to provide adequate dental care for Healthy Michigan plan
26 enrollees.

27 Sec. 1698. From the funds appropriated in part 1 for dental
28 services, the adult dental fee-for-service reimbursement rates
29 shall be increased by 100%.



1 Sec. 1699. (1) The department may make separate payments in
2 the amount of \$45,000,000.00 directly to qualifying hospitals
3 serving a disproportionate share of indigent patients and to
4 hospitals providing GME training programs. If direct payment for
5 GME and DSH is made to qualifying hospitals for services to
6 Medicaid recipients, hospitals shall not include GME costs or DSH
7 payments in their contracts with HMOs.

8 (2) The department shall allocate \$45,000,000.00 in DSH
9 funding using the distribution methodology used in fiscal year
10 2003-2004.

11 Sec. 1700. By December 1 of the current fiscal year, the
12 department shall report to the senate and house appropriations
13 subcommittees on the department budget, the senate and house fiscal
14 agencies, and the state budget office on the distribution of
15 funding provided, and the net benefit if the special hospital
16 payment is not financed with general fund/general purpose revenue,
17 to each eligible hospital during the previous fiscal year from the
18 following special hospital payments:

19 (a) DSH, separated out by unique DSH pool.

20 (b) GME.

21 (c) Special rural hospital payments provided under section
22 1802(2) of this part.

23 (d) Lump-sum payments to rural hospitals for obstetrical care
24 provided under section 1802(1) of this part.

25 Sec. 1702. From the funds appropriated in part 1, the
26 department shall provide a 15% rate increase for private duty
27 nursing services for Medicaid beneficiaries under the age of 21.
28 These additional funds must be used to attract and retain highly
29 qualified registered nurses and licensed practical nurses to



1 provide private duty nursing services so that medically frail
2 children can be cared for in the most homelike setting possible.

3 Sec. 1704. (1) From the funds appropriated in part 1 for
4 health plan services, the department shall maintain the Medicaid
5 adult dental benefit for pregnant women enrolled in a Medicaid
6 program.

7 (2) By April 15 of the current fiscal year, the department
8 shall report to the house and senate appropriations subcommittees
9 on the department budget, the house and senate fiscal agencies, and
10 the state budget office on the following:

11 (a) The number of pregnant women enrolled in Medicaid who
12 visited a dentist over the previous fiscal year.

13 (b) The number of dentists statewide who participate in
14 providing dental services to pregnant women enrolled in Medicaid.

15 Sec. 1757. The department shall obtain proof from all Medicaid
16 recipients that they are United States citizens or otherwise
17 legally residing in this country and that they are residents of
18 this state before approving Medicaid eligibility.

19 Sec. 1763. Upon expiration of contract no. 071b7700073, the
20 department shall issue an RFP for a 3-year contract for actuarial
21 services, including, but not limited to, capitation rate setting
22 for Medicaid and the Healthy Michigan plan. The department shall
23 notify the senate and house appropriations subcommittees on the
24 department budget, the senate and house fiscal agencies, and the
25 senate and house policy offices on what vendors submitted bids for
26 the contract, which vendor received the contract, the evaluation
27 process, and the criteria used by the department in awarding the
28 contract for actuarial services.

29 Sec. 1764. The department shall annually certify whether rates



1 paid to Medicaid health plans and specialty PIHPs are actuarially
2 sound in accordance with federal requirements and shall provide a
3 copy of the rate certification and approval of rates paid to
4 Medicaid health plans and specialty PIHPs for any fiscal year
5 within 10 business days after certification to the senate and house
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, and the state budget office. Following
8 the rate certification, the department shall ensure that no new or
9 revised state Medicaid policy bulletin that is promulgated
10 materially impacts the capitation rates that have been certified.

11 Sec. 1775. (1) By March 1 of the current fiscal year, the
12 department shall report to the senate and house appropriations
13 subcommittees on the department budget, the senate and house fiscal
14 agencies, and the state budget office on progress in implementing
15 the waiver to implement managed care for individuals who are
16 eligible for both Medicare and Medicaid, known as MI Health Link,
17 including any planned expansion into other geographic regions and
18 any problems and potential solutions as identified by the ombudsman
19 described in subsection (2).

20 (2) The department shall ensure the existence of an ombudsman
21 program that is not associated with any project service manager or
22 provider to assist MI Health Link beneficiaries with navigating
23 complaint and dispute resolution mechanisms and to identify
24 problems in the demonstrations and in the complaint and dispute
25 resolution mechanisms.

26 Sec. 1788. From the funds appropriated in part 1, the
27 department shall provide Medicaid reimbursement rates, including
28 Medicaid reimbursements from the ambulance provider quality
29 assurance assessment, for ground ambulance services at not less



1 than 100% of the Medicare rates for Locality 01 for those services
2 in effect on the date the services are provided to eligible
3 Medicaid recipients.

4 Sec. 1790. The department shall maintain the current
5 practitioner rates paid for current procedural terminology (CPT)
6 codes 90791 through 90899 for psychiatric procedures through
7 Medicaid fee-for-service and through the comprehensive Medicaid
8 health plans for psychiatric procedures provided for Medicaid
9 recipients under the age of 21.

10 Sec. 1791. From the funds appropriated in part 1 for health
11 plan services and physician services, the department shall provide
12 Medicaid reimbursement rates for neonatal services at 100% of the
13 Medicare rate received for those services in effect on the date the
14 services are provided to eligible Medicaid recipients. The current
15 procedural terminology (CPT) codes that are eligible for this
16 reimbursement rate increase are 99468, 99469, 99471, 99472, 99475,
17 99476, 99477, 99478, 99479, and 99480.

18 Sec. 1792. By April 30 of the current fiscal year, the
19 department shall evaluate pharmacy encounter data through the first
20 2 quarters of the fiscal year to determine, in consultation with
21 the Medicaid health plans, if rates must be recertified. By May 30
22 of the current fiscal year, the department shall report the
23 evaluation results to the senate and house appropriations
24 subcommittees on the department budget, the senate and house fiscal
25 agencies, the senate and house policy offices, the state budget
26 office, and the Medicaid health plans.

27 Sec. 1801. From the funds appropriated in part 1 for physician
28 services and health plan services, the department shall continue
29 the increase to Medicaid rates for primary care services provided



1 only by primary care providers. Providers performing a service and
2 whose primary practice is as a non-primary-care subspecialty are
3 not eligible for the increase. The department shall establish
4 policies that most effectively limit the increase to primary care
5 providers for primary care services only. As used in this section,
6 "primary care provider" means a physician, or a practitioner
7 working in collaboration with a physician, who is either licensed
8 under part 170 or part 175 of the public health code, 1978 PA 368,
9 MCL 333.17001 to 333.17097 and 333.17501 to 333.17556, and working
10 as a primary care provider in general practice or board-eligible or
11 certified with a specialty designation of family medicine, general
12 internal medicine, or pediatric medicine, or a provider who
13 provides the department with documentation of equivalency.

14 Sec. 1802. (1) From the funds appropriated in part 1 for
15 hospital services and therapy, \$7,995,200.00 in general
16 fund/general purpose revenue shall be provided as lump-sum payments
17 to noncritical access hospitals that qualified for rural hospital
18 access payments in fiscal year 2013-2014 and that provide
19 obstetrical care in the current fiscal year. Payment amounts shall
20 be based on the volume of obstetrical care cases and newborn care
21 cases for all such cases billed by each qualified hospital in the
22 most recent year for which data is available. Payments shall be
23 made by January 1 of the current fiscal year.

24 (2) From the funds appropriated in part 1 for hospital
25 services and therapy and Healthy Michigan plan, \$13,904,800.00 in
26 general fund/general purpose revenue and any associated federal
27 match shall be awarded as rural access payments to noncritical
28 access hospitals that meet criteria established by the department
29 for services to low-income rural residents. One of the



1 reimbursement components of the distribution formula shall be
2 assistance with labor and delivery services. The department shall
3 ensure that the rural access payments described in this subsection
4 are distributed in a manner that ensures that a hospital does not
5 receive more than 10.0% of the total rural access funding
6 referenced in this subsection.

7 (3) The methodology for distribution under subsection (2) and
8 its applicable data that are used to determine the payment amounts
9 are provided to each hospital by August 1 of the current fiscal
10 year. The department shall publish the distribution of payments for
11 the current fiscal year and the previous fiscal year.

12 Sec. 1804. (1) The department shall utilize the federal public
13 assistance reporting information system to identify Medicaid
14 recipients who are veterans and who may be eligible for federal
15 veterans' health care benefits or other benefits. The department
16 shall identify the specific outcomes and performance reporting
17 requirements described in this section. The department shall
18 acquire all of the following information by January 1 of the
19 current fiscal year and report to the senate and house
20 appropriations subcommittees on the department budget, the senate
21 and house fiscal agencies, and the senate and house policy offices
22 on the following:

23 (a) The number of veterans identified by the department
24 through eligibility determinations.

25 (b) The number of veterans referred to the department of
26 military and veterans affairs.

27 (c) The number of referrals made by the department that were
28 contacted by the department of military and veterans affairs.

29 (d) The number of referrals made by the department that were



1 eligible for veterans health care benefits or other benefits.

2 (e) The specific actions and efforts undertaken by the
3 department and the department of military and veterans affairs to
4 identify female veterans who are applying for public assistance
5 benefits, but who are eligible for veterans benefits.

6 (2) By October 1 of the current fiscal year, the department
7 shall change the public assistance application form from asking
8 whether the prospective applicant was a veteran to asking whether
9 the applicant had ever served in the military.

10 (3) This section does not prohibit the department from
11 entering into interagency agreements with any other public
12 department or agency in this state in order to obtain the
13 information detailed in subsection (1).

