

**SUBSTITUTE FOR
SENATE BILL NO. 180**

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2026; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1
2
3
4
5
6
7
8
9

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, 2026, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0
--	-----

Full-time equated classified positions	16,024.5
--	----------

1	Average population	798.0	
2	GROSS APPROPRIATION		\$ 39,318,554,700
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and		
5	intradepartmental transfers		15,448,000
6	ADJUSTED GROSS APPROPRIATION		\$ 39,293,106,600
7	Federal revenues:		
8	Capped federal revenues		527,341,700
9	Social security act, temporary assistance for		
10	needy families		597,014,200
11	Total other federal revenues		26,353,925,200
12	Special revenue funds:		
13	Total local revenues		188,378,200
14	Total private revenues		180,133,600
15	Michigan merit award trust fund		177,886,200
16	Total other state restricted revenues		4,010,721,700
17	State general fund/general purpose		\$ 7,267,705,900
18	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
19	SUPPORT		
20	Full-time equated unclassified positions	6.0	
21	Full-time equated classified positions	1,020.4	
22	Unclassified salaries--FTEs	6.0	\$ 1,474,500
23	Administrative hearings officers		9,995,400
24	Child welfare institute--FTEs	57.0	9,962,700
25	Coordinated children's healthcare policy and		
26	supports--FTEs	74.0	24,688,300
27	Demonstration projects--FTEs	7.0	7,076,900

1	Departmental administration and management--		
2	FTEs	646.4	109,337,700
3	Legal services		100,000
4	Office of inspector general--FTEs	211.0	29,590,100
5	Property management		65,006,000
6	Terminal leave payments		7,091,300
7	Training and program support--FTEs	25.0	3,660,200
8	Worker's compensation		8,322,300
9	GROSS APPROPRIATION	\$	276,305,400
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG from department of lifelong education,		
13	advancement, and potential		1,868,400
14	IDG from department of technology, management,		
15	and budget - office of retirement services		600
16	Federal revenues:		
17	Social security act, temporary assistance for		
18	needy families		27,517,900
19	Capped federal revenues		19,662,400
20	Total other federal revenues		90,086,100
21	Special revenue funds:		
22	Total local revenues		86,000
23	Total private revenues		4,063,300
24	Total other state restricted revenues		1,340,000
25	State general fund/general purpose	\$	131,680,700
26	Sec. 103. CHILD SUPPORT ENFORCEMENT		
27	Full-time equated classified positions	193.7	
28	Child support enforcement operations--FTEs	187.7	\$ 30,634,900

1	Child support incentive payments		24,409,600
2	Legal support contracts		132,600,300
3	State disbursement unit--FTEs	6.0	7,391,200
4	GROSS APPROPRIATION		\$ 195,036,000
5	Appropriated from:		
6	Federal revenues:		
7	Capped federal revenues		16,273,100
8	Total other federal revenues		153,119,700
9	State general fund/general purpose		\$ 25,643,200
10	Sec. 104. COMMUNITY SERVICES AND OUTREACH		
11	Full-time equated classified positions	56.0	
12	Bureau of community services and outreach--FTEs	24.0	\$ 3,622,700
13	Community services and outreach administration--		
14	-FTEs	20.0	7,726,200
15	Community services block grant		37,170,600
16	Diaper assistance grant		6,404,400
17	Homeless programs--FTE	1.0	40,782,100
18	Housing and support services		13,031,000
19	Kids' food basket		525,000
20	Permanent supportive housing		10,000,000
21	Runaway and homeless youth grants		14,126,100
22	School success partnership program		1,525,000
23	Senior university		400,000
24	Weatherization assistance		21,860,300
25	Weatherization assistance IIJA--FTEs	11.0	40,013,700
26	GROSS APPROPRIATION		\$ 197,187,100
27	Appropriated from:		
28	Federal revenues:		

1	Social security act, temporary assistance for		
2	needy families		36,165,800
3	Capped federal revenues		109,393,900
4	Total other federal revenues		14,945,400
5	State general fund/general purpose	\$	36,682,000
6	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD		
7	WELFARE		
8	Full-time equated classified positions	4,089.2	
9	Adoption subsidies	\$	226,500,000
10	Adoption support services--FTEs	10.0	42,897,700
11	Attorney general contract		5,191,100
12	Child abuse and neglect - children's justice		
13	act--FTE	1.0	630,100
14	Child care fund		309,748,600
15	Child care fund - indirect cost allotment		3,500,000
16	Child protection		2,050,300
17	Child welfare administration travel		390,000
18	Child welfare licensing--FTEs	59.0	7,681,000
19	Child welfare local office staff - noncaseload		
20	compliance--FTEs	353.0	43,144,700
21	Child welfare medical/psychiatric evaluations		9,428,500
22	Children's protective services - caseload		
23	staff--FTEs	1,598.0	176,223,900
24	Children's protective services supervisors--		
25	FTEs	387.0	50,201,200
26	Children's services administration--FTEs	218.2	29,141,000
27	Children trust Michigan--FTEs	12.0	5,208,200
28	Contractual services, supplies, and materials		9,567,600

1	Court-appointed special advocates		2,250,000
2	Education planners--FTEs	15.0	1,995,400
3	Family preservation and prevention services		
4	administration--FTEs	9.0	1,443,400
5	Family preservation programs--FTEs	34.0	65,586,300
6	Foster care payments		339,545,500
7	Foster care services - caseload staff--FTEs	955.0	101,190,300
8	Foster care services supervisors--FTEs	227.0	32,351,400
9	Guardianship assistance program		12,666,700
10	Interstate compact		179,600
11	Juvenile justice reform--FTEs	0.0	100
12	Peer coaches--FTEs	45.5	6,579,600
13	Performance-based funding implementation--FTEs	3.0	310,400
14	Permanency resource managers--FTEs	28.0	3,666,700
15	Prosecuting attorney contracts		8,142,800
16	Second line supervisors and technical staff--		
17	FTEs	126.0	20,609,200
18	Settlement monitor		2,709,800
19	Strong families/safe children		11,600,000
20	Title IV-E compliance and accountability		
21	office--FTEs	4.0	477,200
22	Youth in transition--FTEs	4.5	10,702,200
23	GROSS APPROPRIATION		\$ 1,543,510,500
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from department of lifelong education,		
27	advancement, and potential		244,400
28	Federal revenues:		

1	Social security act, temporary assistance for		
2	needy families		288,955,800
3	Capped federal revenues		103,713,900
4	Total other federal revenues		265,352,500
5	Special revenue funds:		
6	Local funds - county chargeback		45,729,000
7	Private - collections		1,226,900
8	Children's trust fund		2,895,300
9	Total other state restricted revenues		272,300
10	State general fund/general purpose	\$	835,120,400
11	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE		
12	JUSTICE		
13	Full-time equated classified positions	195.5	
14	Bay Pines Center--FTEs	58.0	\$ 7,706,200
15	Committee on juvenile justice administration--		
16	FTEs	2.5	372,200
17	Committee on juvenile justice grants		3,000,000
18	Community support services--FTEs	3.0	2,520,200
19	County juvenile officers		3,977,600
20	Juvenile justice, administration and		
21	maintenance--FTEs	21.0	5,551,900
22	Michigan youth treatment center--FTEs	111.0	16,260,600
23	GROSS APPROPRIATION	\$	39,388,700
24	Appropriated from:		
25	Federal revenues:		
26	Capped federal revenues		7,754,800
27	Total other federal revenues		268,200
28	Special revenue funds:		

1	Local funds - state share education funds		1,527,500
2	Local funds - county chargeback		10,484,300
3	State general fund/general purpose	\$	19,353,900
4	Sec. 107. PUBLIC ASSISTANCE		
5	Full-time equated classified positions	1.0	
6	Emergency services local office allocations	\$	14,313,500
7	Family independence program		71,567,800
8	Family independence program - clothing		
9	allowance		10,000,000
10	Family independence program - child		
11	supplemental payment		24,442,300
12	Food assistance program benefits		3,499,778,300
13	Food Bank Council of Michigan		12,045,000
14	Indigent burial		4,369,100
15	Low-income home energy assistance program		174,951,600
16	Michigan energy assistance program--FTE	1.0	100,000,000
17	Prenatal and infant support program		78,000,000
18	Refugee assistance program		7,954,200
19	State disability assistance payments		4,337,300
20	State supplementation		53,459,800
21	State supplementation administration		1,990,500
22	Water affordability		7,000,000
23	GROSS APPROPRIATION	\$	4,064,209,400
24	Appropriated from:		
25	Federal revenues:		
26	Social security act, temporary assistance for		
27	needy families		123,281,000
28	Capped federal revenues		182,905,800

1	Total other federal revenues		3,495,068,300
2	Special revenue funds:		
3	Child support collections		8,708,500
4	Low-income energy assistance fund		100,000,000
5	Public assistance recoupment revenue		4,793,300
6	Supplemental security income recoveries		1,741,400
7	Michigan opioid healing and recovery		10,000,000
8	State general fund/general purpose	\$	137,711,100
9	Sec. 108. LOCAL OFFICE OPERATIONS AND SUPPORT		
10	SERVICES		
11	Full-time equated classified positions	5,735.5	
12	Administrative support workers--FTEs	167.0	\$ 15,197,400
13	Adult services local office staff--FTEs	550.0	69,864,200
14	Contractual services, supplies, and materials		31,051,100
15	Donated funds positions--FTEs	217.0	29,662,100
16	Elder Law of Michigan MiCAFE contract		450,000
17	Electronic benefit transfer (EBT)		9,714,000
18	Employment and training support services		4,969,100
19	Food assistance reinvestment--FTEs	16.0	3,809,400
20	Local office policy and administration--FTEs	125.0	20,878,100
21	Local office staff travel		8,252,400
22	Medical/psychiatric evaluations		1,120,100
23	Nutrition education--FTEs	2.0	33,041,400
24	Pathways to potential--FTEs	231.0	26,610,000
25	Public assistance local office staff--FTEs	4,427.5	510,568,100
26	SSI advocacy legal services grant		975,000
27	GROSS APPROPRIATION	\$	766,162,400
28	Appropriated from:		

