



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 192 (as introduced)
 Committee: Appropriations

[Vehicle for Governor's Recommendation line items is House Bill 4328.](#)

FY 2012-13 Year-to-Date Gross Appropriation	\$6,704,093,700
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Changes from FY 2012-13 Year-to-Date:

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| 1. Food Assistance Program. The Governor recognized a reduced caseload in the Food Assistance Program (FAP) and the loss of Federal ARRA funding for food assistance. | (683,698,900) |
| 2. Michigan Energy Assistance Program. The Governor provided a replacement for one-time funding in the FY 2012-13 budget for low-income energy assistance (\$0.0 GF/GP). | 60,000,000 |
| 3. Family Independence Program. The Governor recognized a lower caseload and funded exemptions to the 60-month time limit (\$6.0 million Gross/\$0.0 GF/GP). | (15,846,400) |
| 4. Fraud Prevention. The Governor provided one-time funding for a biometric analysis system to prevent fraud, three additional attorneys for the Attorney General, and funding to comply with the Voter Registration Act (\$0.7 million Gross/\$0.4 GF/GP). | 2,717,600 |
| 5. Pathways to Potential. The Governor provided funding for 25.0 FTEs: Child Support Specialists (11.0 FTEs), Child Welfare Institute (10.0 FTEs), and Medical Review Team (4.0 FTEs), and tuition reimbursements (\$3.1 million Gross/\$0.9 million GF/GP). | 6,220,200 |
| 6. Public Assistance and Other Services. The Governor provided increased funding for 1.0 FTE SSI Advocate, the State Disbursement Unit, Disability Determination Operations, and State Supplement Administration. The Governor also recognized the loss of one-time funding for Michigan Rehabilitative Services (\$0.5 million Gross/\$0.0 GF/GP). | 8,807,000 |
| 7. Child Welfare and Services. The Governor annualized the costs of 577.0 FTE child welfare staff and increased funding for other programs. An increase for the Mobile Workers Initiative was offset by a reduction in rent (\$0.2 million Gross/\$0.1 million GF/GP). | 28,997,300 |
| 8. Juvenile Justice. The Governor increased funding for Community Support Services and County Juvenile Officers and provided funding for a Juvenile Justice Analyst (1.0 FTE). | 719,300 |
| 9. Information Technology and Operations. The Governor recognized increased phone and internet costs. Also included were a realignment of SACWIS costs, an additional Building Occupancy adjustment, and a one-time appropriation for BRIDGES (18.5 FTEs). | 8,015,300 |
| 10. Child Welfare Caseload Adjustments. The Governor adjusted the Foster Care, Guardianship Assistance and Adoption Subsidy caseloads, and the Child Care Fund. | (23,242,300) |
| 11. Other Public Assistance Caseload Adjustments. The Governor recognized adjustments to the State Disability Assistance and SSI State Supplement caseloads. | 186,100 |
| 12. Funding Adjustments. The Governor eliminated FY 2012-13 one-time funding (-\$74.4 million Gross/- \$34.6 million GF/GP), aligned Federal and restricted funding for availability and recognized savings from SACWIS (-\$7.5 million Gross/- \$3.2 million GF/GP). | (91,941,900) |
| 13. Economic Adjustments. Includes \$4,848,900 Gross and \$1,822,500 GF/GP for OPEB and \$35,421,700 Gross and \$12,725,100 GF/GP for other economic adjustments. | 40,270,600 |
| 14. Other Changes. The Governor recognized FTE alignments, transfers, annualization of 4.0 FTEs Civil Service staff (\$0.5 million Gross/\$0.1 GF/GP), a new FMAP rate of 66.32% (\$0.2 million GF/GP), and a TANF and GF/GP swap (\$0 Gross/- \$2.5 million GF/GP). | 478,500 |

Total Changes	(\$658,317,600)
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FY 2013-14 Governor's Recommendation	\$6,045,776,100
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The changes show the differences between the schedule of programs proposed by the Governor and the prior-year line items.

Changes from FY 2012-13 Year-to-Date:

1. **Department Scorecard.** The Governor included new language that requires the Department to maintain on a public website a scorecard to identify, track, and update metrics that are used to monitor and improve the agency's performance. (Sec. 9-299)
2. **Indigent Burial.** The Governor revised language on indigent burial requirements, removing the definition of an "unclaimed" deceased person. (Sec. 613)
3. **Michigan Rehabilitative Services.** The Governor removed boilerplate language in Public Act 305, which provided a supplemental appropriation to transfer Michigan Rehabilitative Services to DHS. (Secs. 401, 402, and 403)
4. **Contract Requirements.** The Governor removed the requirement that all DHS human service contracts must be performance-based and that DHS must notify the Legislature of any contract change that increases rates. (Secs. 240 and 279)
5. **Medicaid.** The Governor removed language permitting the temporary hire of MRT staff if Medicaid applications are backlogged by more than 2,000. Also removed the guarantee that a child under state or court supervision who receives Medicaid will continue to receive Medicaid with no break in coverage if the child moves to another county. (Secs. 225 and 506)
6. **Per Diem Foster Care Rates.** The Governor removed language that established the daily administrative rate at \$37.00 per day, the independent living foster care services at \$28.00 per day, and language that reinstated the specialized independent living services rate to FY 2010-11 levels. (Sec. 546)
7. **Private Agency Training.** The Governor removed language regarding training for private child placing agencies. (Secs. 585 and 753)
8. **Actuarially Sound Rates for Contracts.** The Governor removed requirement for DHS to set actuarially sound rates for contracts with private agencies providing child welfare services. (Sec. 503)
9. **Psychotropic Medication.** The Governor removed language on standard of promptness for approving changes to psychotropic medication for children under State supervision. (Sec. 540)
10. **Juvenile Justice.** The Governor removed language requiring the Department to post a request for proposals for a private residential facility to be a provider of last resort if demand exceeds capacity in the public facilities, and language permitting the rewrite of the MOU with Wayne County. (Secs. 710 and 721)
11. **Fraud Prevention.** The Governor removed language requiring a report on the number of cases removed from assistance due to the LEIN interface, a report on EBT fraud, and language requiring the Department to inform the public of the welfare fraud hotline in any public advertisement for state assistance. (Secs. 290, 617, and 672)
12. **E-Verify System.** The Governor removed language requiring the Department to use the E-Verify system when hiring new employees and new employees of contractors and sub-contractors. (Sec. 291)
13. **Vehicle Purchase and Repair.** The Governor removed language that allowed the Department to contract with a nonprofit entity for vehicle repairs and capped repairs at \$500 with exceptions up to \$900. (Secs. 424 and 425)
14. **One-Time Appropriations.** The Governor removed language regarding one-time appropriations in FY 2012-13. (Secs. 1201, 1205, 1207, and 1208)
15. **Work Groups.** The Governor removed language requiring various work groups on child welfare issues in FY 2012-13. (Secs. 510, 511, 515, 517, 533, and 583)
16. **Other Legislative Reports.** The Governor removed report requirements on FTE numbers, loss of Federal funding, carryforward funding, policy changes, Federal grants, supervisor-to-staff ratio, Michigan 2-1-1, prosecuting attorney contracts for elder abuse, juvenile justice statistics, children in out-of-state placement, CPS investigations and cases, family preservation programs, licensing, adoption complaints, coordination of mental health services, private agency training, CRI Settlement, foster care transfers, LEIN, FIP work participation, and weatherization. (Secs. 214, 215, 221, 222, 274, 298, 307, 420, 505, 513, 514, 523, 532, 556, 580, 588, 589, 617, 677, and 1105)

Date Completed: 2-15-13

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