



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-2768
Fax: (517) 373-1986

Senate Bill 769 (as introduced)
 Committee: Appropriations

[Vehicle for Governor's Recommendation line items is Senate Bill 837](#)

FY 2013-14 Year-to-Date Gross Appropriation	\$6,018,383,400
--	------------------------

Changes from FY 2013-14 Year-to-Date:

- | | |
|---|---------------|
| 1. Food Assistance Program. Governor recognized a decreased caseload estimate and the elimination of ARRA funding. | (445,452,200) |
| 2. Other Public Assistance Caseload Adjustments. Governor recognized declining caseloads and costs per case in Family Independence Program and State Disability Assistance, as well as increases and adjustments in State Supplementation caseload. | (64,088,600) |
| 3. Child Welfare Caseload Adjustments. Governor recognized decreased caseload costs for Foster Care and Adoption Subsidy, and increases for Child Care Fund and Guardianship Assistance Program. | 2,794,000 |
| 4. Healthy Michigan Plan. The Governor included funding for a call center as part of the Medicaid reform implementation plan. | 20,250,000 |
| 5. Performance Based Contracting Model. The Governor included funding for the initial implementation costs of the performance based contracting model, as recommended by the task force that was establish in the FY 2013-14 DHS budget in boilerplate Sec. 503. | 1,372,100 |
| 6. Asset Test Automation. Governor included funding to automate asset testing for public assistance applications. | 5,000,000 |
| 7. iPad Program for Child Welfare Workers. Recommendation included funding for a pilot program in three counties for iPad use for mobile child welfare workers. | 568,700 |
| 8. Child Placing Agency Administrative Costs. Governor funded the county share of child placing agency administrative costs to comply with requirements in boilerplate Sec. 589. | 5,000,000 |
| 9. Child Welfare Services. Provided increases for domestic violence prevention, Children's Trust Fund, medical/psych evaluations, adoption finalizations, and juvenile justice re-entry. | 6,841,500 |
| 10. Adult and Family Services. Included increases for MRS, MCSC, Disability Determination, Retirement Disability, and Donated Funds Positions. Funding is primarily Federal. | 42,260,400 |
| 11. Fraud Prevention, Legal Support, and Child Support. Provided increases for the Attorney General and Office of Inspector General, and offset for child support lines. | 3,768,000 |
| 12. Administration. Included increases for single audit, cost allocation plan, travel, and income verification contract. | 2,968,200 |
| 13. Federal Funding Reduction. Reduced excess Federal authorization in psychotropic medication contracts. | (500,000) |
| 14. One-Time Appropriations. Removed FY 2013-14 one-time funding. Provides funding for MRS, Child Support IT portal, Center for Hope, and an offset for child support lines. | 2,342,700 |
| 15. Budgetary Savings. Annualized savings of \$3.5 million GF/GP provided in FY 2013-14 and finds further reductions in Federal funding. | (4,218,500) |
| 16. Economic Adjustments. Included a negative \$6.1 million Gross and negative \$2.2 million GF/GP for OPEB and \$23.9 million Gross and \$8.1 million GF/GP for other economic adjustments. | 23,880,300 |
| 17. Other Changes. FMAP shift, transfers, fund shifts, and roll up TANF fund sourcing. | 143,700 |

Total Changes	(\$397,069,700)
---------------------	-----------------

FY 2014-15 Governor's Recommendation	\$5,621,313,700
---	------------------------

The changes show the differences between the schedule of programs proposed by the Governor and the prior-year line items.

Changes from FY 2013-14 Year-to-Date:

1. **Report on Legacy Costs.** Governor itemized pension and healthcare legacy costs in the agency. (Sec. 297)
2. **Special Populations.** Governor placed reporting and performance standards on recipients of multicultural services funding. Replaced language on Jewish Federation and Chaldean Community Foundation. (Sec. 695)
3. **Revisions.** Technical revisions and other changes. (Secs. 201, 203, 208, 217, 221, 265, 284, 296, 299, 402, 420, 508, 522, 574, and 687)
4. **Private Child Placing Agencies.** Removed language that provides \$3 per diem increase for private agencies, county share of administrative costs, and trainings for private agencies. (Secs. 546, 585 and 589)
5. **Michigan Rehabilitative Services and Centers for Independent Living.** Governor removed boilerplate language on MRS audit, CIL pilot program, and Order of Selection of Services. (Secs. 403, 404 and 405)
6. **Children's Services Funding and Contracts.** Removed language on child welfare services performance-based funding model, foster family group homes, and private case management. (Secs. 503, 510, 520, 533 and 589)
7. **Medicaid and Psychotropic Medication.** Removed language on Medicaid coverage for foster children, guidelines for psychotropic medication, work group on Medicaid claims, and Medicaid eligibility. (Secs. 506, 540, 603 and 620)
8. **Per Diem Foster Care Rates.** 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)
9. **Child Welfare Reporting.** Removed CPS statistical report, and language on assessments, out-of-state placements, and foster parents who drop out of program. (Secs. 511, 513, 514 and 583)
10. **Adoption and Guardianship.** Governor removed language requiring minimum payment for guardianship assistance and allowing Department to pay nonrecurring adoption expenses. (Secs. 547 and 557)
11. **Psychotropic Medication.** Governor removed language on standard of promptness for approving changes to psychotropic medication for children under State supervision. (Sec. 540)
12. **Juvenile Justice.** Governor removed language regarding residential facility placements. (Secs. 719 and 721)
13. **Kent County Privatization.** Removed language on privatization of Kent County child welfare services. (Sec. 515)
14. **SSI and Disability.** Removed language on SSI and disability redetermination process. (Secs. 609, 610, 611 and 622)
15. **Other Public Assistance.** Removed language on Indigent Burial and asset limit of \$250,000 for eligibility for public assistance. (Secs. 613 and 686)
16. **Job Readiness and Employment Program Goals.** Governor removed language on employment goals for public assistance recipients and work group on performance-based job readiness program. (Sec. 677)
17. **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)
18. **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)
19. **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)
20. **One-Time Appropriations.** The Governor removed language regarding one-time appropriations in FY 2013-14. (Sec. 1201)

Date Completed: 2-11-14

Fiscal Analyst: Frances Carley