1	Interdepartmental grant revenues:		
2	IDG from department of corrections		120,200
3	IDG from department of education		8,303,900
4	Federal revenues:		
5	Social security act, temporary assistance for		
6	needy families		73,172,600
7	Capped federal revenues		55,298,700
8	Total other federal revenues		290,986,700
9	Special revenue funds:		
10	Local funds - donated funds		4,413,300
11	Private funds - donated funds		10,101,100
12	Private revenues		250,000
13	State general fund/general purpose	\$	323,515,900
14	Sec. 109. DISABILITY DETERMINATION SERVICES		
15	Full-time equated classified positions	628.4	
16	Disability determination operations--FTEs	624.3	\$ 125,435,800
17	Retirement disability determination--FTEs	4.1	650,800
18	GROSS APPROPRIATION	\$	126,086,600
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from department of technology, management,		
22	and budget - office of retirement services		827,400
23	Federal revenues:		
24	Total other federal revenues		121,539,300
25	State general fund/general purpose	\$	3,719,900
26	Sec. 110. BEHAVIORAL HEALTH PROGRAM		
27	ADMINISTRATION AND SPECIAL PROJECTS		
28	Full-time equated classified positions	99.0	

1	Behavioral health program administration--FTEs	59.0	\$	51,245,600
2	Community substance use disorder prevention,			
3	education, and treatment--FTEs	9.0		79,457,800
4	Family support subsidy			16,290,400
5	Federal and other special projects			2,535,600
6	Gambling addiction--FTEs	4.0		9,530,100
7	Mental health diversion council			3,349,900
8	Michigan clinical consultation and care			5,264,000
9	Office of recipient rights--FTEs	25.0		3,563,200
10	Opioid response activities--FTEs	2.0		122,157,200
11	Protection and advocacy services support			194,400
12	GROSS APPROPRIATION		\$	293,588,200
13	Appropriated from:			
14	Federal revenues:			
15	Social security act, temporary assistance for			
16	needy families			16,290,400
17	Total other federal revenues			162,602,700
18	Special revenue funds:			
19	Total private revenues			2,704,700
20	Total other state restricted revenues			67,380,100
21	State general fund/general purpose		\$	44,610,300
22	Sec. 111. BEHAVIORAL HEALTH SERVICES			
23	Full-time equated classified positions	12.0		
24	Autism services		\$	483,715,500
25	Behavioral health community supports and			
26	services--FTEs	8.0		40,972,800
27	Certified community behavioral health clinic			
28	demonstration			891,062,700

1	Civil service charges		297,500
2	Community mental health non-Medicaid services		125,578,200
3	Federal mental health block grant--FTEs	4.0	24,483,900
4	Health homes		50,239,800
5	Healthy Michigan plan - behavioral health		535,508,300
6	Medicaid mental health services		3,357,455,500
7	Medicaid substance use disorder services		98,752,100
8	Multicultural integration funding		25,884,900
9	Nursing home PAS/ARR-OBRA		15,213,600
10	State disability assistance program substance		
11	use disorder services		2,018,800
12	GROSS APPROPRIATION		\$ 5,651,183,600
13	Appropriated from:		
14	Federal revenues:		
15	Social security act, temporary assistance for		
16	needy families		421,000
17	Capped federal revenues		184,500
18	Total other federal revenues		3,853,119,900
19	Special revenue funds:		
20	Total local revenues		9,943,600
21	Total other state restricted revenues		83,832,000
22	State general fund/general purpose		\$ 1,703,682,600
23	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND		
24	FORENSIC MENTAL HEALTH SERVICES		
25	Full-time equated classified positions	2,546.6	
26	Average population	798.0	
27	Caro Regional Mental Health Center -		
28	psychiatric hospital - adult--FTEs	530.7	\$ 66,322,100

1	Average population	145.0	
2	Center for forensic psychiatry--FTEs	624.5	114,162,800
3	Average population	240.0	
4	Developmental disabilities council and		
5	projects--FTEs	10.0	3,221,100
6	Gifts and bequests for patient living and		
7	treatment environment		1,000,000
8	IDEA, federal special education		120,000
9	Kalamazoo Psychiatric Hospital - adult--FTEs	561.2	69,704,600
10	Average population	170.0	
11	Purchase of medical services for residents of		
12	hospitals and centers		445,600
13	Revenue recapture		750,100
14	Special maintenance		924,600
15	State hospital administration--FTEs	34.0	5,801,900
16	Walter P. Reuther Psychiatric Hospital - adult,		
17	children, and adolescents--FTEs	786.2	119,200,600
18	Average population	243.0	
19	GROSS APPROPRIATION		\$ 381,653,400
20	Appropriated from:		
21	Federal revenues:		
22	Total other federal revenues		47,027,600
23	Special revenue funds:		
24	Total local revenues		23,283,200
25	Total private revenues		1,000,000
26	Total other state restricted revenues		19,189,200
27	State general fund/general purpose		\$ 291,153,400

1	Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND		
2	INITIATIVES		
3	Full-time equated classified positions	79.3	
4	Cellular therapy for Versiti Michigan	\$	750,000
5	Certificate of need program administration--		
6	FTEs	11.3	2,764,600
7	Child advocacy centers		1,407,000
8	Child advocacy centers - supplemental grants		8,000,000
9	Community health programs--FTEs	5.0	17,500,000
10	Crime victim grants administration services--		
11	FTEs	15.0	3,121,100
12	Crime victim justice assistance grants		78,579,300
13	Crime victim rights services grants		19,869,900
14	Crime victim rights sustaining grants--FTEs	2.0	32,000,100
15	Domestic violence prevention and treatment--		
16	FTEs	15.6	24,295,200
17	Human trafficking intervention services--FTE	1.0	200,000
18	Michigan essential health provider		3,519,600
19	Minority health grants and contracts--FTEs	3.0	1,163,200
20	Nurse education and research program--FTEs	3.0	828,300
21	Policy and planning administration--FTEs	19.9	2,955,300
22	Primary care services--FTEs	3.0	3,812,000
23	Rape prevention and services--FTEs	0.5	7,097,300
24	Rural health services		175,000
25	Uniform statewide sexual assault evidence kit		
26	tracking system		369,500
27	GROSS APPROPRIATION	\$	208,407,400
28	Appropriated from:		

1	Interdepartmental grant revenues:		
2	IDG from department of licensing and regulatory		
3	affairs		828,300
4	IDG from department of lifelong education,		
5	advancement, and potential		2,400
6	IDG from department of treasury, Michigan		
7	finance authority		117,700
8	Federal revenues:		
9	Social security act, temporary assistance for		
10	needy families		6,736,000
11	Capped federal revenues		11,597,900
12	Total other federal revenues		86,288,100
13	Special revenue funds:		
14	Total private revenues		855,000
15	Child advocacy centers fund		1,407,000
16	Compulsive gaming prevention fund		1,040,500
17	Crime victims rights fund		18,798,200
18	Sexual assault victims' prevention and		
19	treatment fund		3,000,000
20	Total other state restricted revenues		3,335,400
21	State general fund/general purpose	\$	74,400,900
22	Sec. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL		
23	SERVICES, AND LABORATORY		
24	Full-time equated classified positions	454.9	
25	Bioterrorism preparedness--FTEs	53.0	\$ 31,131,300
26	Childhood lead program--FTEs	4.5	2,351,200
27	Emergency medical services program--FTEs	33.0	10,919,000
28	Epidemiology administration--FTEs	73.5	26,963,000

1	Healthy homes program--FTEs	65.0	56,102,700
2	Laboratory services--FTEs	102.0	32,855,300
3	Newborn screening follow-up and treatment		
4	services--FTEs	10.5	10,202,600
5	PFAS and environmental contamination response--		
6	FTEs	43.0	19,364,600
7	Vital records and health statistics--FTEs	70.4	11,719,800
8	GROSS APPROPRIATION		\$ 201,609,500
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG from department of environment, Great		
12	Lakes, and energy		2,525,000
13	Federal revenues:		
14	Total other federal revenues		79,095,500
15	Special revenue funds:		
16	Total private revenues		1,342,600
17	Total other state restricted revenues		33,832,700
18	State general fund/general purpose		\$ 84,813,700
19	Sec. 115. LOCAL HEALTH AND ADMINISTRATIVE		
20	SERVICES		
21	Full-time equated classified positions	191.1	
22	AIDS prevention, testing, and care programs--		
23	FTEs	79.5	\$ 110,924,100
24	Cancer prevention and control program--FTEs	18.0	15,939,900
25	Chronic disease control and health promotion		
26	administration--FTEs	28.4	11,240,100
27	Diabetes and kidney program--FTEs	8.0	4,217,400
28	Essential local public health services		81,419,300

1	Implementation of 1993 PA 133, MCL 333.17015		20,000
2	Local health services--FTEs	4.3	14,029,400
3	Medicaid outreach cost reimbursement to local		
4	health departments		12,500,000
5	Public health administration--FTEs	9.0	2,316,400
6	Sexually transmitted disease control program--		
7	FTEs	20.0	8,585,900
8	Smoking prevention program--FTEs	15.0	7,188,000
9	Violence prevention--FTEs	8.9	19,078,900
10	GROSS APPROPRIATION	\$	287,459,400
11	Appropriated from:		
12	Federal revenues:		
13	Social security act, temporary assistance for		
14	needy families		2,300
15	Total other federal revenues		90,986,400
16	Special revenue funds:		
17	Total local revenues		10,150,000
18	Total private revenues		74,556,600
19	Total other state restricted revenues		11,966,800
20	State general fund/general purpose	\$	99,797,300
21	Sec. 116. FAMILY HEALTH SERVICES		
22	Full-time equated classified positions	136.1	
23	Child and adolescent health care and centers	\$	47,300,000
24	Dental programs--FTEs	5.3	7,933,300
25	Drinking water declaration of emergency		4,549,400
26	Family, maternal, and child health		
27	administration--FTEs	49.0	10,729,800
28	Family planning local agreements		15,810,700

1	Immunization program--FTEs	20.8	19,933,400
2	Local MCH services		7,268,100
3	Pregnancy prevention program		1,297,900
4	Prenatal care outreach and service delivery		
5	support--FTEs	19.0	42,440,700
6	Special projects		6,789,100
7	Sudden and unexpected infant death and		
8	suffocation prevention program		321,300
9	Women, infants, and children program		
10	administration and special projects--FTEs	42.0	19,768,700
11	Women, infants, and children program local		
12	agreements and food costs		251,285,000
13	GROSS APPROPRIATION	\$	435,427,400
14	Appropriated from:		
15	Federal revenues:		
16	Total other federal revenues		269,297,000
17	Special revenue funds:		
18	Total local revenues		48,875,000
19	Total private revenues		64,785,700
20	Total other state restricted revenues		3,270,500
21	State general fund/general purpose	\$	49,199,200
22	Sec. 117. CHILDREN'S SPECIAL HEALTH CARE		
23	SERVICES		
24	Full-time equated classified positions	51.8	
25	Bequests for care and services--FTEs	9.8	\$ 2,394,700
26	Children's special health care services		
27	administration--FTEs	42.0	9,285,200
28	Medical care and treatment		391,972,700