14 Sec. 1810. In advance of the annual rate setting development,
15 Medicaid health plans shall be given at least 60 days to dispute
16 and correct any discarded encounter data before rates are
17 certified. The department shall notify each contracting Medicaid
18 health plan of any encounter data that have not been accepted for
19 the purposes of rate setting.

20 Sec. 1812. By June 1 of the current fiscal year, and using the
21 most recent available cost reports, the department shall complete a
22 report of all direct and indirect costs associated with residency
23 training programs for each hospital that receives funds
24 appropriated in part 1 for graduate medical education or through
25 the MiDocs consortium. The report shall be submitted to the house
26 and senate appropriations subcommittees on the department budget,
27 the house and senate fiscal agencies, and the state budget office.

28 Sec. 1820. (1) In order to avoid duplication of efforts, the
29 department shall utilize applicable national accreditation review



1 criteria to determine compliance with corresponding state
2 requirements for Medicaid health plans that have been reviewed and
3 accredited by a national accrediting entity for health care
4 services.

5 (2) The department shall continue to comply with state and
6 federal law and shall not initiate an action that negatively
7 impacts beneficiary safety.

8 (3) As used in this section, "national accrediting entity"
9 means the National Committee for Quality Assurance, the URAC,
10 formerly known as the Utilization Review Accreditation Commission,
11 or other appropriate entity, as approved by the department.

12 Sec. 1837. The department shall continue, and expand where
13 appropriate, utilization of telemedicine and telepsychiatry as
14 strategies to increase access to services for Medicaid recipients.

15 Sec. 1846. From the funds appropriated in part 1 for graduate
16 medical education, the department shall distribute the funds with
17 an emphasis on the following health care workforce goals:

18 (a) The encouragement of the training of physicians in
19 specialties, including primary care, that are necessary to meet the
20 future needs of residents of this state.

21 (b) The training of physicians in settings that include
22 ambulatory sites and rural locations.

23 (c) The training of practitioners providing pediatric
24 psychiatry services.

25 Sec. 1850. The department may allow Medicaid health plans to
26 assist with maintaining eligibility through outreach activities to
27 ensure continuation of Medicaid eligibility and enrollment in
28 managed care. This may include mailings, telephone contact, or
29 face-to-face contact with beneficiaries enrolled in the individual



1 Medicaid health plan. Health plans may offer assistance in
2 completing paperwork for beneficiaries enrolled in their plan.

3 Sec. 1851. From the funds appropriated in part 1 for adult
4 home help services, the department shall allocate \$150,000.00 state
5 general fund/general purpose revenue plus any associated federal
6 match to develop and deploy a mobile electronic visit verification
7 solution to create administrative efficiencies, reduce error, and
8 minimize fraud. The development of the solution shall be predicated
9 on input from the results of the 2017 stakeholder survey.

10 Sec. 1854. The funds appropriated in part 1 for program of
11 all-inclusive care for the elderly (PACE) must support a current
12 fiscal year enrollment cap that is not less than 7,288.

13 Sec. 1855. From the funds appropriated in part 1 for program
14 of all-inclusive care for the elderly (PACE), to the extent that
15 funding is available in the PACE line item and unused program slots
16 are available, the department may do the following:

17 (a) Increase the number of slots for an already-established
18 local PACE program if the local PACE program has provided
19 appropriate documentation to the department indicating its ability
20 to expand capacity to provide services to additional PACE clients.

21 (b) Suspend the 10 member per month individual PACE program
22 enrollment increase cap in order to allow unused and unobligated
23 slots to be allocated to address unmet demand for PACE services.

24 Sec. 1856. (1) From the funds appropriated in part 1 for
25 hospice services, \$5,000,000.00 shall be expended to provide room
26 and board for Medicaid recipients who meet hospice eligibility
27 requirements and receive services at Medicaid enrolled hospice
28 residences in this state. The department shall distribute funds
29 through grants based on the total beds located in all eligible



1 residences that have been providing these services as of October 1,
2 2017. The initial grant amount must be established at a daily rate
3 of \$270.00 for each Medicaid-approved recipient who is receiving
4 hospice care. Any eligible grant applicant may inform the
5 department of their request to reduce the grant amount allocated
6 for their residence and the funds shall be distributed
7 proportionally to increase the total grant amount of the remaining
8 grant-eligible residences. Grant amounts shall be paid out monthly
9 with 1/12 of the total grant amount distributed each month to the
10 grantees.

11 (2) By September 15 of the current fiscal year, each Medicaid-
12 enrolled hospice with a residence that receives funds under this
13 section shall provide a report to the department on the utilization
14 of the grant funding provided in subsection (1). The report shall
15 be provided in a format prescribed by the department and shall
16 include the following:

17 (a) The number of patients served.

18 (b) The number of days served.

19 (c) The daily room and board rates for the patients served.

20 (d) If there is not sufficient funding to cover the total room
21 and board need, the number of patients who did not receive care due
22 to insufficient grant funding.

23 (3) If there is funding remaining at the end of the current
24 fiscal year, the Medicaid-enrolled hospice with a residence shall
25 return funding to the state.

26 Sec. 1858. By April 1 of the current fiscal year, the
27 department shall report to the senate and house appropriations
28 subcommittees on the department budget and the senate and house
29 fiscal agencies on all of the following elements related to the



1 current Medicaid pharmacy carve-out of pharmaceutical products as
2 provided for in section 109h of the social welfare act, 1939 PA
3 280, MCL 400.109h:

4 (a) The number of prescriptions paid by the department during
5 the previous fiscal year.

6 (b) The total amount of expenditures for prescriptions paid by
7 the department during the previous fiscal year.

8 (c) The number of and total expenditures for prescriptions
9 paid for by the department for generic equivalents during the
10 previous fiscal year.

11 Sec. 1859. The department shall partner with the Michigan
12 Association of Health Plans (MAHP) and Medicaid health plans to
13 develop and implement strategies for the use of information
14 technology services for Medicaid research activities. The
15 department shall make available state medical assistance program
16 data, including Medicaid behavioral data, to MAHP and Medicaid
17 health plans or any vendor considered qualified by the department
18 for the purpose of research activities consistent with this state's
19 goals of improving health; increasing the quality, reliability,
20 availability, and continuity of care; and reducing the cost of care
21 for the eligible population of Medicaid recipients.

22 Sec. 1860. By March 1 of the current fiscal year, the
23 department shall provide a report to the senate and house
24 appropriations subcommittees, the senate and house fiscal agencies,
25 and the state budget office on uncollected co-pays and premiums in
26 the Healthy Michigan plan. The report shall include information on
27 the number of participants who have not paid their co-pays and
28 premiums, the total amount of uncollected co-pays and premiums, and
29 steps taken by the department and health plans to ensure greater



1 collection of co-pays and premiums.

2 Sec. 1862. From the funds appropriated in part 1, the
3 department shall maintain payment rates for Medicaid obstetrical
4 services at 95% of Medicare levels effective October 1, 2014.

5 Sec. 1867. (1) The department shall continue a workgroup that
6 includes psychiatrists, other relevant prescribers, and pharmacists
7 to identify best practices and to develop a protocol for
8 psychotropic medications. Any changes proposed by the workgroup
9 shall protect a Medicaid beneficiary's current psychotropic
10 pharmaceutical treatment regimen by not requiring a physician
11 currently prescribing any treatment to alter or adjust that
12 treatment.

13 (2) By March 1 of the current fiscal year, the department
14 shall provide the workgroup's recommendations to the senate and
15 house appropriations subcommittees on the department budget, the
16 senate and house fiscal agencies, and the state budget office.

17 Sec. 1869. The department shall allocate \$100.00 general
18 fund/general purpose revenue, any local funding, and any federal
19 matching revenue, to a community-based residency training program,
20 accredited by the Accreditation Council for Graduate Medical
21 Education (ACGME) and operated by community-based organizations
22 such as federally qualified health centers, which operates from the
23 local funds appropriated in this section, to administer a
24 community-based residency training program. The funds appropriated
25 in this section may be allocated and administered on a local level
26 to communities with high disparities related to COVID-19 and high
27 infant mortality rates for community and public health-based
28 training programs for providers in family medicine. The community-
29 based residency training program shall have a particular emphasis



1 on addressing local psychiatric issues, local health disparities,
2 and local maternal child health issues. The department may secure
3 federal matching funds on local funds allocated in this section to
4 serve Medicaid and uninsured individuals through this community-
5 based residency training program.

6 Sec. 1870. (1) From the funds appropriated in part 1 for
7 hospital services and therapy, the department shall appropriate
8 \$6,400,000.00 in general fund/general purpose revenue plus any
9 contributions from public entities, up to \$5,000,000.00, and any
10 associated federal match to the MiDocs consortium to create new
11 primary care residency slots in underserved communities. The new
12 primary care residency slots must be in 1 of the following
13 specialties: family medicine, general internal medicine, general
14 pediatrics, general OB-GYN, psychiatry, or general surgery.

15 (2) The department shall seek any necessary approvals from CMS
16 to allow the department to implement the program described in this
17 section.

18 (3) Assistance with repayment of medical education loans, loan
19 interest payments, or scholarships provided by MiDocs shall be
20 contingent upon a minimum 2-year commitment to practice in an
21 underserved community in this state post-residency and an agreement
22 to forego any sub-specialty training for at least 2 years post-
23 residency with the exception of a child and adolescent psychiatry
24 fellowship which must be integrated with a psychiatry residency
25 training program in a MiDocs affiliated institution.

26 (4) The MiDocs shall work with the department to integrate the
27 Michigan inpatient psychiatric admissions discussion (MIPAD)
28 recommendations and, when possible, prioritize training
29 opportunities in state psychiatric hospitals and community mental



1 health organizations.

