

# HOUSE BILL No. 4091

January 26, 2017, Introduced by Rep. Miller and referred to the Committee on Appropriations.

A bill to amend 1974 PA 258, entitled  
"Mental health code,"  
by amending section 308 (MCL 330.1308), as amended by 1995 PA 290.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 308. (1) Except as otherwise provided in this chapter and  
2 subsections (2), ~~and~~ (3), **AND (6)**, and subject to the constraint of  
3 funds actually appropriated by the legislature for ~~such~~ **THIS**  
4 purpose, the state shall pay 90% of the annual net cost of a  
5 community mental health services program that is established and  
6 administered in accordance with chapter 2.

7       (2) Beginning in the fiscal year after a community mental  
8 health services program becomes a community mental health authority  
9 under section 205, if the department increases the amount of state  
10 funds provided to community mental health services programs for the

1 fiscal year, all of the following apply:

2 (a) The amount of local match required of a community mental  
3 health authority for that fiscal year shall not exceed the amount  
4 of funds provided by the community mental health services program  
5 as local match in the year in which the program became a community  
6 mental health authority.

7 (b) Subject to the constraint of funds actually appropriated  
8 by the county or county board of commissioners, the amount of  
9 county match required of a county or counties that have created a  
10 community mental health authority shall not exceed the amount of  
11 funds provided by the county or counties as county match in fiscal  
12 year 1994-1995 or the year the authority is created, whichever is  
13 greater.

14 (c) If the local match provided by the community mental health  
15 services program is less than the level of local match provided in  
16 the year in which the community mental health services program  
17 became a community mental health authority, subdivision (a) does  
18 not apply.

19 (d) The state is not obligated to provide additional state  
20 funds because of the limitation on local funding levels provided  
21 for in subdivisions (a) and (b).

22 (3) The state shall pay the family support subsidies  
23 established under section 156.

24 (4) If 2 or more existing community mental health services  
25 programs merge ~~pursuant~~ **ACCORDING** to section 219, the state shall  
26 pay 100% of administrative costs approved by the department for the  
27 newly created community mental health services program for 3 years

1 after the date of merger.

2 (5) If a county demonstrates an inability to meet its local  
3 match obligation due to financial hardship, the department may do  
4 either of the following:

5 (a) Accept a joint plan of correction from the county and its  
6 community mental health services program that ensures full payment  
7 over an extended period of time.

8 (b) Waive a portion of the county's obligation based on  
9 hardship criteria established by the department.

10 (6) THE STATE PAYMENT UNDER THIS SECTION SHALL BE CALCULATED  
11 AND MADE BASED ON RELEVANT FACTORS IN THE COUNTY, INCLUDING, BUT  
12 NOT LIMITED TO, DEMOGRAPHICS, UNEMPLOYMENT RATES, AND POVERTY  
13 LEVELS.

14 (7) THE DEPARTMENT SHALL WORK WITH ACTUARIES TO UPDATE FUNDING  
15 METHODOLOGY THAT IS BASED ON A COMMON STATEWIDE RATE WITH  
16 ADJUSTMENTS FOR MORBIDITY.

17 Enacting section 1. This amendatory act takes effect 90 days  
18 after the date it is enacted into law.