1	Outreach and advocacy		6,722,200
2	GROSS APPROPRIATION	\$	410,374,800
3	Appropriated from:		
4	Federal revenues:		
5	Total other federal revenues		226,241,400
6	Special revenue funds:		
7	Total private revenues		1,033,900
8	Total other state restricted revenues		4,740,400
9	State general fund/general purpose	\$	178,359,100
10	Sec. 118. AGING SERVICES		
11	Community services	\$	61,047,200
12	Employment assistance		3,500,000
13	Nutrition services		51,272,300
14	Respite care program		7,268,700
15	Senior volunteer service programs		4,765,300
16	GROSS APPROPRIATION	\$	127,853,500
17	Appropriated from:		
18	Federal revenues:		
19	Total other federal revenues		67,787,400
20	Special revenue funds:		
21	Total private revenues		300,000
22	Michigan merit award trust fund		4,068,700
23	Total other state restricted revenues		2,800,000
24	State general fund/general purpose	\$	52,897,400
25	Sec. 119. HEALTH AND AGING SERVICES		
26	ADMINISTRATION		
27	Full-time equated classified positions	523.0	
28	Aging services administration--FTEs	43.0	\$ 9,697,700

1	Health services administration--FTEs	480.0	142,182,800
2	GROSS APPROPRIATION	\$	151,880,500
3	Appropriated from:		
4	Federal revenues:		
5	Total other federal revenues		97,142,900
6	Special revenue funds:		
7	Total local revenues		37,700
8	Total private revenues		1,721,300
9	Total other state restricted revenues		336,300
10	State general fund/general purpose	\$	52,642,300
11	Sec. 120. HEALTH SERVICES		
12	Adult home help services	\$	637,148,800
13	Ambulance services		29,035,300
14	Auxiliary medical services		5,505,500
15	Dental clinic program		1,000,000
16	Dental services		301,306,500
17	Federal Medicare pharmaceutical program		384,182,300
18	Federally qualified health centers		264,493,400
19	Health plan services		8,048,274,400
20	Healthy Michigan plan		6,339,387,600
21	Home health services		5,545,900
22	Hospice services		195,335,700
23	Hospital services and therapy		635,521,100
24	Integrated care organizations		435,081,300
25	Long-term care services		2,740,528,800
26	Maternal and child health		37,330,900
27	Medicaid home- and community-based services		
28	waiver		585,924,000

1	Medicaid orthodontic benefit		4,744,400
2	Medicare premium payments		919,001,400
3	Mothering justice decision - adult home help		
4	wage continuation		315,000,000
5	Personal care services		4,978,700
6	Pharmaceutical services		357,448,600
7	Physician services		185,453,900
8	Program of all-inclusive care for the elderly		284,291,100
9	School-based services		178,823,900
10	Special Medicaid reimbursement		358,460,800
11	Transportation		14,210,000
12	GROSS APPROPRIATION		\$ 23,268,014,300
13	Appropriated from:		
14	Federal revenues:		
15	Total other federal revenues		16,601,461,700
16	Special revenue funds:		
17	Total local revenues		33,844,300
18	Total private revenues		10,942,500
19	Michigan merit award trust fund		173,817,500
20	Total other state restricted revenues		3,624,031,400
21	State general fund/general purpose		\$ 2,823,916,900
22	Sec. 121. INFORMATION TECHNOLOGY		
23	Full-time equated classified positions	11.0	
24	Bridges information system--FTEs	10.0	\$ 123,932,600
25	Child support automation		45,101,900
26	Comprehensive child welfare information system		8,750,300
27	Information technology services and projects		238,586,800
28	Michigan Medicaid information system--FTE	1.0	104,020,300

1	Michigan statewide automated child welfare	
2	information system	22,474,200
3	GROSS APPROPRIATION	\$ 542,866,100
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from department of lifelong education,	
7	advancement, and potential	609,700
8	Federal revenues:	
9	Social security act, temporary assistance for	
10	needy families	24,471,400
11	Capped federal revenues	20,556,700
12	Total other federal revenues	341,508,400
13	Special revenue funds:	
14	Total local revenues	4,300
15	Total private revenues	5,250,000
16	Total other state restricted revenues	2,010,400
17	State general fund/general purpose	\$ 148,455,200
18	Sec. 122. ONE-TIME APPROPRIATIONS	
19	Addiction pilot program	\$ 1,000,000
20	Adoption placement software pilot project	750,000
21	Affordable housing project	2,000,000
22	Air quality sensor pilot project	100,000
23	Alternative payment model	18,000,000
24	Cancer drug repository program	3,000,000
25	Community-based care project	2,000,000
26	Community mental health projects	3,000,000
27	Continuous eligibility study	100
28	Dementia support	100

1	Dental programs	100
2	Diaper assistance procurement	185,800
3	Disability and independent living program	100
4	Family planning local agreements	10,000,000
5	Food pantry grants	1,000,000
6	Health and wellness program	250,000
7	Health workforce development	1,250,000
8	Hispanic maternal mortality study	100
9	Hospital infrastructure grant	100
10	Incarcerate individuals community reentry	
11	Medicaid benefit	2,500,000
12	Liver screening pilot project	1,000,000
13	Maternal electronic health records pilot	
14	project	1,000,000
15	Medical debt relief pilot program	5,000,000
16	Menopause initiatives	2,500,000
17	Michigan nurse scholarship	3,000,000
18	Nonprofit mental health clinic	1,400,000
19	Primary care clinic	2,000,000
20	Social determinants of health hub - one-time	3,000,000
21	State psych DSH disallowance	78,664,100
22	Underserved healthcare facility project	1,500,000
23	Uterine fibroid study	250,000
24	Water affordability	6,000,000
25	GROSS APPROPRIATION	\$ 150,350,500
26	Appropriated from:	
27	State general fund/general purpose	\$ 150,350,500

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2025-2026

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the current fiscal year, total state spending under part 1 from state sources is \$11,456,313,800.00 and state spending under part 1 from state sources to be paid to local units of government is \$2,090,124,900.00. The following itemized statement 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	\$	9,548,700
Legal support contracts		1,300

COMMUNITY SERVICES AND OUTREACH

Homeless programs		7,500
Housing and support services		144,700

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Child care fund		181,232,500
Child care fund - indirect cost allotment		3,500,000
Child welfare licensing		63,900
Children's trust fund		57,500
Contractual services, supplies, and materials		10,500
Foster care payments		2,592,100
Prosecuting attorney contracts		1,290,500
Strong families/safe children		52,900
Youth in transition		700

1	CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE	
2	Bay Pines Center	45,800
3	Community support services	331,900
4	County juvenile officers	101,900
5	PUBLIC ASSISTANCE	
6	Emergency services local office allocations	2,066,500
7	Indigent burial	4,800
8	Michigan energy assistance program	261,200
9	State disability assistance payments	216,500
10	Water affordability	3,000,000
11	LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES	
12	Contractual services, supplies, and materials	87,400
13	Employment and training support services	5,000
14	DISABILITY DETERMINATION SERVICES	
15	Disability determination operations	3,600
16	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND	
17	SPECIAL PROJECTS	
18	Behavioral health program administration	125,100
19	Community substance use disorder prevention,	
20	education, and treatment	8,033,400
21	Mental health diversion council	100,000
22	Opioid response activities	20,000
23	BEHAVIORAL HEALTH SERVICES	
24	Autism services	113,925,300
25	Behavioral health community supports and	
26	services	25,000
27	Certified community behavioral health clinic	
28	demonstration	92,500,000

1	Community mental health non-Medicaid services	123,235,100
2	Health homes	2,600,000
3	Healthy Michigan plan - behavioral health	46,945,400
4	Medicaid mental health services	997,601,400
5	Medicaid substance use disorder services	28,979,700
6	Multicultural integration funding	1,097,200
7	Nursing home PAS/ARR-OBRA	4,926,500
8	State disability assistance program substance	
9	use disorder services	1,754,300
10	STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL	
11	HEALTH SERVICES	
12	Caro Regional Mental Health Center -	
13	psychiatric hospital - adult	153,700
14	Center for forensic psychiatry	564,100
15	Kalamazoo Psychiatric Hospital - adult	55,400
16	Walter P. Reuther Psychiatric Hospital - adult,	
17	children, and adolescents	92,000
18	HEALTH AND HUMAN SERVICES POLICY AND	
19	INITIATIVES	
20	Community health programs	1,500,000
21	Crime victim rights services grants	1,150,000
22	Crime victim rights sustaining grants	100
23	Domestic violence prevention and treatment	163,000
24	Primary care services	75,000
25	EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND	
26	LABORATORY	
27	Epidemiology administration	541,400
28	Healthy homes program	1,769,000

1	PFAS and environmental contamination response	900
2	LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
3	AIDS prevention, testing, and care programs	2,805,800
4	Cancer prevention and control program	28,900
5	Essential local public health services	69,414,600
6	Local health services	2,072,700
7	Public health administration	2,000
8	Sexually transmitted disease control program	698,600
9	Smoking prevention program	242,100
10	FAMILY HEALTH SERVICES	
11	Drinking water declaration of emergency	130,300
12	Family planning local agreements	3,600,000
13	Immunization program	1,814,400
14	Pregnancy prevention program	65,000
15	Prenatal care outreach and service delivery	
16	support	7,672,700
17	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
18	Medical care and treatment	833,600
19	Outreach and advocacy	2,991,000
20	AGING SERVICES	
21	Community services	29,044,900
22	Nutrition services	13,204,900
23	Respite care program	5,999,000
24	Senior volunteer service programs	943,500
25	HEALTH SERVICES	
26	Adult home help services	53,000
27	Ambulance services	943,000
28	Dental services	887,400

1	Healthy Michigan plan	960,600
2	Home health services	1,400
3	Hospital services and therapy	1,351,300
4	Long-term care services	96,870,300
5	Medicaid home- and community-based services	
6	waiver	15,237,200
7	Mothering justice - adult home help wage	
8	continuation	193,528,700
9	Personal care services	22,300
10	Pharmaceutical services	800
11	Physician services	2,864,500
12	Transportation	280,000
13	ONE-TIME APPROPRIATIONS	
14	Water affordability	3,000,000
15	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 2,090,124,900

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

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

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

21 (b) "CCBHC" means certified community behavioral health
22 clinic.

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

26 (d) "CMS" means the Centers for Medicare and Medicaid
27 Services.

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

29 (f) "Current fiscal year" means the fiscal year ending

1 September 30, 2026.

2 (g) "Department" means the department of health and human
3 services.

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

5 (i) "EPSDT" means early and periodic screening, diagnosis, and
6 treatment.