2 (5) The department shall maintain the MiDocs initiative
3 advisory council to help support implementation of the program
4 described in this section, and provide oversight. The advisory
5 council shall be composed of the MiDocs consortium, the Michigan
6 Area Health Education Centers, the Michigan Primary Care
7 Association, the Michigan Center for Rural Health, the Michigan
8 Academy of Family Physicians, and any other appointees designated
9 by the department.

10 (6) By September 1 of the current fiscal year, MiDocs shall
11 report to the senate and house appropriations subcommittees on the
12 department budget, the senate and house fiscal agencies, the senate
13 and house policy offices, and the state budget office, on the
14 following:

15 (a) Audited financial statement of per-resident costs.

16 (b) Education and clinical quality data.

17 (c) Roster of trainees, including areas of specialty and
18 locations of training.

19 (d) Medicaid revenue by training site.

20 (7) Outcomes and performance measures for this program
21 include, but are not limited to, the following:

22 (a) Increasing this state's ability to recruit, train, and
23 retain primary care physicians and other select specialty
24 physicians in underserved communities.

25 (b) Maximizing training opportunities with community health
26 centers, rural critical access hospitals, solo or group private
27 practice physician practices, schools, and other community-based
28 clinics, in addition to required rotations at inpatient hospitals.

29 (c) Increasing the number of residency slots for family



1 medicine, general internal medicine, general pediatrics, general
2 OB-GYN, psychiatry, and general surgery.

3 (8) Unexpended and unencumbered funds up to a maximum
4 \$6,400,000.00 in general fund/general purpose revenue plus any
5 contributions from public entities, up to \$5,000,000.00, and any
6 associated federal match remaining in accounts appropriated in part
7 1 for hospital services and therapy are designated as work project
8 appropriations, and any unencumbered or unallotted funds shall not
9 lapse at the end of the fiscal year and shall be available for
10 expenditures for the MiDocs consortium to create new primary care
11 residency slots in underserved communities under this section until
12 the work project has been completed. All of the following are in
13 compliance with section 451a(1) of the management and budget act,
14 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the work project is to fund the cost of the
16 MiDocs consortium to create new primary care residency slots in
17 underserved communities.

18 (b) The work project will be accomplished by contracting with
19 the MiDocs consortium to oversee the creation of new primary care
20 residency slots.

21 (c) The total estimated completion cost of the work project is
22 \$20,200,000.00.

23 (d) The tentative completion date is September 30, 2027.

24 Sec. 1871. The funds appropriated in part 1 for the Healthy
25 Michigan plan healthy behaviors incentives program shall only
26 provide reductions in cost-sharing responsibilities and shall not
27 include other financial rewards such as gift cards.

28 Sec. 1872. From the funds appropriated in part 1 for personal
29 care services, the department shall maintain the monthly Medicaid



1 personal care supplement paid to adult foster care facilities and
2 homes for the aged that provide personal care services to Medicaid
3 recipients in place during the previous fiscal year.

4 Sec. 1873. From the funds appropriated in part 1 for long-term
5 care services, the department may allocate up to \$3,700,000.00 for
6 the purpose of outreach and education to nursing home residents and
7 the coordination of housing in order to move out of the facility.
8 In addition, any funds appropriated shall be used for other quality
9 improvement activities of the program. The department shall
10 consider working with all relevant stakeholders to develop a plan
11 for the ongoing sustainability of the nursing facility transition
12 initiative.

13 Sec. 1874. The department shall ensure, in counties where
14 program of all-inclusive care for the elderly or PACE services are
15 available, that the program of all-inclusive care for the elderly
16 (PACE) is included as an option in all options counseling and
17 enrollment brokering for aging services and managed care programs,
18 including, but not limited to, Area Agencies on Aging, centers for
19 independent living, and the MiChoice home and community-based
20 waiver. Such options counseling must include approved marketing and
21 discussion materials.

22 Sec. 1879. The department must allow contracted Medicaid
23 health plans to manage their own preferred drug lists to be used by
24 their Medicaid managed health care program enrollees. Changes to
25 each contracted Medicaid health plan's preferred drug list shall be
26 made in consultation with the Michigan pharmacy and therapeutics
27 committee to ensure sufficient access to medically necessary drugs
28 for each disease state.

29 Sec. 1881. The managed care capitation rates for the fiscal



1 year ending September 30, 2023 shall not include a 2-way risk
2 corridor.

3 Sec. 1888. The department shall establish contract performance
4 standards associated with the capitation withhold provisions for
5 Medicaid health plans at least 3 months before the implementation
6 of those standards. The determination of whether performance
7 standards have been met shall be based primarily on recognized
8 concepts such as 1-year continuous enrollment and the health care
9 effectiveness data and information set, HEDIS, audited data.

10 Sec. 1894. By March 1 of the current fiscal year, the
11 department shall report to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies, the senate and house policy offices, and the state budget
14 office on the Healthy Kids Dental program. The report shall
15 include, but is not limited to, the following:

16 (a) The number of children enrolled in the Healthy Kids Dental
17 program who visited the dentist during the previous fiscal year
18 broken down by dental benefit manager.

19 (b) The number of dentists who accept payment from the Healthy
20 Kids Dental program broken down by dental benefit manager.

21 (c) The annual change in dental utilization of children
22 enrolled in the Healthy Kids Dental program broken down by dental
23 benefit manager.

24 (d) Service expenditures for the Healthy Kids Dental program
25 broken down by dental benefit manager.

26 (e) Administrative expenditures for the Healthy Kids Dental
27 program broken down by dental benefit manager.

28 Sec. 1895. From the funds appropriated in part 1 for long-term
29 care services, the department shall adjust the variable cost



1 component (VCC) and plant cost component of Medicaid reimbursement
2 to class I, class III, and class IV nursing home providers as
3 follows:

4 (a) An interim VCC rate and plant cost component rate for each
5 facility must be established at 102.5% of the interim rate provided
6 on October 1 of the previous fiscal year.

7 (b) The quality assurance supplement (QAS) amount must be
8 calculated for nursing home providers using the following factors:

9 (i) For class 1 providers, the QAS must be based on the updated
10 interim VCC multiplied by 21.76%.

11 (ii) For governmental class III providers, the QAS must be
12 subject to the class I updated variable cost limit (VCL).

13 (iii) For nongovernmental class III providers, the QAS must be
14 based on their VCC or VCL, as applicable, multiplied by 21.76%.

15 (c) The department shall audit the final 2023 VCC and plant
16 costs to establish the final audited rate provided to facilities
17 for services provided in the current fiscal year.

18
19 **INFORMATION TECHNOLOGY**

20 Sec. 1901. (1) The department shall provide a report on a
21 semiannual basis to the senate and house appropriations
22 subcommittees on the department budget, the senate and house fiscal
23 agencies, the senate and house policy offices, and the state budget
24 office on all of the following information:

25 (a) The process used to define requests for proposals for each
26 expansion of information technology projects, including timelines,
27 project milestones, and intended outcomes.

28 (b) If the department decides not to contract the services out
29 to design and implement each element of the information technology



1 expansion, the department's own project plan that includes, at a
2 minimum, the requirements in subdivision (a).

3 (c) A recommended project management plan with milestones and
4 time frames.

5 (d) The proposed benefits from implementing the information
6 technology expansion, including customer service improvement, form
7 reductions, potential time savings, caseload reduction, and return
8 on investment.

9 (e) Details on the implementation of the integrated service
10 delivery project, and the progress toward meeting the outcomes and
11 performance measures listed in section 1904(2) of this part.

12 (f) A list of projects approved in the previous 6 months and
13 the purpose for approving each project including any federal,
14 state, court, or legislative requirement for each project.

15 (2) Once an award for an expansion of information technology
16 is made, the department shall report to the senate and house
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, the senate and house policy offices, and
19 the state budget office a projected cost of the expansion broken
20 down by use and type of expense.

21 Sec. 1902. From the funds appropriated in part 1 for the
22 Michigan Medicaid information system (MMIS) line item, private
23 revenue may be received from and allocated for other states
24 interested in participating as part of the broader MMIS initiative.
25 By March 1 of the current fiscal year, the department shall provide
26 a report on the use of MMIS by other states for the previous fiscal
27 year, including a list of states, type of use, and revenue and
28 expenditures related to the agreements with the other states to use
29 the MMIS. The report shall be provided to the house and senate



1 appropriations subcommittees on the department budget, the house
2 and senate fiscal agencies, and the state budget office.

3 Sec. 1903. (1) The department shall report to the senate and
4 house appropriations subcommittees on the department budget, the
5 senate and house fiscal agencies, the senate and house policy
6 offices, and the state budget office by November 1 of the current
7 fiscal year the status of an implementation plan regarding the
8 appropriation in part 1 to modernize the MiSACWIS. The report shall
9 include, but not be limited to, an update on the status of the
10 settlement and efforts to bring the system in compliance with the
11 settlement and other federal guidelines set forth by the United
12 States Department of Health and Human Services Administration for
13 Children and Families.

14 (2) The department shall report quarterly to the senate and
15 house appropriations subcommittees on the department budget, the
16 senate and house fiscal agencies, the senate and house policy
17 offices, and the state budget office a status report on the
18 planning, implementation, and operation, regardless of the current
19 operational status, regarding the appropriation in part 1 to
20 implement the MiSACWIS. The report shall provide details on the
21 planning, implementation, and operation of the MiSACWIS, including,
22 but not limited to, all of the following:

23 (a) Areas where implementation went as planned, and in each
24 area including whether the implementation results in either
25 enhanced user interface or portal access, conversion to new
26 modules, or substantial operation improvement to the MiSACWIS.

27 (b) The number of known issues.

28 (c) The average number of help tickets submitted per day.

29 (d) Any additional overtime or other staffing costs to address



1 known issues and volume of help tickets.

2 (e) Any contract revisions to address known issues and volume
3 of help tickets.