7 (j) "Federal poverty level" means the poverty guidelines
8 revised periodically and published in the Federal Register by the
9 Secretary of the United States Department of Health and Human
10 Services under the Secretary's authority to revise the poverty line
11 under 42 USC 9902.

12 (k) "FQHC" means federally qualified health center.

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

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

15 (n) "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 (o) "HEDIS" means health care effectiveness data and
19 information set.

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

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

23 (r) "IDG" means interdepartmental grant.

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

25 (t) "Medicaid" means subchapter XIX of the social security
26 act, 42 USC 1396 to 1396w-8.

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

29 (v) "MiCAFE" means Michigan's coordinated access to food for

1 the elderly.

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

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

6 (y) "PACE" means program of all-inclusive care for the
7 elderly.

8 (z) "PAS/ARR-OBRA" means the preadmission screening and annual
9 resident review required under the omnibus budget reconciliation
10 act of 1987, section 1919(e)(7) of the social security act, 42 USC
11 1396r.

12 (aa) "PATH" means Partnership. Accountability. Training. Hope.

13 (bb) "PFAS" means perfluoroalkyl and polyfluoroalkyl
14 substances.

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

23 (dd) "Previous fiscal year" means the fiscal year ending
24 September 30, 2025.

25 (ee) "Quarterly basis" means February 1, April 1, July 1, and
26 September 30 of the current fiscal year.

27 (ff) "Semiannual basis" means March 1 and September 30 of the
28 current fiscal year.

29 (gg) "Settlement" means the settlement agreement entered in

1 the case of *Dwayne B. v Snyder*, Docket No. 2:06-cv-13548 in the
2 United States District Court for the Eastern District of Michigan.

3 (hh) "SSI" means supplemental security income.

4 (ii) "Standard report recipients" means the senate and house
5 of representatives appropriations subcommittees on the department
6 budget, the senate and house fiscal agencies, the senate and house
7 of representatives policy offices, and the state budget office.

8 (jj) "Temporary assistance for needy families" or "TANF" or
9 "title IV-A" means part A of subchapter IV of the social security
10 act, 42 USC 601 to 619.

11 (kk) "Title IV-B" means part B of title IV of the social
12 security act, 42 USC 621 to 629m.

13 (ll) "Title IV-D" means part D of title IV of the social
14 security act, 42 USC 651 to 669b.

15 (mm) "Title IV-E" means part E of title IV of the social
16 security act, 42 USC 670 to 679c.

17 (nn) "Title X" means subchapter VIII of the public health
18 service act, 42 USC 300 to 300a-8, which establishes grants to
19 states for family planning services.

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

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

28 (a) The funds must not be used for the purchase of foreign
29 goods or services, or both, if competitively priced and of

1 comparable quality American goods or services, or both, are
2 available.

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

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

10 (d) Preference must be given to goods or services, or both,
11 that are manufactured in facilities that employ union members.

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

23 Sec. 207. Consistent with section 217 of the management and
24 budget act, 1984 PA 431, MCL 18.1217, the department shall prepare
25 a report on out-of-state travel expenses not later than January 1.
26 The report must list all travel by classified and unclassified
27 employees outside this state in the previous fiscal year that was
28 funded in whole or in part with funds appropriated in the
29 department's budget. The department shall submit the report to the

1 standard report recipients and to the senate and house of
2 representatives appropriations committees. The report must include
3 all of the following information:

4 (a) The dates of each travel occurrence.

5 (b) The total transportation and related expenses of each
6 travel occurrence and the proportions funded with state general
7 fund/general purpose revenues, state restricted revenues, federal
8 revenues, and other revenues.

9 Sec. 208. The department shall not use funds appropriated in
10 part 1 to hire a person to provide legal services that are the
11 responsibility of the attorney general. This section does not apply
12 to legal services for bonding activities or to outside services
13 that the attorney general authorizes.

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

23 Sec. 210. (1) In addition to the funds appropriated in part 1,
24 there is appropriated an amount not to exceed \$100,000,000.00 for
25 federal contingency authorization. Amounts appropriated under this
26 subsection are not available for expenditure until they have been
27 transferred to another line item in part 1 under section 393(2) of
28 the management and budget act, 1984 PA 431, MCL 18.1393. Federal
29 contingency authorization must not be made available to increase

1 TANF authorization.

2 (2) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$50,000,000.00 for state
4 restricted contingency authorization. Amounts appropriated under
5 this subsection are not available for expenditure until they have
6 been transferred to another line item in part 1 under section
7 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

20 Sec. 211. A department or agency shall cooperate with the
21 department of technology, management, and budget to maintain a
22 searchable website accessible by the public at no cost that
23 includes, but is not limited to, all of the following for each
24 department or agency:

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

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

27 (c) Fiscal year-to-date payments to a selected vendor,
28 including the vendor name, payment date, payment amount, and
29 payment description.

1 (d) The number of active employees by job classification.

2 (e) Job specifications and wage rates.

3 Sec. 212. Not later than 14 days after the release of the
4 executive budget recommendation, the department shall cooperate
5 with the state budget office to provide an annual report on
6 estimated state restricted fund balances, state restricted fund
7 projected revenues, and state restricted fund expenditures for the
8 previous 2 fiscal years. The report must be submitted to the
9 standard report recipients and to the chairpersons of the senate
10 and house of representatives appropriations committees.

11 Sec. 213. (1) Within 10 days after the effective date of this
12 act, the department must provide a report to the standard report
13 recipients containing the following information:

14 (a) A list of any sections in this act that the department
15 determines to be unenforceable, with a detailed legal rationale for
16 those determinations, as applicable.

17 (b) If a determination under subdivision (a) would affect the
18 operations of a program or programs within the department, the
19 department must report the estimated difference in cost between the
20 policy outlined in the section determined to be unenforceable and
21 the policy the department intends to pursue.

22 (2) The department may coordinate with the executive office of
23 the governor or other state departments or agencies to compile a
24 statewide report for any departments or agencies required to submit
25 a report substantially similar to the report described under
26 subsection (1).

27 Sec. 214. The department must provide a quarterly report to
28 the standard report recipients detailing federal policy changes
29 that do, or are expected to do, any of the following:

1 (a) Affect the operations of the department.

2 (b) Affect an industry, community, population, or other group
3 regulated or served by, or that otherwise engages with, the
4 department.

5 (c) Affect regulations that currently protect the public to
6 the extent that the regulations affect an industry, community,
7 population, or other group regulated or served by, or that
8 otherwise engages with, the department.

9 (d) Create a regulatory gap that could negatively impact the
10 public.

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

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

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

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

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

1 prior years.

2 Sec. 217. Not later than February 1 of the current fiscal
3 year, the department shall submit, to the standard report
4 recipients, a report on the detailed names and amounts of estimated
5 federal, restricted, private, and local sources of revenue that
6 support the appropriations in each of the line items in part 1 for
7 the previous fiscal year. The report must itemize, rather than
8 aggregate, specific revenue sources deposited into the generic
9 statewide integrated governmental management application (SIGMA)
10 fund numbers 1200, 1274, 4000, and 5000.

11 Sec. 218. As required under part 23 of the public health code,
12 1978 PA 368, MCL 333.2301 to 333.2321, the appropriations in part 1
13 must include the following:

14 (a) Immunizations.

15 (b) Communicable disease control.

16 (c) Sexually transmitted infection control.

17 (d) Tuberculosis control.

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

19 (f) Screening newborn infants for the conditions listed in
20 section 5431 of the public health code, 1978 PA 368, MCL 333.5431,
21 or recommended by the newborn screening quality assurance advisory
22 committee created under section 5430 of the public health code,
23 1978 PA 368, MCL 333.5430.

24 (g) Health and human services annex of the Michigan Emergency
25 Management Plan.

26 (h) Prenatal care.

27 (i) Mental health.

28 Sec. 219. (1) The department may contract with the Michigan
29 Public Health Institute for the design and implementation of

1 projects and for other public health-related activities prescribed
2 in section 2611 of the public health code, 1978 PA 368, MCL
3 333.2611. The department may develop a master agreement with the
4 Michigan Public Health Institute to carry out the activities
5 described in this subsection for up to a 1-year period.

6 (2) On a semiannual basis, the department shall submit, to the
7 standard report recipients, a report that includes all of the
8 following:

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

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

13 (c) The expected project duration.

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

17 (3) On a semiannual basis, the department shall provide, to
18 the standard report recipients, a copy of all reports, studies, and
19 publications produced by the Michigan Public Health Institute, its
20 subcontractors, or the department with the funds appropriated in
21 the department's budget in the previous fiscal year and allocated
22 to the Michigan Public Health Institute.

23 Sec. 220. The department shall ensure that faith-based
24 organizations are able to apply and compete for services, programs,
25 or contracts that the organizations are qualified and suitable to
26 fulfill. The department shall not disqualify faith-based
27 organizations solely on the basis of the religious nature of the
28 organizations or the guiding principles or statements of faith for
29 the organizations.

1 Sec. 221. In accordance with section 1b of the social welfare
2 act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and
3 this part as a time-limited addendum to the social welfare act,
4 1939 PA 280, MCL 400.1 to 400.119b.

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

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

11 (3) Not later than April 1 of the current fiscal year, the
12 department shall report on each specific policy change made to
13 implement a public act affecting the department that took effect
14 during the previous calendar year. The department shall submit the
15 report to the standard report recipients, the senate and house of
16 representatives appropriations committees, and to the joint
17 committee on administrative rules.

18 (4) The department shall attach each policy bulletin issued
19 during the previous calendar year to the report under subsection
20 (3).

21 Sec. 223. The department may establish and collect fees for
22 publications, videos and related materials, conferences, and
23 workshops. Collected fees are appropriated when received and must
24 be used to offset expenditures for publication printing and
25 mailing, costs of the publications, videos and related materials,
26 conferences, and workshops. The department shall not collect fees
27 under this section that exceed the cost of the expenditures. If
28 collected fees are appropriated under this section in an amount
29 that exceeds the current fiscal year appropriation, not later than

1 30 days after the collected fee appropriation, the department shall
2 notify the standard report recipients of that fact.

3 Sec. 224. The department may retain all of this state's share
4 of food assistance overissuance collections as an offset to general
5 fund/general purpose costs. Retained collections must be applied
6 against federal funds deductions in all appropriation units where
7 department costs related to the investigation and recoupment of
8 food assistance overissuances are incurred. Retained collections in
9 excess of the investigation and recoupment costs must be applied
10 against the federal funds deducted in the departmental
11 administration and support appropriation unit.

12 Sec. 225. A department or agency required to submit a report
13 under this part shall make each report readily accessible to the
14 public and conspicuously post each required report on the
15 department's or agency's Michigan.gov website not later than the
16 due date required for each report. In addition to placing all
17 reports required in the current fiscal year on the department's or
18 agency's website, the department or agency shall maintain on its
19 website all reports placed on the website from previous fiscal
20 years.