4 (f) Other strategies undertaken to improve implementation, and
5 for each strategy area including whether the implementation results
6 in either enhanced user interface or portal access, conversion to
7 new modules, or substantial operation improvement to the MiSACWIS.

8 (g) Progress developing cross-system trusted data exchange
9 with the MiSACWIS.

10 (h) Progress in moving away from a statewide automated child
11 welfare information system (SACWIS) to a comprehensive child
12 welfare information system (CCWIS).

13 (i) Progress developing and implementing a program to monitor
14 data quality.

15 (j) Progress developing and implementing custom integrated
16 systems for private agencies.

17 (k) A list of all change orders, planned or in progress.

18 (l) The status of all change orders, planned or in progress.

19 (m) The estimated costs for all planned change orders.

20 (n) The estimated and actual costs for all change orders in
21 progress.

22 (3) By July 1 of the current fiscal year, the department shall
23 submit to the house and senate appropriations subcommittees on the
24 department budget, the house and senate fiscal agencies, and the
25 house and senate policy offices a report on the department's
26 efforts and recommendations to develop and implement a simpler and
27 more streamlined process for the annual renewal of the licenses for
28 family foster care homes, and the development of a simpler and more
29 efficient version of the application form for renewal of the



1 licenses for family foster care homes.

2 Sec. 1904. (1) From the funds appropriated in part 1 for the
3 technology supporting integrated service delivery line item, the
4 department shall maintain information technology tools and enhance
5 existing systems to improve the eligibility and enrollment process
6 for citizens accessing department administered programs. This
7 information technology system shall consolidate beneficiary
8 information, support department caseworker efforts in building a
9 success plan for beneficiaries, and better support department staff
10 in supporting enrollees in assistance programs.

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

13 (a) Successful consolidation of data warehouses maintained by
14 the department.

15 (b) The amount of time a department caseworker devotes to data
16 entry when initiating an enrollee application.

17 (c) A reduction in wait times for persons enrolled in
18 assistance programs to speak with department staff and get
19 necessary changes made.

20 (d) A reduction in department caseworker workload.

21 Sec. 1905. (1) The department shall report on a quarterly
22 basis to the chairs of the senate and house standing committees on
23 appropriations, the senate and house appropriations subcommittees
24 on the department budget, the senate and house appropriations
25 subcommittees on the general government budget, the senate and
26 house fiscal agencies, the senate and house policy offices, and the
27 state budget office on all of the following:

28 (a) Fiscal year-to-date information technology spending for
29 the current fiscal year by service and project and by line-item



1 appropriation.

2 (b) Planned information technology spending for the remainder
3 of the current fiscal year by service and project and by line-item
4 appropriation.

5 (c) Total fiscal year-to-date information technology spending
6 and planned spending for the current fiscal year by service and
7 project and by line-item appropriation.

8 (d) A list of all information technology projects estimated to
9 cost more than \$250,000.00 that exceed their allotted budget and
10 all information technology projects that have exceeded their
11 allotted budget by 25% or more.

12 (2) As used in subsection (1), "project" includes, but is not
13 limited to, all of the following major projects:

14 (a) Community health automated Medicaid processing system
15 (CHAMPS).

16 (b) Bridges and MiBridges eligibility determination.

17 (c) MiSACWIS.

18 (d) Integrated service delivery.

19 (3) The department shall develop a strategic plan for
20 information technology services and projects for the department.
21 The strategic plan shall identify any scheduled changes in the
22 federal and state shares of costs related to information technology
23 services and projects over the 5-year period. As part of the
24 strategic plan, the department shall include total information
25 technology expenditures from the previous fiscal year by fund
26 source and total information technology appropriations as a
27 percentage of total department appropriations by fund source, by
28 completed project, for all information technology expenditures in
29 the previous fiscal year. All projects beginning after October 1,



1 2021 will follow department of management and budget benefits
2 realization methodology, for reporting when completed in a future
3 fiscal year's report. The strategic plan shall also develop
4 benchmarks for comparison that include, for the previous 5 fiscal
5 years, the department's information technology spending compared to
6 the spending in the areas of public health, Medicaid, child
7 protective services, child welfare, family and social services,
8 human services, and child support enforcement for similar
9 departments in 3 other states located in the Midwest.

10 Sec. 1906. From the funds appropriated in part 1 for
11 information technology services and projects, the department shall
12 allocate \$100.00 general fund/general purpose revenue, and all
13 associated federal matching revenue, to a public and private
14 nonprofit collaboration that is designated as this state's
15 statewide health information exchange by cooperative agreement, to
16 implement health information technology strategies for health
17 information exchange development, data management, and population
18 health at a statewide level.

19 Sec. 1907. By March 1 of the current fiscal year, the
20 department shall report to the house and senate appropriations
21 subcommittees on the department budget, the house and senate fiscal
22 agencies, the house and senate policy offices, and the state budget
23 office on all current, contracted information technology-related
24 projects, total contractual costs, spending in previous fiscal
25 years, planned spending for the current fiscal year, and fiscal
26 year-to-date spending, by project.

27 Sec. 1908. From the funds appropriated in part 1 for
28 information technology services and projects, the department shall
29 allocate \$100.00 to purchase a 4-year subscription from a



1 technology company that provides real-time visibility platforms for
2 complex supply chains and operates as a cloud-based software as a
3 service model (SaaS) located in a city with a population between
4 123,800 and 123,900, located within a county with a population
5 between 372,200 and 372,300, according to the most recent federal
6 decennial census, for an unlimited number of integrations to the
7 state's statewide emergency preparedness information technology and
8 data platforms.

9 Sec. 1909. (1) From the funds appropriated in part 1 for child
10 support automation, the department shall only encumber or expend
11 funds for the operation, maintenance, and improvements of the
12 Michigan child support enforcement system (MiCSES).

13 (2) From the funds appropriated in part 1 for bridges
14 information system, the department shall only encumber or expend
15 funds for the operation, maintenance, and improvements of Bridges
16 and MIBridges.

17 (3) From the funds appropriated in part 1 for technology
18 supporting integrated service delivery, the department shall only
19 encumber or expend funds for the operation, maintenance, and
20 improvements of integrated service delivery.

21 (4) From the funds appropriated in part 1 for Michigan
22 Medicaid information system, the department shall only encumber or
23 expend funds for the operation, maintenance, and improvements of
24 the community health automated Medicaid processing system (CHAMPS).

25 (5) From the funds appropriated in part 1 for Michigan
26 statewide automated child welfare information system, the
27 department shall only encumber or expend funds for the operation,
28 maintenance, and improvements of MiSACWIS.

29 (6) From the funds appropriated in part 1 for comprehensive



1 child welfare information system, the department shall only
2 encumber or expend funds for the operation, maintenance, and
3 improvements to the comprehensive child welfare information system.

4 (7) From the funds appropriated in part 1 for comprehensive
5 child welfare information system, the department shall allocate
6 \$29,478,300.00 to develop a new information system to replace
7 MiSACWIS consistent with the plan provided by the department to the
8 United States District Court for Eastern District of Michigan as a
9 part of the settlement. The development of the comprehensive child
10 welfare information system shall adhere to department of
11 technology, management, and budget and IT Investment Fund (ITIF)
12 policies and practices, including use of the state unified
13 information technology environment methodology and agile
14 development. The project team shall also participate in and comply
15 with the enterprise portfolio management office process and product
16 quality assurance. To ensure full transparency, the project shall
17 be included in the ITIF portfolio for executive, legislative, and
18 external reporting purposes. As a component of the ITIF portfolio,
19 the project is subject to governance and oversight by the IT
20 investment management board.

21 Sec. 1910. (1) From the funds appropriated in part 1,
22 \$516,491,000.00 is appropriated for information technology services
23 and projects including:

24 (a) \$63,416,300.00 for bridges information system.

25 (b) \$21,542,100.00 for Michigan statewide automated child
26 welfare information system.

27 (c) \$99,529,200.00 for Michigan Medicaid information system.

28 (d) \$44,604,800.00 for child support automation.

29 (e) \$16,053,100.00 for technology supporting integrated



1 service delivery.

2 (f) \$3,373,200.00 for comprehensive child welfare information
3 system.

4 (2) For all expenditures of funds appropriated in subsection
5 (1), the department shall report to the senate and house
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, and the senate and house policy offices
8 by April 1 of the current fiscal year total information technology
9 expenditures from the previous fiscal year and all information
10 technology expenditures made under an agile software development
11 plan from the previous fiscal year with details on the agile
12 software implementation.

13 (3) From the funds appropriated as described in subsection
14 (1)(f) for comprehensive child welfare information system, this
15 state shall be the owner of any software purchased or developed
16 from the expenditures made under this subsection or it shall be
17 committed to the public domain.

18 (4) The department shall report by March 1 of the current
19 fiscal year to the senate and house appropriations subcommittees on
20 the department budget, the senate and house fiscal agencies, and
21 the senate and house policy offices on the selection of a product
22 owner for the comprehensive child welfare information system.

23 (5) The department shall provide updates as requested by the
24 chairs of the house and senate appropriations committees or the
25 chairs of the house and senate appropriations subcommittees on the
26 department budget. Information updates provided by the department,
27 upon request, shall also be accessible to the house and senate
28 fiscal agencies, the house and senate policy offices, and the state
29 budget office on the status of the work completed to date. The



updates shall include demonstrations of the completed work during the sprint period. During these demonstrations, the department shall provide a quality assessment surveillance plan as shown in appendix B of "De-risking custom technology projects" from the United States General Services Administration. At each demonstration, the department shall validate which user stories have been included into the software development and the remaining user stories that will be included into the product.

(6) As used in this section:

(a) "Agile software development" means the use of development methodologies using iterative development with work completed by cross-functional teams of software development.

(b) "Product owner" means a department employee who iteratively prioritizes and defines the work for the product team, works with users, stakeholders, technologists, and the software vendor to envision the direction for the product, and ensures that value is being delivered to end users as quickly as possible.