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

27 Sec. 227. If the department receives tobacco tax funds and
28 Healthy Michigan fund revenue from part 1, not later than April 1
29 of the current fiscal year, the department shall submit, to the

1 standard report recipients, a report on both of the following
2 activities during the previous fiscal year:

3 (a) Tobacco tax revenue appropriations in the Medicaid
4 program.

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

7 (i) The project's name.

8 (ii) The appropriation line item and amount.

9 (iii) The project's target population.

10 (iv) A description of the project.

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

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

23 Sec. 229. (1) General fund appropriations in part 1 shall not
24 be expended for items if federal funding or private grant funding
25 is available for the same expenditures.

26 (2) If the department is required to make a reduction in
27 expenditures under section 395(1) or (2) of the management and
28 budget act, 1984 PA 431, MCL 18.1395, for any appropriation under
29 this part or part 1, the department must notify the standard report

1 recipients not later than 10 days after the reduction. The
2 notification must include, but not be limited to, the following:

3 (a) A description of the fund source that is insufficient to
4 support the expenditures being reduced and the amount of the
5 reduction.

6 (b) A description of the cause for the reduction, if any such
7 cause is known.

8 (c) A description of the functions of state government or
9 services to residents that will be affected by the reduction.

10 Sec. 230. Not later than March 1 and June 1 of the current
11 fiscal year, the department shall submit, to the standard report
12 recipients, a report on the status of the implementation of any
13 noninflationary, noncaseload, programmatic funding increases in the
14 current fiscal year from the previous fiscal year. The report must
15 confirm the implementation of already-implemented funding increases
16 and provide an explanation for any planned implementation of
17 funding increases that have not yet occurred. For any planned
18 implementation of funding increases that have not yet occurred, the
19 report must include an expected implementation date and the reason
20 for delayed 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 funded at \$3.20 per
27 hour and provide sufficient funding to increase the wages paid to
28 direct care workers by \$0.20 per hour more than the previous fiscal
29 year for the services noted in the department's Medicaid provider

1 letter L 21-76 under the Medicaid managed care organization's
2 relevant program.

3 (b) Ensure, to the greatest extent possible, that the full
4 amount of funds appropriated for direct care worker wages, except
5 for costs incurred by the employer, including payroll taxes, is
6 provided to direct care workers through maintained increased wages.

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

10 (2) Not later than March 1 of the current fiscal year, the
11 department shall submit a report to the standard report recipients
12 that includes the following information by program and provider
13 type for the previous fiscal year:

14 (a) Hours of service that qualified for the direct care worker
15 wage increase.

16 (b) The aggregate increase in wages attributable to the
17 funding appropriated in part 1.

18 (c) A comparison of the projected increase included in the
19 capitation rates and the reported amount expended on the wage
20 increase.

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

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

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

27 Sec. 235. (1) Funds appropriated in part 1 must not be used to
28 restrict or impede a marginalized community's access to government
29 resources, programs, or facilities.

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

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

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

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

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

26 Sec. 244. On a monthly basis, the department shall submit, to
27 the standard report recipients, a report on any line-item
28 appropriation for which the department estimates total annual
29 expenditures would exceed the funds appropriated for the line-item

1 appropriation by 5% or more. The department shall provide a
2 detailed explanation for any relevant line-item appropriation
3 exceedance and identify the corrective actions undertaken to
4 mitigate line-item appropriation expenditures from exceeding the
5 funds appropriated for the line-item appropriation by a greater
6 amount. This section does not apply for line-item appropriations
7 that are part of the May revenue estimating conference caseload and
8 expenditure estimates.

9 Sec. 250. (1) For any grant program or project funded in part
10 1 intended for a single recipient organization or unit of local
11 government, the grant program or project is for a public purpose
12 and the department shall follow procurement statutes of this state,
13 including any bidding requirements, unless the department can fully
14 validate, through information detailed in this part or public
15 supporting documents, both of the following:

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

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

19 (2) To be eligible to receive a grant described in subsection
20 (1), both of the following must occur:

21 (a) A recipient must submit the application under subsection
22 (3) not later than 60 days after the effective date of this act.

23 (b) A recipient must be 1 of the following:

24 (i) A unit of local government, as that term is defined in
25 section 115 of the management and budget act, 1984 PA 431, MCL
26 18.1115.

27 (ii) An institution of higher education.

28 (iii) A state agency, as that term is defined in section 115 of
29 the management and budget act, 1984 PA 431, MCL 18.1115.

1 (iv) An entity registered with the department of licensing and
2 regulatory affairs or the department of attorney general that has
3 been in existence for at least the 12 months preceding the
4 effective date of this act.

5 (v) Another entity that can demonstrate, through state or
6 federal tax filings or other state or federal government records,
7 that it has been in existence for at least the 12 months preceding
8 the effective date of this act.

9 (3) Notwithstanding any other conditions or requirements for
10 direct appropriation grants, the department shall work with the
11 state budget office to perform at least all of the following
12 activities to administer the grants described in subsection (1):

13 (a) Develop a standard application process using the
14 electronic submission portal developed by the state budget office,
15 grantee reporting requirements, and any other necessary
16 documentation, including sponsorship information as specified under
17 subsection (4). If the electronic submission portal identified in
18 this subdivision is not fully functional by 60 days after the
19 effective date of this act, the state budget office shall ensure
20 that the standard application process and form are available
21 promptly and paper submission is acceptable. The state budget
22 office shall promptly submit application material received to the
23 department for departmental review.

24 (b) Establish a process to review, complete, and execute a
25 grant agreement with a grant recipient. The department shall not
26 execute a grant agreement unless all necessary documentation has
27 been submitted and reviewed.

28 (c) Verify to the extent possible that a grant recipient will
29 use funds for a public purpose that serves the economic prosperity,

1 health, safety, or general welfare of the residents of this state.

2 (d) Review and verify all necessary information to ensure the
3 grant recipient is reasonably able to execute the grant agreement,
4 perform its fiduciary duty, and comply with all applicable state
5 and federal statutes. The department may deduct the cost of
6 background checks and any other efforts performed as part of this
7 verification from the amount of the designated grant award.

8 (e) Establish a standard timeline to review all documents
9 submitted by grant recipients and provide a response within 45
10 business days stating whether submitted documents by a grant
11 recipient are sufficient or in need of additional information. If
12 additional information is needed, the 60-day deadline in subsection
13 (2) is considered to have been met if a sponsor has been identified
14 for that grant. If a grant recipient does not provide information
15 sufficient to execute a grant agreement not later than 60 days
16 after being notified by the department of grant approval, the
17 department shall return funds associated with the grant to the
18 state treasury.

19 (f) Make an initial disbursement of up to 50% of the grant to
20 the grant recipient not later than 60 days after a grant agreement
21 has been executed. Disbursements must be consistent with part II,
22 chapter 10, section 200 of the Financial Management Guide.

23 (g) Disburse the funds remaining after the initial
24 disbursement under subdivision (f) per the grant disbursement
25 schedule in the executed grant agreement on a reimbursement basis
26 after the grantee has provided sufficient documentation, as
27 determined by the department, to verify that expenditures were made
28 in accordance with the project purpose.

29 (4) The process for the identification and sponsorship of a

1 grant described in subsection (1) is as follows:

2 (a) Not later than the effective date of this act, the state
3 budget office shall provide an initial list of grants that require
4 legislative sponsorship to the legislature and shall make public an
5 initial list of grants that likely will be sponsored by the
6 department or by the state budget office.

7 (b) A sponsor of a grant described in subsection (1) must be a
8 legislator, the department, or the state budget office.

9 (c) A legislative sponsor must be identified through a letter
10 submitted by that legislator's office to the department and state
11 budget director containing the name of the grant recipient, the
12 intended amount of the grant, a certification from that legislator
13 that the grant is for a public purpose, and specific citation of
14 the section and subsection of the public act that authorizes the
15 grant, as applicable.

16 (d) Within 10 business days after the effective date of this
17 act, the senate and house of representatives shall compile an
18 initial list of legislative grant sponsors for their respective
19 chambers and submit those compiled lists to the state budget office
20 and the department, and the state budget office shall identify
21 department- or state budget office-sponsored grants. The state
22 budget director may grant an extension of this deadline of not more
23 than 30 days on a case-by-case basis. The state budget office shall
24 make the compiled lists public within 14 business days after the
25 effective date of this act.

26 (e) Not later than 60 days after the effective date of this
27 act, the state budget office shall publish a final list of grants
28 requiring sponsorship. If a legislative sponsor is not identified
29 within 60 days after the effective date of this act, the department

1 shall do 1 of the following:

2 (i) Identify the department of the state budget office as the
3 sponsor.

4 (ii) Decline to execute the grant agreement and lapse the
5 associated funds at the end of the fiscal year.

6 (f) At any point during the fiscal year, legislative grant
7 sponsors may be added to a grant request.

8 (5) An executed grant agreement under this section between the
9 department and a grant recipient must include at least all of the
10 following:

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

14 (b) A description of the project for which the grant funds
15 will be expended, including tentative timelines and the estimated
16 budget. The department shall not reimburse expenditures that are
17 outside of the project purpose, as stated in the executed grant
18 agreement, from appropriations in part 1. The grantee shall return
19 to the treasury any interest in excess of \$1,000.00 earned on the
20 grant funds while unexpended and in possession of the grantee.

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

25 (d) A requirement for reporting by the grant recipient to the
26 department and the legislative sponsor that provides the status of
27 the project and an accounting of all funds expended by the grant
28 recipient, as determined by the department.

29 (e) A claw-back provision that allows the department of

1 treasury to recoup or otherwise collect any funds that are
2 declined, unspent, or otherwise misused.

3 (f) The signed legislative sponsorship letter required under
4 subsection (4), incorporated into the grant agreement and included
5 as an appendix or attachment.

6 (g) If a grant recipient has provided information sufficient
7 to execute a grant agreement, the state budget office shall
8 promptly transmit that information to the department for the
9 department's review of the grant application. If a grant recipient
10 has provided information sufficient to execute a grant agreement
11 within 60 days after the effective date of this act, but the grant
12 application needs technical fixes or additional legislative action,
13 as identified by the state budget office, the 60-day deadline in
14 this subdivision is considered to have been met, if a sponsor has
15 been identified for that grant. If a grant recipient does not
16 provide information sufficient to execute a grant agreement not
17 later than 60 days after being notified by the department of grant
18 approval, the department shall return funds associated with the
19 grant to the state treasury.

20 (6) If appropriate to improve the administration or oversight
21 of a grant described in subsection (1), the department may adopt a
22 memorandum of understanding with another state department to
23 perform the required duties under this section.

24 (7) A grant recipient shall respond to all reasonable
25 information requests from the department related to grant
26 expenditures and retain grant records for not less than 7 years,
27 and the grant may be subject to monitoring, site visits, and audits
28 as determined by the department. The grant agreement required under
29 this section must include signed assurance by the chief executive

1 officer or other executive officer of the grant recipient that the
2 requirements of this subsection will be met.

3 (8) The grant recipient shall expend all funds awarded and
4 complete all projects not later than September 30, 2030. If at that
5 time any unexpended funds remain, the grant recipient shall return
6 those funds to the state treasury.

7 (9) Any funds that are granted to a state department are
8 appropriated in that department for the purpose of the intended
9 grant.

10 (10) The state budget director may, on a case-by-case basis,
11 extend the deadline in subsection (8) on request by a grant
12 recipient if a sponsor has been identified for the grant. The state
13 budget director shall notify the chairs of the senate and house of
14 representatives appropriations committees not later than 5 days
15 after an extension is granted.

16 (11) By March 1 of the current fiscal year, the state budget
17 office shall post a report in a publicly accessible location on its
18 website. The report must list the grant recipient, project purpose,
19 and location of the project for each grant described in subsection
20 (1), the status of funds allocated and disbursed under the grant
21 agreement, and the legislative sponsor, if applicable. After March
22 1, the state budget office shall update the report monthly and
23 shall post the updated report each month. The state budget office
24 shall include in the report the most comprehensive information the
25 office has available at the time of posting for grants awarded. The
26 state budget office may compile the information required in this
27 report across all departments. The department shall assist the
28 state budget office with the compilation of the report required
29 under this subsection.

1 (12) On request, beginning 75 days after the effective date of
2 this act, the state budget office shall release information
3 received for grant applications.

4 (13) As applicable, the legislative sponsor of a grant
5 described in subsection (1) shall not sponsor a grant, or ask
6 another legislator to sponsor a grant, if there is a conflict of
7 interest related to the grant recipient.

8 (14) If the department reasonably determines that the funds
9 allocated for an executed grant agreement under this section were
10 misused or that use of the funds was misrepresented by the grant
11 recipient, the department shall not award any additional funds
12 under the executed grant agreement and shall refer the grant for
13 review following internal audit protocols.

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

17 (2) For competitive grant programs described in this part,
18 each federally recognized tribe is eligible to apply for grant
19 funds made available to organizations exempt from federal income
20 tax under section 501(c)(3) of the internal revenue code of 1986,
21 26 USC 501, and to local units of government.

22 Sec. 263. (1) Except as provided in this subsection, before
23 submission of a waiver, state plan amendment, or similar proposal
24 to CMS or another federal agency, the department shall notify the
25 standard report recipients of the planned submission. This
26 subsection does not apply to the submission of a waiver, state plan
27 amendment, or similar proposal that does not propose a material
28 change or is outside of the ordinary course of a waiver, state plan
29 amendment, or similar proposal.

1 (2) On a semiannual basis, the department shall submit, to the
2 standard report recipients, a report that summarizes the status of
3 any new or ongoing discussions with CMS, the United States
4 Department of Health and Human Services, or another federal agency
5 regarding any potential or future waiver applications and the
6 status of any submitted waivers that have not yet received federal
7 approval. If there is not a reportable item at the time that a
8 semiannual report is due, a report is not required.

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

14 Sec. 270. The department shall advise the legislature of the
15 receipt of a notification from the attorney general's office of a
16 legal action in which expenses had been recovered under section
17 106(6) of the social welfare act, 1939 PA 280, MCL 400.106. If
18 applicable, not later than February 1 of the current fiscal year,
19 the department shall submit, to the standard report recipients, a
20 report that includes, but is not limited to, all of the following:

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

22 (b) The program or service for which the money was originally
23 expended.

24 (c) Details on the disposition of the funds recovered, such as
25 the appropriation or revenue account in which the money was
26 deposited.

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

28 Sec. 274. On the day that is 1 week after the day that the
29 governor submits the executive budget proposal for the ensuing

1 fiscal year to the legislature, the department, in collaboration
2 with the state budget office, shall submit, to the standard report
3 recipients, a report on spending and revenue projections for each
4 of the capped federal funds listed in this subsection. The report
5 must contain actual spending and revenue in the previous fiscal
6 year, spending and revenue projections for the current fiscal year
7 as enacted, and spending and revenue projections in the executive
8 budget proposal for the immediately ensuing fiscal year for each
9 individual line item for the department budget. The report must
10 also include federal funds transferred to other departments. The
11 capped federal funds include, but are not limited to, all of the
12 following:

13 (a) TANF.

14 (b) Title XX social services block grant.

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

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

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

19 Sec. 275. (1) On a quarterly basis, the department, with the
20 approval of the state budget director, is authorized to realign
21 sources between other federal, TANF, and capped federal financing
22 authorizations to maximize federal revenues. The realignment of
23 financing must not produce any of the following:

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

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

27 (c) A net increase in TANF authorization.

28 (2) On a quarterly basis, the department shall submit, to the
29 standard report recipients, a report on the realignment of federal

1 fund sources transacted to date in the current fiscal year under
2 subsection (1), including the dates, line items, and amounts of the
3 transactions. If, at the time a quarterly report is due, a
4 transaction was not made under subsection (1), a report is not
5 required.

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

11 Sec. 290. Any public advertisement for public assistance must
12 inform the public of the welfare fraud hotline operated by the
13 department.

14 Sec. 295. Not later than April 1 of the current fiscal year,
15 the department shall submit, to the standard report recipients, a
16 report on funds appropriated for the healthy moms, healthy babies
17 initiative. The report must include the budgeted amount, year-to-
18 date expenditures, remaining balance of appropriations, and the
19 percent of budget spent for each appropriation related to the
20 initiative. The report must also include information on how the
21 funds have assisted with meeting the goals and outcomes of the
22 initiative.

23 Sec. 297. On a quarterly basis, the department shall report on
24 the number of full-time equated positions in pay status by civil
25 service classification, including a comparison by line item of the
26 number of full-time equated positions authorized from funds
27 appropriated in part 1 to the actual number of full-time equated
28 positions employed by the department at the end of the reporting
29 period. The report must be submitted to the senate and house of

1 representatives appropriations committees and to the standard
2 report recipients.

3 Sec. 298. The state budget director shall take steps to ensure
4 that all state fiscal recovery funds allocated to this state under
5 the American rescue plan act of 2021, Public Law 117-2, are
6 expended by December 31, 2026, as required by law. A department or
7 agency receiving an appropriation under this part or part 1 must
8 notify the standard report recipients if an appropriation of funds
9 described under this section is projected to lapse.

10
11 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

12 Sec. 301. From the funds appropriated in part 1 for child
13 welfare institute, the department shall train private child placing
14 agency staff in the pre-service training requirements for child
15 welfare caseworkers and supervisors. Private child placing agency
16 staff must be provided an opportunity to complete the training in a
17 virtual format at the staff's private child placing agency
18 facility. If a private child placing agency prefers a hybrid
19 training format that includes virtual and in-person instruction,
20 the training must be available to the private child placing agency
21 staff.

22 Sec. 302. (1) From the funds appropriated in part 1 for
23 coordinated children's healthcare policy and supports, the
24 department shall allocate \$2,025,000.00 for the autism navigator
25 program. The department shall require a contractor receiving funds
26 under this section to comply with performance-related metrics
27 established by the department to maintain eligibility for funding.
28 The performance-related metrics must include, but not be limited
29 to, all of the following:

1 (a) Each contractor shall have an accreditation that attests
2 to the contractor's competency and effectiveness in providing
3 services.

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

5 (c) Each contractor shall ensure the contractor's ability to
6 leverage private dollars to strengthen and maximize service
7 provision.

8 (d) Each contractor shall provide quarterly reports to the
9 department on the number of clients served by PIHP region, units of
10 service provision by PIHP region, and ability to meet their stated
11 goals.

12 (2) The department shall require a report from a contractor
13 receiving funds under this section. A contractor shall submit the
14 report to the department not later than 60 days after the end of
15 the contract period. The report must include specific information
16 on services and programs provided by the contractor, the client
17 base to which the services and programs were provided by the
18 contractor, and the contractor's expenditures for the services. The
19 department shall submit the reports to the standard report
20 recipients.

21
22 **CHILD SUPPORT ENFORCEMENT**

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

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

28 (3) From the federal money received for child support
29 incentive payments, \$14,500,000.00 must be paid to counties based

1 on each county's performance level for each of the performance
2 measures under 45 CFR 305.2.

3 (4) If the child support incentive payment to this state from
4 the federal government is greater than \$26,500,000.00, then 100% of
5 the amount in excess must be retained by this state and is
6 appropriated until the total retained by this state reaches
7 \$15,397,400.00.

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

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

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

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

27 Sec. 410. (1) If title IV-D-related child support collections
28 are escheated, the state budget director is authorized to adjust
29 the sources of financing for the funds appropriated in part 1 for

1 legal support contracts to reduce federal authorization by 66% of
2 the escheated amount and increase general fund/general purpose
3 authorization by the same amount. The adjustment is required to
4 offset the loss of federal revenue due to the escheated amount
5 being counted as title IV-D program income in accordance with 45
6 CFR 304.50.

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

10 11 **COMMUNITY SERVICES AND OUTREACH**

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

20 (a) Increasing school attendance and decreasing chronic
21 absenteeism.

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

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

26 (d) Increasing parent involvement.

27 (2) Not later than July 15 of the current fiscal year, the
28 Northeast Michigan Community Service Agency shall submit a report
29 to the department on the number of children and families served and

1 the services that were provided to families to meet the performance
2 objectives identified in this section. Not later than 1 week after
3 the department receives the report, the department shall distribute
4 the report to the standard report recipients.

5 Sec. 452. From the funds appropriated in part 1 emergency
6 homeless shelter repair and services grant, the department shall
7 allocate \$1,000,000.00 to a nonprofit, community-based organization
8 organized under the laws of this state that is exempt from federal
9 income tax under section 501(c)(3) of the internal revenue code of
10 1986, 26 USC 501, and is located in a city with a population
11 between 639,000 and 650,000 according to the most recent federal
12 decennial census. To be eligible for the funding under this
13 section, the organization must use the grant to make capital and
14 infrastructure repairs to structures to convert the structures into
15 emergency homeless shelters for women and children and shelters for
16 individuals who are parolees from the department of corrections.