(c) "User-centered design" means software development that places the highest priority on the needs of the specific people who are expected to use the software.

(d) "User stories" means a task that the agile software development team will focus on over a given 2-week development period and includes clearly labeled progress toward meeting the needs of the end users.

ONE-TIME APPROPRIATIONS

Sec. 1951. From the funds appropriated in part 1 for adoption support services, the department shall allocate \$100,000.00 of state general fund/general purpose revenue to a nonprofit,



1 community-based organization organized under the laws of this state
2 that is exempt from federal income tax under section 501(c)(3) of
3 the internal revenue code of 1986, 26 USC 501, with a marketing
4 initiative to find older foster children adoptive homes before they
5 age out of the foster care system through the production of
6 personalized videos of foster children who are waiting for
7 adoption. Funding must be used to renovate a building to create a
8 safe living space, provide life skills training, assist with the
9 transition into adulthood, and provide counseling for youth who
10 have aged out of foster care.

11 Sec. 1952. (1) From the funds appropriated in part 1 for ARP -
12 PACE program supports, the department shall allocate \$9,000,000.00
13 of state fiscal recovery fund revenue to assist with facility
14 costs, equipment costs, and any other start-up costs associated
15 with establishing not fewer than 3 programs of all-inclusive care
16 for the elderly locations in rural, underserved communities.

17 (2) From the funds appropriated in part 1 for ARP - PACE
18 program supports, the department shall allocate \$31,000,000.00 of
19 state fiscal recovery fund revenue to assist current PACE programs
20 with any eligible COVID-related costs, services, or programming.

21 (3) Funds allocated under this section do not constitute a
22 future guarantee of permitting approval for any project.

23 (4) The funds allocated under this section must be expended in
24 compliance with federal regulations established under the American
25 rescue plan act of 2021, Public Law 117-2, including all
26 regulations and requirements around the use of the state fiscal
27 recovery fund.

28 Sec. 1953. From the funds appropriated in part 1 for autism
29 comprehensive care center, the department shall allocate



1 \$2,500,000.00 to a nonprofit organization with at least 20 years of
2 experience providing behavioral services and with at least 11 sites
3 across this state with a main office located in a county with a
4 population between 1,200,000 and 1,500,000, according to the most
5 recent federal decennial census and in a city with a population
6 between 24,000 and 24,500, according to the most recent federal
7 decennial census for capital expenses, services, and program
8 operations for an autism comprehensive care center that would
9 provide personalized services, including, but not limited to, the
10 following:

11 (a) Autism programming, including screening, evaluations,
12 therapy offerings, and intensive behavioral care and support.

13 (b) Speech and occupational therapy.

14 (c) Family and sibling therapy.

15 (d) Experiential life skills.

16 Sec. 1954. (1) From the funds appropriated in part 1 for ARP -
17 first responder and public safety staff mental health, the
18 department shall allocate \$7,500,000.00 toward a grant program to
19 support firefighters, police officers, emergency medical services
20 personnel, public safety tele-communicators, local correctional
21 officers, juvenile detention employees, and those working on
22 special teams such as internet sex crimes, sexual crimes against
23 children, or traffic fatalities suffering from post-traumatic
24 stress syndrome and other mental health conditions. The grant
25 program must primarily provide grants to behavioral health
26 providers and may also include funding to the Michigan crisis and
27 action line established under section 165 of the mental health
28 code, 1974 PA 258, MCL 330.1165, to improve information and
29 referrals for these services. The grant program must coordinate and



1 integrate with the Michigan crisis and access line established
2 under section 165 of the mental health code, 1974 PA 258, MCL
3 330.1165.

4 (2) The unexpended funds appropriated in part 1 for ARP -
5 first responder and public safety staff mental health are
6 designated as a work project appropriation. Unencumbered or
7 unallotted funds shall not lapse at the end of the fiscal year and
8 shall be available for expenditures under this section until the
9 project has been completed. All of the following is in compliance
10 with section 451a of the management and budget act, 1984 PA 431,
11 MCL 18.1451a:

12 (a) The purpose of the project is to ensure that first
13 responder and public safety staff who are dealing with post-
14 traumatic stress syndrome and other mental health conditions have
15 access to enhanced mental health services.

16 (b) The project will be accomplished by utilizing state
17 employees, contracts with vendors, or local partners.

18 (c) The estimated completion cost of the project is
19 \$7,500,000.00.

20 (d) The tentative completion date is September 30, 2027.

21 Sec. 1955. From the funds appropriated in part 1 for
22 behavioral health patient health information tool, the department
23 shall allocate \$850,000.00 to create an online and interactive
24 version of the protected health information consent tool and make
25 any revisions to the tool to reflect any recent legislative
26 changes. The contracting entity that receives the funds
27 appropriated in this section shall also develop accompanying
28 trainings and resources for users. Additionally, the contracting
29 entity that receives the funds appropriated in this section shall



1 work closely with the Michigan health information network and the
2 department to develop the technical specifications for integrating
3 the protected health information consent tool with other relevant
4 systems and applications, including, but not limited to,
5 CareConnect 360.

6 Sec. 1956. From the funds appropriated in part 1 for healthy
7 communities grant, \$100.00 shall be allocated for a 1-time grant to
8 Leaders Advancing and Helping Communities for community healthy
9 living, obesity prevention, and substance abuse prevention
10 programs.

11 Sec. 1957. From the funds appropriated in part 1 for
12 behavioral health professionals for schools, the department shall
13 allocate a \$500,000.00 grant to a CMHSP with a primary office
14 located in a county with a population between 37,000 and 37,500,
15 according to the most recent federal decennial census and a
16 \$500,000.00 grant to a CMHSP with a primary office located in a
17 county with a population between 14,000 and 14,500, according to
18 the most recent federal decennial census for each CMHSP to provide
19 mental health professional or counselor visits at each school
20 within the CMHSP's geographic region for the purpose of providing
21 1-to-1 care to students.

22 Sec. 1958. From the funds appropriated in part 1 for narcotics
23 awareness program, the department shall allocate \$100.00 to a
24 nonprofit organization organized under the laws of this state that
25 is exempt from federal income tax under section 501(c)(3) of the
26 internal revenue code of 1986, 26 USC 501, and with headquarters in
27 a charter township with a population between 100,000 and 105,000,
28 according to the most recent federal decennial census within a
29 county with a population between 700,000 and 1,000,000, according



1 to the most recent federal decennial census. To be eligible to
2 receive funding, the nonprofit organization must have a stated
3 mission to offer community-based, compassionate, best-
4 practice/evidence-based services to those suffering from addiction,
5 as well as their loved ones, and to erase the stigma of addiction
6 and instill compassion and hope.

7 Sec. 1959. From the funds appropriated in part 1 for bone
8 marrow donor and blood bank programs, the following allocations
9 must be made to a blood center with a stem cell (marrow) program
10 that is the partner of the match registry of the National Marrow
11 Donor Program and that is in a city with a population between
12 198,000 and 199,000, according to the most recent federal decennial
13 census:

14 (a) \$50.00 must be used to offset ongoing tissue typing
15 expenses associated with donor recruitment and collection services
16 and to expand those services to better serve the citizens of this
17 state.

18 (b) \$50.00 must be used to enhance the collection of fetal
19 umbilical cord blood and stem cells for transplant, expand cord
20 blood laboratory capabilities, and expand the diversity of
21 collections.

22 Sec. 1960. From the funds appropriated in part 1 for child
23 advocacy centers, the department shall allocate \$200,000.00 to a
24 child advocacy center located in a county with a population between
25 115,000 and 125,000, according to the most recent federal decennial
26 census to establish a new building and expand services available to
27 children who are victims of abuse and to their families.

28 Sec. 1961. (1) From the funds appropriated in part 1 for jail
29 diversion fund, the department shall allocate \$100.00 to create the



1 jail diversion fund. The jail diversion fund shall be administered
2 by the mental health diversion council, in accordance with
3 recommendations of the Michigan joint task force on jail and
4 pretrial incarceration.

5 (2) The mental health diversion council shall distribute
6 grants to local entities for the purpose of establishing or
7 expanding jail diversion programs in partnership with local law
8 enforcement and private or public behavioral health service
9 providers. Grants must be distributed as follows:

10 (a) Half shall be distributed to community-based mobile crisis
11 intervention services in partnership between law enforcement and
12 mental health practitioners. The mental health diversion council
13 must give priority to grant applications that demonstrate a
14 commitment to a comprehensive co-response model that includes at
15 least all of the following:

16 (i) Full integration with existing 911 dispatch centers.

17 (ii) Inclusion of both co-responder clinicians and co-responder
18 peers.

19 (iii) Access to residential treatment facilities.

20 (iv) Inclusion of telehealth response and follow-up services.

21 (v) Mental health professionals employed independently from
22 law enforcement.

23 (vi) Other best practices as identified by the council.

24 (b) Half shall be distributed to any type of pre-arrest or
25 post-arrest diversion program in which individuals with behavioral
26 health needs are identified and diverted out of the criminal
27 justice system. The mental health diversion council must give
28 priority to local entities located in counties without an urbanized
29 area of at least 50,000 people, according to the 2010 federal



1 decennial census.

2 (3) Grant applications may be made by any applicable local
3 entity and must be distributed to local entities using a
4 prospective payment methodology.

5 (4) The department shall seek federal authority as outlined
6 under section 9813 of the American Rescue Plan Act of 2021, Public
7 Law 117-2, to utilize enhanced federal Medicaid matching funds for
8 the operation of the programs described in this section. It is the
9 intent of the legislature that local entities receiving grants
10 under this section partner with philanthropic organizations to
11 supplement state funding.