17 Sec. 453. (1) From the funds appropriated in part 1 for
18 homeless programs, the department shall allocate funds to the
19 emergency shelter program to support efforts of shelter providers
20 to move homeless individuals and households into permanent housing
21 as quickly as possible. The funds must be equal to or exceed the
22 amount that a provider would receive if the provider is paid a
23 \$24.00 per diem rate. Expected outcomes are increased shelter
24 discharges to stable housing destinations, decreased recidivism
25 rates for shelter clients, and a reduction in the average length of
26 stay in emergency shelters.

27 (2) Not later than March 1 of the current fiscal year, the
28 department shall submit, to the standard report recipients, a
29 report on the total amount expended for the emergency shelter

1 program in the prior 2 fiscal years, the total number of shelter
2 nights provided, and the average length of stay in an emergency
3 shelter.

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

8 Sec. 455. As a condition of receipt of federal TANF revenue,
9 after admitting a family to a homeless shelter, the homeless
10 shelter and human services agencies shall collaborate with the
11 department to obtain necessary TANF eligibility information on the
12 family as soon as possible. From the funds appropriated in part 1
13 for homeless programs, the department is authorized to make
14 allocations of TANF revenue only to the homeless shelters and human
15 services agencies that report necessary data to the department to
16 meet TANF eligibility reporting requirements. Homeless shelters or
17 human services agencies that do not report necessary data to the
18 department to meet TANF eligibility reporting requirements shall
19 not receive reimbursements that exceed the per diem amount the
20 homeless shelters or human service agencies received in fiscal year
21 2000. The use of TANF revenue under this section is not an ongoing
22 commitment of funding.

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

1 Sec. 457. From the funds appropriated in part 1 for homeless
2 programs, the department shall allocate \$8,500,000.00 of TANF
3 revenue to support family shelters or families who are homeless and
4 at risk of being homeless. Funds appropriated under this section
5 must be used as follows:

6 (a) \$3,000,000.00 for emergency hotels for families
7 experiencing homelessness.

8 (b) \$3,500,000.00 for assistance and supports to families
9 engaged with child welfare. This may include, but is not limited
10 to, eviction diversion, first month's rent and deposit, and utility
11 arrears.

12 (c) \$2,000,000.00 for creating additional spaces at family
13 homeless shelters that have been in operation for at least 24
14 months.

15 Sec. 458. From the funds appropriated in part 1 for homeless
16 programs, the department shall require any entities receiving
17 direct or indirect state funds to report data to a Homeless
18 Management Information System that satisfies the baseline data
19 collection requirements.

20 Sec. 459. From the funds appropriated in part 1 for homeless
21 programs, the department shall allocate \$2,000,000.00 of TANF
22 revenue to acquire and develop for individuals and families
23 noncongregate shelter that utilizes options under a Housing First
24 model and prioritizes providing stable and permanent housing
25 without preconditions or requirements, such as sobriety or
26 participation in treatment programs. Eligible uses for this funding
27 may include, but are not limited to, hotels, motels, dormitories,
28 recuperative care facilities, and other facilities that offer
29 noncongregate shelter.

1 Sec. 460. From the funds appropriated in part 1 for kids' food
2 basket, the department shall allocate \$525,000.00 to fund a project
3 with a nonprofit, community-based organization organized under the
4 laws of this state that is exempt from federal income tax under
5 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
6 and is located in a city with a population between 185,000 and
7 200,000 and in a county with a population between 600,000 and
8 700,000, according to the most recent federal decennial census. The
9 nonprofit organization recipient must have an existing network of
10 food delivery to low-income children in not less than 3 counties in
11 this state. The nonprofit organization shall use the funds to
12 expand its services to additional schools and communities. The
13 funding may be used to cover employee costs, food and supplies,
14 equipment, and other operational costs identified by the
15 organization to support its mission and goals.

16 Sec. 461. (1) From the funds appropriated in part 1 for
17 permanent supportive housing, the department shall allocate
18 \$10,000,000.00 to expand supportive housing services. Organizations
19 that received funding under section 1983 of article 6 of 2023 PA
20 166 or section 701 of article 16 of 2024 PA 121 are eligible to
21 apply for and receive funding under this section. The funds must be
22 used for services to households living in supportive housing who
23 need additional services to maintain stability and currently
24 homeless households moving into supportive housing.

25 (2) From the funds appropriated in this section, no more than
26 8% may be allocated as grants to organizations providing permanent
27 supportive housing for capacity building necessary to develop and
28 sustain high-quality service delivery and to build administrative
29 capacity to seek Medicaid reimbursement for eligible services.

1 (3) From the funds appropriated in this section, at least 1%
2 must be allocated to a national nonprofit organization that is
3 organized under the laws of this state, is exempt from federal
4 income tax under section 501(c)(3) of the internal revenue code of
5 1986, 26 USC 501, was founded in 1991 with 100 to 250 employees, is
6 a national leader in supportive housing, and provides technical
7 assistance and capacity building support to organizations providing
8 permanent supportive housing services.

9 (4) Funds appropriated in part 1 for permanent supportive
10 housing are considered work project funds, do not lapse at the
11 close of the fiscal year, and are available for expenditures for
12 projects under this section until the projects have been completed.
13 The following are in compliance with section 451a(1) of the
14 management and budget act, 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the work project is to provide funding for
16 grants to eligible entities to provide permanent supportive housing
17 services for eligible households.

18 (b) The work project will be accomplished through partnerships
19 with community-based agencies that provide supportive housing
20 services, the Michigan state housing development authority, and
21 local governments.

22 (c) The total estimated cost of the work project is
23 \$10,000,000.00.

24 (d) The tentative completion date for the work project is
25 September 30, 2030.

26 Sec. 462. From the funds appropriated in part 1 for senior
27 university, the department shall allocate \$400,000.00 to a
28 community action alliance located in a city with a population over
29 500,000 according to the most recent federal decennial census to

1 improve connectivity and computer skills to seniors.

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

7 Sec. 464. (1) From the funds appropriated in part 1 for diaper
8 assistance grant, the department shall purchase diapering supplies
9 in bulk and allocate those supplies to diaper assistance programs,
10 maternity homes, local county offices, and other nonprofit agencies
11 that distribute diapers free of charge and were established as of
12 January 1, 2020. The funds must be used only to purchase diapering
13 supplies and to cover related administrative costs. Not more than
14 15% of the funds appropriated in part 1 are expendable for
15 administrative purposes.

16 (2) Not later than March 1 of the current fiscal year, the
17 department shall submit, to the standard report recipients, a
18 report on the distribution of diapering supplies that includes, but
19 is not limited to, the names and locations of the entities
20 described in subsection (1) that distribute diaper supplies and the
21 total amount of diapering supplies distributed to each entity.

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

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

1 (b) The work project will be accomplished through partnerships
2 with diaper assistance programs, maternity homes, and other
3 nonprofit agencies.

4 (c) The total estimated cost of the work project is
5 \$6,404,000.00.

6 (d) The tentative completion date for the work project is
7 September 30, 2030.

8 Sec. 465. (1) From the funds appropriated in part 1 for
9 community services and outreach administration, \$2,950,000.00 must
10 be distributed as provided in subsection (2).

11 (2) Funds distributed under subsection (1) must be distributed
12 to Michigan 2-1-1, a nonprofit corporation organized under the laws
13 of this state that is exempt from federal income tax under section
14 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and
15 whose mission is to coordinate and support a statewide 2-1-1
16 system. Michigan 2-1-1 shall use the funds only to fulfill the
17 Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January
18 2005.

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

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

1 Sec. 466. Not later than March 1 of the current fiscal year,
 2 the department shall submit to the standard report recipients a
 3 report on the runaway homeless youth program that includes, but is
 4 not limited to, all of the following:

5 (a) A list of counties served and the amount of funding
 6 allocated to each county.

7 (b) The amount of funding being allocated to previously
 8 underserved communities and how capacity has been expanded or is
 9 planned to be expanded in those communities.

10 (c) Identified barriers that have hindered providers from
 11 expanding capacity.

12 Sec. 467. From the funds appropriated in part 1 for runaway
 13 and homeless youth grants, the department shall allocate
 14 \$1,000,000.00 for the Youth Protection Council.

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

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

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

25 (a) An explanation of the most significant barriers that
 26 prevent long-term foster children from permanent placements.

27 (b) The number of children currently in foster care for longer
 28 than 24 months and the percentage of those children that had paid
 29 Medicaid behavioral health claims or encounters within the last

1 year.

2 Sec. 502. From the funds appropriated in part 1 for foster
3 care, the department shall reimburse Indian tribal governments for
4 50% of the foster care expenditures for children who are under the
5 jurisdiction of Indian tribal courts and are not otherwise eligible
6 for federal foster care cost sharing. However, the department may
7 reimburse up to 100% of the foster care expenditures for an Indian
8 tribal government that enters into a state-tribal title IV-E
9 agreement allowed under this state's title IV-E state plan.

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

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

28 (2) As a condition for receiving the funding in part 1, the
29 West Michigan Partnership of Children Consortium shall maintain a

1 contract agreement with the department that supports a global
2 capitated payment model. The capitated payment amount must be based
3 on historical averages of both the number of children served in
4 Kent County and the costs per foster care case. The West Michigan
5 Partnership for Children Consortium shall manage the cost of the
6 child population it serves. The administrative portion of the
7 contracted agreement must reflect the cumulative annual percentage
8 change in the Detroit Consumer Price Index from the previous year.
9 The capitated payment amount must be reviewed and adjusted not less
10 than 2 times during the current fiscal year or for 1 or more of the
11 following:

12 (a) Changes implemented by the department that result in a
13 volume of placements that differ in a statistically significant
14 manner from the amount allocated in the annual contract between the
15 department and the West Michigan Partnership for Children
16 Consortium, as determined by an independent actuary.

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

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

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

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

28 (c) That the West Michigan Partnership for Children Consortium
29 cooperate with the department on an independent fiscal analysis of

1 costs incurred and revenues received.

2 (4) Not later than March 1 of the current fiscal year, the
3 Consortium shall submit, to the standard report recipients, a
4 report on the Consortium, including, but not limited to, its actual
5 expenditures, the number of children placed by agencies in the
6 Consortium, the fund balance of the Consortium, and the outcomes
7 measured.

8 Sec. 505. Not later than March 1 of the current fiscal year,
9 the department shall submit, to the standard report recipients, a
10 report on youth referred or committed to the department for care or
11 supervision in the previous fiscal year that outlines the number of
12 youth served by the department in the juvenile justice system by
13 the type of setting for each youth.

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

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

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

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

1 (d) The required and actual staff-to-youth ratios.