12 (5) Local entities receiving grants under this section must
13 submit a report containing metrics pertinent to the progress of
14 their diversion program to the mental health diversion council
15 annually. The council must compile and submit an annual report to
16 the senate and house appropriations subcommittees on the department
17 budget, the senate and house fiscal agencies, the senate and house
18 policy offices, and the state budget office and make the report
19 publicly available within 30 days after receiving the report. Local
20 entities may utilize a portion of grant funding received under this
21 section to contract with independent organizations for the purpose
22 of fulfilling this requirement. The mental health diversion council
23 shall determine the specific metrics required and notify the local
24 entities at the time of the first grant disbursement. Metrics for
25 grants may include, but are not limited to, all of the following:

26 (a) The number of calls to which co-responders are dispatched
27 alone and the number of calls to which co-responders are dispatched
28 alongside law enforcement.

29 (b) The number of calls transferred to telehealth co-



1 responders with physical response follow-up and the number of calls
2 transferred to telehealth co-responders without physical response
3 follow-up.

4 (c) The law enforcement call clear time when co-responders are
5 dispatched, and the law enforcement call clear time when co-
6 responders are not dispatched.

7 (d) The co-responder, co-responder clinician, and co-responder
8 peer call time per call.

9 (e) The number of co-responder-attended calls resulting in the
10 following:

11 (i) Jail admission.

12 (ii) On-location de-escalation.

13 (iii) Crisis center or crisis stabilization unit residential
14 admission.

15 (iv) Behavioral health facility inpatient admission.

16 (v) Referral for behavioral or mental health services without
17 residential or inpatient admission.

18 (vi) Referral to community or social services such as homeless
19 shelters, women's shelters, food pantries, or other similar
20 services.

21 (f) The number of individuals served by co-responder-attended
22 calls broken down by age, gender, and race and ethnicity.

23 (g) The reduction in frequency of law enforcement interaction
24 with known frequently served individuals.

25 (h) The number of follow-up visits, including method and
26 location.

27 (i) The overall program costs broken down by administration,
28 training, co-responder clinician, co-responder, and per-call costs.

29 (6) The unexpended funds appropriated in part 1 for jail



1 diversion fund are designated as a work project appropriation, and
2 any unencumbered or unallotted funds do not lapse at the end of the
3 fiscal year and are available for expenditures for projects under
4 this section until the fund is depleted. The following is in
5 compliance with section 451a(1) of the management and budget act,
6 1984 PA 431, MCL 18.1451a:

7 (a) The purpose of the project is to distribute grant funds to
8 local entities establishing or expanding jail diversion programs.

9 (b) The projects will be accomplished through grants to local
10 entities establishing or expanding jail diversion programs in
11 partnership with local law enforcement and private or public
12 behavioral health service providers.

13 (c) The total estimated cost of the work project is \$100.00.

14 (d) The tentative completion date is September 30, 2027.

15 Sec. 1962. From the funds appropriated in part 1 for
16 children's health care, the department shall match 100% of any
17 private funds, up to \$100.00 for a grant to a nonprofit health care
18 facility with less than 190 beds that is affiliated with a
19 physician partner group to build a children's rehabilitation
20 hospital. To be eligible for funding under this section, the
21 nonprofit health care facility must be located in a county with a
22 population between 450,000 and 850,000, according to the most
23 recent federal decennial census, in a city with a population
24 between 80,000 and 250,000, according to the most recent federal
25 decennial census.

26 Sec. 1963. From the funds appropriated in part 1 for the
27 committee on juvenile justice grants, the department shall allocate
28 \$500,000.00 to reestablish in-home care grants for in-home care and
29 community-based juvenile justice services for rural counties as an



1 alternative to residential placement by juvenile courts.

2 Sec. 1964. From the funds appropriated in part 1 for domestic
3 violence prevention and treatment, the department shall allocate
4 \$210,300.00 for operating expenses and providing violence
5 prevention programs to a community shelter located in a county with
6 a population between 62,400 and 62,500, according to the most
7 recent federal decennial census. The community shelter must have a
8 mission to provide a temporary, secure, nurturing environment, and
9 support to enable victims of domestic violence to make appropriate
10 life-altering changes.

11 Sec. 1965. From the funds appropriated in part 1 for doula
12 care services initiative, \$100.00 shall be allocated for a pilot
13 program to provide doula care services for high-risk families.

14 Sec. 1966. (1) From the funds appropriated in part 1 for human
15 trafficking victims inclusive services grant program, the
16 department shall allocate \$1,000,000.00 to create and implement the
17 human trafficking victims services expansion pilot program. The
18 pilot program shall utilize victim-centered and trauma informed
19 approaches to serve human trafficking victims.

20 (2) The human trafficking victims services expansion pilot
21 program is a 3-year project administered by the division of victim
22 services and shall do all of the following:

23 (a) Encourage the development of specific and dedicated human
24 trafficking victims services.

25 (b) Focus on building capacity within eligible organizations
26 to offer services specifically designed to meet the needs of human
27 trafficking victims.

28 (c) Provide training and technical assistance to established
29 organizations that support the development of human trafficking



1 victims services that align with the criteria set forth in
2 subsection (4).

3 (d) Increase organizations' capacity to provide victim
4 services designed to meet the unique needs of human trafficking
5 victims.

6 (e) Fund human trafficking service organizations that agree to
7 develop services and accompanying policies and procedures for human
8 trafficking victims aligned with the criteria of subsection (4).

9 (3) By January 1 of the current fiscal year, the division of
10 victim services shall make available to eligible entities the human
11 trafficking victims service expansion pilot request for proposal.

12 (4) In order to be considered for funding under the human
13 trafficking victims service expansion pilot program, eligible
14 organizations must meet all of the following:

15 (a) Be a nonprofit organization that is exempt from taxation
16 under section 501(c)(3) of the internal revenue code, 26 USC 501.

17 (b) Have engaged in at least 1 year of providing human
18 trafficking victims services or demonstrate meaningful
19 collaboration with a human trafficking organization in its
20 community.

21 (c) Adhere to the mission of the human trafficking health
22 advisory board created in the human trafficking health advisory
23 board act, 2014 PA 461, MCL 752.991 to 752.994.

24 (d) Agree to develop policies and procedures and provide
25 services in accordance with the standards set forth by the division
26 of victim services throughout the duration of the pilot program
27 that include, at a minimum, both of the following:

28 (i) Providing victim-centered services.

29 (ii) Providing empowerment-based services that encourage self-



1 determination.

2 (5) The unexpended portion of funds appropriated in part 1 for
3 human trafficking victims inclusive services grant program is
4 designated as a work project appropriation. Any unencumbered or
5 unallotted funds shall not lapse at the end of the fiscal year and
6 shall be available for expenditure for the project under this
7 section until the project has been completed. The following is in
8 compliance with section 451a(1) of the management and budget act,
9 1984 PA 431, MCL 18.1451a:

10 (a) The purpose of the work project is to provide funding for
11 human trafficking victims services expansion pilot as provided by
12 this section.

13 (b) The project will be accomplished through funding to the
14 division of victim services for administration of the pilot
15 program.

16 (c) The total estimated cost of the work project is
17 \$1,000,000.00.

18 (d) The estimated completion date is September 30, 2027.

19 (6) As used in this section, "human trafficking" means any of
20 the following:

21 (a) Sex trafficking in which a commercial sex act is induced
22 by force, fraud, or coercion, or in which the person induced to
23 perform that act has not attained 18 years of age.

24 (b) The recruitment, harboring, transportation, provision, or
25 obtaining of a person for labor or services, through the use of
26 force, fraud, or coercion for the purpose of subjection to
27 involuntary servitude, peonage, debt bondage, or slavery.

28 (c) A violation under chapter LXVIIA of the penal code, 1931
29 PA 328, MCL 750.462a to 750.462h.



1 Sec. 1967. From the funds appropriated in part 1 for food
2 distribution, the department shall allocate \$500,000.00 for a grant
3 to a nonprofit, community-based organization that specializes in
4 the distribution of surplus and donated food for low-income
5 families. The organization must operate in at least 40 counties in
6 this state, and the grant must be used for maintenance and
7 improvements for a facility located in a county with a population
8 between 657,900 and 658,000, according to the most recent federal
9 decennial census, in a city with a population between 54,300 and
10 54,400, according to the most recent federal decennial census.

11 Sec. 1968. From the funds appropriated in part 1 for foster
12 care services, the department shall allocate \$1,000,000.00 to a
13 nonprofit, community-based organization organized under the laws of
14 this state that is exempt from federal income tax under section
15 501(c)(3) of the internal revenue code of 1986, 26 USC 501, with
16 the mission to ensure that individuals with developmental
17 disabilities are valued in order that they and their families can
18 fully participate in and contribute to their community, to provide
19 supports for special education system navigation, and to improve
20 educational outcomes for youth in foster care who have a diagnosed
21 disability or suspected disability.

22 Sec. 1969. From the funds appropriated in part 1 for Great
23 Lakes recovery center, the department shall allocate a grant of
24 \$250,000.00 for costs related to a women's recovery center and
25 men's campus to a nonprofit organization accredited by CARF
26 International with a mission to empower recovery through hope and
27 change and that provides a variety of behavioral health services
28 across the Upper Peninsula.

29 Sec. 1970. (1) From the funds appropriated in part 1 for



1 health workforce development, the department shall allocate all of
2 the following:

3 (a) \$500,000.00 general fund/general purpose revenue shall be
4 allocated for a 4-year pilot program to increase the number of
5 prepared psychiatric-mental health nurse practitioners to expand
6 access to mental health services and provide care in underserved
7 communities throughout this state. The office of nursing programs
8 may oversee the program. The pilot program shall be through a
9 college of nursing at a 4-year state university located in a county
10 with a population greater than 1,500,000, according to the most
11 recent federal decennial census.

12 (b) \$1,600,000.00 general fund/general purpose revenue must be
13 allocated for a 4-year pilot program to increase the number of
14 prepared psychiatric-mental health nurse practitioners to expand
15 access to mental health services and provide care in underserved
16 communities throughout this state. The office of nursing programs
17 may oversee the pilot program. The pilot program must be through a
18 college of nursing at a 4-year state university located in a county
19 with a population between 284,000 and 285,000, according to the
20 most recent federal decennial census.

21 (c) \$1,650,000.00 general fund/general purpose revenue must be
22 allocated for a 4-year pilot certification program to train social
23 workers to manage crisis stabilization to increase the number of
24 social workers managing crisis stabilization. The pilot
25 certification program must be through a school of social work at a
26 4-year state university located in a county with a population
27 greater than 1,500,000, according to the most recent federal
28 decennial census.

29 (d) \$2,800,000.00 general fund/general purpose revenue must be



1 allocated for a program to train direct care workers using a
2 comprehensive, person-centered training program that provides
3 direct care workers with the skills needed to deliver in-home,
4 high-quality supports and services. The program must be provided by
5 an organization that is a coalition of researchers, direct care
6 workers, clients, and agencies working to develop, build, and
7 strengthen a competent direct care workforce.

8 (2) The unexpended portion of funds appropriated in part 1 for
9 health workforce development is designated as a work project
10 appropriation. Any unencumbered or unallotted funds shall not lapse
11 at the end of the fiscal year and shall be available for
12 expenditure for the programs under this section until the programs
13 have been completed. All of the following is in compliance with
14 section 451a(1) of the management and budget act, 1984 PA 431, MCL
15 18.1451a:

16 (a) The purpose of the work project is to provide and expand
17 health workforce development through 4 projects to increase the
18 number of psychiatric-mental health nurse practitioners, train
19 social workers to manage crisis stabilization, and provide skills
20 development and training for direct care workers.

21 (b) The work project will be accomplished through funding to
22 an organization and 4-year state universities with oversight by the
23 department and the office of nursing programs.

24 (c) The total estimated completion cost of the work project is
25 \$6,550,000.00 of general fund/general purpose revenue.

26 (d) The estimated completion date of the work project is
27 September 30, 2027.

28 Sec. 1971. (1) From the funds appropriated in part 1 for human
29 trafficking victims inclusive services grant program, the



1 department shall allocate \$250,000.00 to counties or coalitions of
2 counties to support collaborative teams to address human
3 trafficking and coordinate with specialists in the department of
4 state police and Federal Bureau of Investigation.

5 (2) Collaborative teams shall facilitate trauma-informed
6 support throughout each county within multidisciplinary groups to
7 engage law enforcement, health care professionals, and entities
8 that provide survivor-centered services and are collectively
9 focused on providing advocacy to human trafficking survivors.
10 Collaborative teams are tasked with the prevention of opportunities
11 for predators to engage in both sex and labor trafficking.

12 (3) The department shall allocate grants to counties or
13 coalitions of counties in amounts ranging from \$3,000.00 to
14 \$20,000.00 that can be used to pay for human trafficking-related
15 training, equipment, supplies, meeting expenses, and victim
16 services.

17 Sec. 1972. From the funds appropriated in part 1 for long-term
18 care quality improvement, the department shall allocate \$100.00 to
19 supplement a Michigan Health Endowment Fund grant award to a
20 nonprofit research and consulting organization that is focused on
21 designing and implementing solutions to improve the health of
22 individuals with fewer financial resources and populations
23 disenfranchised by the health care system for training, coaching,
24 and technical assistance in long-term care facilities to implement
25 person-centered practices that enable staff to recognize and
26 intervene to help residents who are struggling to cope with loss,
27 loneliness, depression, lack of appetite, weight loss, and other
28 manifestations of stress.

29 Sec. 1973. From the funds appropriated in part 1 for mediation



1 services, the department shall allocate \$40,000.00 to a nonprofit
2 organization located in a county with a population between 290,000
3 and 300,000, according to the most recent federal decennial census,
4 in a charter township with a population between 30,000 and 40,000,
5 according to the most recent federal decennial census, that
6 provides mediation services using a co-mediator approach to add 1
7 additional mediator to provide mediation services within a county
8 with a population between 290,000 and 300,000, according to the
9 most recent federal decennial census, a county with a population
10 between 115,000 and 125,000, according to the most recent federal
11 decennial census, and a county with a population between 62,000 and
12 63,000, according to the most recent federal decennial census.

13 Sec. 1974. From the funds appropriated in part 1 for parental
14 stress and child mental health programs, the department shall
15 allocate \$500,000.00 to a nonprofit organization that has at least
16 20 years of experience providing behavioral services with at least
17 11 sites across this state, that has a main office located in a
18 county with a population between 1,200,000 and 1,500,000, according
19 to the most recent federal decennial census, and in a city with a
20 population between 24,000 and 24,500, according to the most recent
21 federal decennial census, and that has a purpose to increase
22 evidence-based family and children services programs for parental
23 stress and child mental health at schools and at other locations of
24 community partnerships. The funds may be used for additional
25 staffing, evidence-based training, parent curriculum platforms,
26 telehealth services technology, or health monitoring.

27 Sec. 1975. From the funds appropriated in part 1 for pathway
28 hub, the department shall allocate \$3,400,000.00 to a health care
29 provider working with a health plan and a federally qualified



1 health center for existing services and implementation of a pathway
2 hub at a community health center located in a city with a
3 population between 9,500 and 10,000, according to the most recent
4 federal decennial census, and within a county with a population
5 between 170,000 and 180,000, according to the most recent federal
6 decennial census, to support the social and medical needs of the
7 community served by the community health center. The funds
8 appropriated in this section must be used for start-up costs and
9 first-year costs of implementing a pathway hub model for the
10 surrounding community, including any of the following:

- 11 (a) Data integration.
- 12 (b) Care managers or recovery coaches.
- 13 (c) Mobile health units.
- 14 (d) Behavioral health urgent care.
- 15 (e) Supplemental health care, including medical adherence, air
16 conditioning units, or home blood pressure cuffs.
- 17 (f) Smoking cessation.
- 18 (g) Maternal health.
- 19 (h) Nutrition.
- 20 (i) Dental health.

21 Sec. 1976. From the funds appropriated in part 1 for
22 technology upgrades, the department shall do both of the following:

- 23 (a) Allocate \$100.00 general fund/general purpose revenue, and
24 any associated federal revenue, in order to support application
25 technology upgrades for the Michigan Medicaid information system.
26 The purpose of these funds is to support improvements to enhance
27 system security and enable implementation of state and federal
28 compliance measures.

- 29 (b) Allocate \$400,000.00 general fund/general purpose revenue,



1 and any associated federal revenue, in order to support an
2 automated collaboration software system and portal with the purpose
3 of promoting administrative simplification between state health
4 care contractors to streamline receipt, validation, and
5 visualization of health plan contract performance. The system must
6 provide a centralized communication and collaboration portal for 1-
7 stop submission of contract deliverables, and support performance
8 visualizations to help improve quality, address social determinants
9 of health, and reduce health disparities through transparent
10 collaboration between state health care payers and their health
11 plans.

12 Sec. 1977. From the funds appropriated in part 1 for safe
13 harbor, the department shall allocate \$100.00 as grant funding to
14 the Salvation Army to work in collaboration with the department,
15 local hospitals, Medicaid health plans, and PIHPs, for a safe
16 harbor program to improve service delivery utilizing a
17 multidisciplinary team approach in coordination of care, including
18 medical, behavioral health, and substance use disorder
19 professionals, working together to provide prompt substance use
20 disorder engagement, assessment, education, encouragement,
21 transportation, and coordination of integrative health services.
22 The Salvation Army must leverage existing capabilities in providing
23 these supports and services.

24 Sec. 1978. From the funds appropriated in part 1 for teen
25 walk-in mental health, the department shall allocate \$50,000.00 to
26 a nonprofit organization whose registered agent is located in a
27 county with a population between 290,000 and 300,000, according to
28 the most recent federal decennial census, in a township with a
29 population between 18,100 and 19,000, according to the most recent



1 federal decennial census, that is focused on the development and
2 implementation of mental wellness resources and services with a
3 mission to empower teens, young adults, and their support networks
4 to prevent suicide and achieve lifelong mental wellness. The funds
5 must be used for any of the following:

- 6 (a) Mental health symptom education.
- 7 (b) Individual and family access to service navigation.
- 8 (c) Access to mental health support groups and services.
- 9 (d) Community education and engagement.
- 10 (e) Suicide and mental health screening.
- 11 (f) Capital expenditures related to the establishment of a
12 dedicated site for services.

13 Sec. 1979. From the funds appropriated in part 1 for wellness
14 center pilot project, the department shall allocate \$1,000,000.00
15 for the purpose of developing a wellness center pilot project
16 incorporating a community adult day center and mixed-use affordable
17 housing to help individuals prepare for, access, and afford long-
18 term care services and supports for a planned build in a county
19 with a population of less than 35,000, according to the most recent
20 federal decennial census, within the region VII area agency on
21 aging geographic area.

22 Sec. 1980. From the funds appropriated in part 1 for wrap-
23 around services, the department shall allocate \$200,000.00 for a
24 grant to a nonprofit, community-based organization that provides
25 wrap-around services designed to promote achievement through
26 targeting both academic and nonacademic barriers to learning during
27 out-of-school periods. The grant must be used for maintenance and
28 improvements to an existing facility located in a county with a
29 population between 103,800 and 103,900, according to the most



1 recent federal decennial census, in a city with a population
2 between 32,600 and 32,700, according to the most recent federal
3 decennial census.

4 Sec. 1984. (1) From the funds appropriated in part 1 for ARP -
5 behavioral health care services and facilities and behavioral
6 health care services and facilities, the department shall allocate
7 \$263,600,000.00 in response to the broad impact the COVID-19
8 pandemic has had on individuals' behavioral health. From the funds
9 allocated in this section, the department must allocate all of the
10 following:

11 (a) \$85,000,000.00 for the planning and construction of a new
12 Hawthorn Center for children and adolescents.

13 (b) \$50,000,000.00 to a nonprofit organization that offers a
14 full continuum of behavioral health services, including psychiatric
15 urgent care, inpatient and partial hospitalization, residential,
16 outpatient, and teletherapy services, addiction treatment and
17 recovery, extensive child and adolescent programs, and senior care
18 services with a campus located in a county with a population
19 between 600,000 and 700,000, according to the most recent federal
20 decennial census, in a charter township with a population between
21 28,000 and 30,000, according to the most recent federal decennial
22 census, for capital costs of a pediatric behavioral health center
23 for excellence.

24 (c) \$45,000,000.00 to a CMHSP located in a county with a
25 population of at least 1,750,000, according to the most recent
26 federal decennial census for capital costs of an integrated care
27 center facility that includes a walk-in behavioral health crisis
28 services center.

29 (d) \$30,000,000.00 to create a 1-time grant program for



1 entities interested in establishing crisis stabilization units in
2 accordance with chapter 9A of the mental health code, 1974 PA 258,
3 MCL 330.1971 to 330.1979. Grant applicants must demonstrate to the
4 department how the requested grant funding will be used for
5 certification standards and requirements or for obtaining
6 accreditation requirements. The department shall allocate the funds
7 described in this subdivision as follows:

8 (i) \$6,000,000.00 is allocated to a CMHSP located in a county
9 with a population of at least 1,750,000, according to the most
10 recent federal decennial census to establish a crisis stabilization
11 unit.

12 (ii) \$3,000,000.00 is allocated to a CMHSP with a primary
13 office located in a county with a population between 270,000 and
14 290,000 according to the most recent federal decennial census, to
15 establish a crisis stabilization unit.

16 (iii) \$3,000,000.00 is allocated to a CMHSP located in a county
17 with a population between 600,000 and 700,000, according to the
18 most recent federal decennial census, to establish a crisis
19 stabilization unit.

20 (iv) \$3,000,000.00 is allocated to a CMHSP located in a county
21 with a population between 260,000 and 265,000, according to the
22 most recent federal decennial census, to establish a crisis
23 stabilization unit.

24 (v) \$3,000,000.00 is allocated to a CMHSP located in a county
25 with a population between 400,000 and 450,000, according to the
26 most recent federal decennial census, to establish a crisis
27 stabilization unit.

28 (vi) \$3,000,000.00 is allocated to a CMHSP with a primary
29 office located in a county with a population between 65,500 and



1 66,500, according to the most recent federal decennial census, to
2 establish a crisis stabilization unit.

3 (vii) \$3,000,000.00 is allocated to a CMHSP with a primary
4 office located in a county with a population between 95,000 and
5 96,000, according to the most recent federal decennial census, to
6 enhance the CMHSP's crisis welcoming center that shall serve as the
7 foundation for a future crisis stabilization unit.

8 (viii) \$6,000,000.00 is allocated as competitive grants to
9 private entities to establish crisis stabilization units. Each
10 grant described in this subparagraph must not exceed \$3,000,000.00.

11 (e) \$11,000,000.00 to a health system associated with a 4-year
12 medical school located in a county with a population between
13 350,000 and 390,000, according to the most recent federal decennial
14 census, for capital costs to expand its adolescent and children's
15 emergency psychiatry unit through the addition of a dedicated
16 emergency room for children and adolescents and to establish a
17 behavioral health day program for children and adults who require
18 more comprehensive support for their mental health needs.

19 (f) \$10,000,000.00 to create a 1-time grant program for
20 entities interested in establishing psychiatric residential
21 treatment facilities in accordance with section 137a of the mental
22 health code, 1974 PA 258, MCL 330.1137a. Grant applicants must
23 demonstrate to the department how the requested grant funding will
24 be used for certification standards and requirements or for
25 obtaining accreditation requirements.

26 (g) \$10,000,000.00 to a wellness center to develop an
27 adolescent behavioral wrap-around health care program in an
28 underserved area. The wellness center must meet all of the
29 following requirements:



1 (i) Be dedicated to enhancing the well-being of individuals by
2 providing an array of comprehensive behavioral and physical health
3 services in a trauma-informed environment and promoting quality of
4 life, continuous improvement, social awareness, and healing.

5 (ii) Have its administrative office located in a county with a
6 population of at least 1,750,000, according to the most recent
7 federal decennial census, in a city with a population between
8 109,000 and 111,000, according to the most recent federal decennial
9 census.

10 (iii) Be accredited by CARF International.

11 (h) \$5,000,000.00 to create a 1-time grant for capital
12 expenditures for not less than 1 hospital to increase the number of
13 inpatient psychiatric beds located in a county with a population
14 between 25,050 and 25,150, according to the most recent federal
15 decennial census.

16 (i) \$5,000,000.00 to create a 1-time grant for capital
17 expenditures for not less than 1 hospital to increase the number of
18 inpatient pediatrics psychiatric beds located in a county with a
19 population between 190,000 and 191,000, or 103,000 and 104,000,
20 according to the most recent federal decennial census.

21 (j) \$5,000,000.00 to create a 1-time grant for capital
22 expenditures for not less than 1 hospital to increase the number of
23 inpatient pediatrics psychiatric beds located in a county with a
24 population between 260,000 and 265,000, or 154,000 and 154,500,
25 according to the most recent federal decennial census.

26 (k) \$3,600,000.00 to renovate unused current space and update
27 the layout to increase the number of private inpatient psychiatric
28 rooms at a hospital located in a county with a population between
29 36,500 and 36,800, according to the most recent federal decennial



1 census, in a charter township with a population of at least 4,000,
2 according to the most recent federal decennial census, in response
3 to "no roommate orders" and to increase levels of acuity of
4 behavioral health patients.

5 (l) \$3,000,000.00 to a nonprofit Michigan health care system
6 organized under the laws of this state that is exempt from federal
7 income tax under section 501(c)(3) of the internal revenue code of
8 1986, 26 USC 501, that is located in a county with a population
9 between 25,400 and 25,800, according to the most recent federal
10 decennial census, and in a city with a population between 4,500 and
11 5,000, according to the most recent federal decennial census, for
12 the purpose of supporting an emergency psychiatric assessment,
13 treatment, and healing (EmPATH) unit. The EmPATH unit shall provide
14 immediate access to an emergency psychiatrist, and staff shall be
15 trained for the needs of EmPATH unit patients. Funding must also
16 include at least 10 additional psychiatric beds to serve, at a
17 minimum, patient emergency behavioral health needs.

18 (m) \$1,000,000.00 to a nonprofit health care system organized
19 under the laws of this state that is exempt from federal income tax
20 under section 501(c)(3) of the internal revenue code of 1986, 26
21 USC 501, for a pilot program located in a county with a population
22 between 280,000 and 290,000, according to the most recent federal
23 decennial census, for the purpose of operating a pilot program to
24 ensure that the behavioral and physical health needs of Michigan
25 residents are addressed. This pilot program shall seek to provide
26 additional behavioral health services in a more efficient manner
27 due to a partnership with state-based institutions on staffing
28 assistance and shared services with a Michigan-based health system.

29 (2) The funds allocated under this section must be expended in



1 compliance with federal regulations established under the American
2 rescue plan act of 2021, Public Law 117-2, including all
3 regulations and requirements around the use of the state fiscal
4 recovery fund, including, but not limited to, behavioral health
5 care and capital expenditures.

6 (3) Funds allocated under this section do not constitute a
7 future guarantee of permitting approval for any project.

8 (4) The unexpended funds appropriated in part 1 for ARP -
9 behavioral health care services and facilities and behavioral
10 health care services and facilities are designated as a work
11 project appropriation. Any unencumbered or unallotted funds shall
12 not lapse at the end of the fiscal year and shall be made available
13 for behavioral health care services and facilities. The following
14 is 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 behavioral health
17 care in response to the broad impact the COVID-19 pandemic has had
18 on individuals' behavioral health in accordance with all applicable
19 state and federal requirements.

20 (b) The project will be accomplished by utilizing state
21 employees or contracts with service providers, or both.

22 (c) The total estimated cost of the project is
23 \$263,600,000.00.

24 (d) The tentative completion date is September 30, 2027.

25 Sec. 1987. (1) From the funds appropriated in part 1 for food
26 security council, \$100.00 is allocated for all of the following:

27 (a) An assessment of information technology investments, and
28 associated costs, that would be necessary to effectively coordinate
29 with other departments, agencies, and information technology



1 systems in this state in order to improve access to public
2 assistance programs and community resources that improve food
3 security.

4 (b) Building food supply for distribution during declarations
5 of disaster or emergency.

6 (c) Expanding food assistance infrastructure, including new
7 buildings in northern Michigan to serve northern Michigan and the
8 Upper Peninsula.

9 (d) Pandemic response efforts, including support to local food
10 banks and organizations for food purchasing.

11 (2) By March 1 of the current fiscal year, the department
12 shall report the findings of the information technology investments
13 assessment required under subsection (1) to the house and senate
14 appropriations subcommittees on the department budget, the house
15 and senate fiscal agencies, the house and senate policy offices,
16 and the state budget office.

17 Sec. 1989. From the funds appropriated in part 1 for home
18 repair and plumbing assistance grants, the department shall
19 establish a grant program administered by community action agencies
20 to provide assistance to households with incomes at or below 200%
21 of the federal poverty level for minor home repairs and plumbing
22 updates to prepare homes for weatherization. The purpose of this
23 grant program is to allow low-income families to safely remain in
24 their homes.