2 Sec. 507. The department's ability to satisfy appropriation
3 deductions in part 1 for foster care private collections is not
4 limited to collections and accruals pertaining to services provided
5 only in the current fiscal year and may include revenues collected
6 during the current fiscal year for services provided in prior
7 fiscal years.

8 Sec. 508. (1) In addition to the amount appropriated in part 1
9 for children trust Michigan, money granted or money received as
10 gifts or donations to the children's trust fund created in 1982 PA
11 249, MCL 21.171 to 21.172, is appropriated for expenditure.

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

20 Sec. 509. (1) From the funds appropriated in part 1 for
21 adoption support services, the department shall maintain a rate
22 structure that pays for cases based on the average length of time
23 it takes to reach adoption finalization by case characteristics for
24 licensed child placing agencies contracted with the department that
25 provide adoption services for youth in foster care.

26 (2) For cases accepted before the implementation of the new
27 rate structure described in subsection (1), the department shall
28 maintain the increase of contracted rates paid to private child
29 placing agencies, including the \$23.00 per diem for all foster

1 youth from the date of the case acceptance to the date of adoption
2 petition acceptance or 150 days, whichever occurs sooner, for
3 licensed child placing agencies contracted with the department to
4 provide adoption services for foster youth. The per diem rate must
5 be separate from the outcome-based reimbursement system and must
6 not be deducted from the total reimbursement an agency receives for
7 the applicable placement or finalization rate of an adoption.

8 Sec. 510. The department shall submit reports on a monthly
9 basis to the standard report recipients on all of the following:

10 (a) The number of children awaiting placement in a residential
11 setting by child caring institution.

12 (b) The reason for the delay in placement, including, but not
13 limited to, facility bed shortages, placement process delays, or
14 other reasons.

15 (c) The number of incentive payments that were awarded by the
16 department by child caring institution.

17 (d) The number of incentive payments that were denied by the
18 department by child caring institution.

19 (e) Of the denials identified in subdivision (d), the
20 department shall provide the rationale for denial of incentive
21 payments including, but not limited to, refusal of placement, lack
22 of staffing, or other reasons.

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

1 initial medical and mental health examination that is not later
2 than 30 days after entry into foster care.

3 Sec. 512. (1) From the funds appropriated in part 1 for foster
4 care payments, the department shall allocate \$500,000.00 to provide
5 luggage to a child who is being removed from the child's home or
6 changing placement. The luggage provided under this section is
7 considered to belong to the child and may not be confiscated by the
8 department or the child's foster parent. The department is not
9 required to provide new luggage under this section to a child who
10 is changing placement and has had luggage previously provided by
11 the department.

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

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

19 (a) A suitcase of any size.

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

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

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

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

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

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

5 (e) The department has visited the site of the out-of-state
6 facility; has reviewed the facility records, licensing records, and
7 reports; and believes that the facility is an appropriate placement
8 for the child.

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

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

20 Sec. 514. (1) From the funds appropriated in part 1 for foster
21 care payments, the department shall maintain a statewide respite
22 care services network available to licensed foster parents and
23 unlicensed relative caregivers that care for children in foster
24 care.

25 (2) Not later than March 1 of the current fiscal year, the
26 department shall submit, to the standard report recipients, a
27 report on the total number of licensed foster parents and
28 unlicensed relative caregivers that were provided respite services,
29 the average amount of respite time per month, and the total amount

1 of funding spent on respite services during the previous fiscal
2 year.

3 Sec. 515. If a children's protective services caseworker
4 requests approval for another children's protective services
5 caseworker or other department employee to accompany the caseworker
6 on a home visit because the caseworker believes that it would be
7 unsafe to conduct the home visit alone, the department shall not
8 deny the request.

9 Sec. 516. (1) From funds appropriated in part 1 for child care
10 fund, the administrative or indirect cost payment equal to 10% of a
11 county's total monthly gross expenditures must be distributed to
12 the county on a monthly basis, and a county is not required to
13 submit documentation to the department for any of the expenditures
14 that are covered under the 10% payment as described in section
15 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL
16 400.117a.

17 (2) From the funds appropriated in part 1 for child care fund
18 - indirect cost allotment, the department shall allocate
19 \$3,500,000.00 to counties and tribal governments that receive
20 reimbursements in part 1 from child care fund.

21 (3) The amount described in subsection (2) must be distributed
22 to each county or tribal government in the same proportion as
23 indirect cost allotments are provided to counties in the same
24 manner described in section 117a of the social welfare act, 1939 PA
25 280, MCL 400.117a.

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

1 department finds necessary.

2 Sec. 518. Not later than March 1 of the current fiscal year,
3 the department shall submit, to the standard report recipients, a
4 report on the cumulative child care fund expenditures of in-home
5 juvenile justice care that are eligible for the 75% state and 25%
6 local split required under section 117a(4) (i) of the social welfare
7 act, 1939 PA 280, MCL 400.117a. Eligible expenditures include
8 community-based juvenile supervision, services, and related
9 practices, and per diem rates for the use of respite and shelter
10 for less than 30 days. The report must also include the
11 expenditures by county and type of service provided, the number of
12 youth receiving care, and the number of days of care.

13 Sec. 519. (1) The department shall complete a review of the
14 effectiveness of the performance-based contracting program
15 described in section 504(1) of article 6 of 2023 PA 119, to
16 determine whether the contract should be continued.

17 (2) The review described in subsection (1) may include
18 contractor performance in meeting contract performance measures
19 related to child permanency, safety, and well-being, and the cost
20 effectiveness and efficiency of the program.

21 (3) The department shall submit to the standard report
22 recipients a report on the findings of the review described in
23 subsection (1) not later than 30 days after the review has been
24 completed. If the report required in section 519 of article 6 of
25 2024 PA 121 was submitted in the previous fiscal year, the
26 department is not required to complete the review described in
27 subsection (1) or submit to the standard report recipients a report
28 on the findings of the review described in subsection (1).

29 Sec. 520. Not later than February 15 of the current fiscal

1 year, the department shall submit, to the standard report
2 recipients, a report on the number of days of care and expenditures
3 by funding source for the previous fiscal year for out-of-home
4 placements by specific placement programs for child abuse or child
5 neglect and juvenile justice, including, but not limited to, paid
6 relative placement, department direct family foster care, private-
7 agency-supervised foster care, private child caring institutions,
8 county-supervised facilities, and independent living. The report
9 must also include the number of days of care for department-
10 operated residential juvenile justice facilities by security
11 classification.

12 Sec. 522. (1) From the funds appropriated in part 1 for youth
13 in transition, the department shall allocate \$750,000.00 for
14 scholarships through the fostering futures scholarship program in
15 the Michigan education trust to youth who were in foster care
16 because of child abuse or child neglect and are attending a college
17 or a career technical educational institution located in this
18 state. One hundred percent of the funds appropriated must be used
19 to fund scholarships for the youth described in this section.

20 (2) Not later than June 1 of the current fiscal year, the
21 department shall submit, to the standard report recipients, a
22 report that includes the number of youth who applied for
23 scholarships under this section, the number of youth who received
24 scholarships under this section and the amount of each scholarship,
25 and the total amount of funds spent or encumbered in the current
26 fiscal year.

27 Sec. 523. (1) Not later than February 15 of the current fiscal
28 year, the department shall submit, to the standard report
29 recipients, a report on the families first, family reunification,

1 and families together building solutions family preservation
2 programs. The report must include both of the following:

3 (a) Utilization and outcome data based on families served.

4 (b) For each program, information on any innovations or
5 expansions that may increase child safety and reduce risk.

6 (2) By October 1 of the current fiscal year, from the funds
7 appropriated in part 1 for family preservation services, the
8 department shall pay the rates established by the increase provided
9 in section 523(3) of article 6 of 2020 PA 166.

10 Sec. 524. As a condition of receiving funds appropriated in
11 part 1 for strong families/safe children, not later than October 1
12 of the current fiscal year, counties shall submit the service
13 spending plan to the department for approval. Not later than 30
14 calendar days after receipt of a properly completed service
15 spending plan, the department shall approve the service spending
16 plan.

17 Sec. 525. The department shall maintain the same on-site
18 evaluation processes for privately operated child welfare and
19 juvenile justice residential facilities as is used to evaluate
20 state-operated facilities. Penalties for noncompliance must be the
21 same for privately operated child welfare and juvenile justice
22 residential facilities and state-operated facilities.

23 Sec. 526. From the funds appropriated in part 1 for court-
24 appointed special advocates, the department shall allocate
25 \$2,250,000.00 to fund a project with a nonprofit, community-based
26 organization organized under the laws of this state that is exempt
27 from federal income tax under section 501(c)(3) of the internal
28 revenue code of 1986, 26 USC 501, located in a charter township
29 with a population between 18,000 and 19,000 that is located in a

1 county with a population between 600,000 and 700,000, according to
2 the most recent federal decennial census. The nonprofit
3 organization recipient must have an existing network of affiliate
4 programs operating in not less than 25 counties in this state. The
5 recipient nonprofit organization shall use the funds to recruit,
6 screen, train, and supervise volunteers who provide advocacy
7 services on behalf of abused and neglected children.

8 Sec. 528. From the funds appropriated in part 1 for child care
9 fund, the department shall allocate \$3,730,300.00 to support the
10 annual basic grant to counties with a population of less than
11 75,000, according to the most recent federal decennial census, and
12 as described in section 117e of the social welfare act, 1939 PA
13 280, MCL 400.117e, and to eligible tribal entities. The basic grant
14 must be \$56,520.00 to eligible counties and tribal entities.

15 Sec. 529. From the funds appropriated in part 1 for family
16 preservation programs, the department shall increase the total
17 combined funding levels of the families first, family
18 reunification, and families together building solutions family
19 preservation programs at an amount not less than the amount
20 provided as of September 30, 2021.

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

27 (2) Not later than February 1 of the current fiscal year, the
28 department shall submit, to the standard report recipients, a
29 report detailing measurable performance indicators, desired

1 outcomes, and an assessment of the quality of services provided by
2 the department during the previous fiscal year.

3 Sec. 534. Not later than March 1 of the current fiscal year,
4 the department shall submit, to the standard report recipients, a
5 report on the adoption subsidies expenditures from the previous
6 fiscal year. The report must include, but is not limited to, the
7 range of non-\$0.00 annual adoption support subsidy amounts, for
8 both title IV-E eligible cases and state-funded cases, paid to
9 adoptive families; the number of title IV-E and state-funded cases;
10 the number of cases in which an adoption support subsidy request by
11 an adoptive parent was denied by the department; and the number of
12 adoptive parents who requested a renegotiation of their adoption
13 support subsidy contract.

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

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

19 (b) The total number of relative care placements into
20 unlicensed relative homes.

21 (c) The total number of relative care placements into licensed
22 relative homes.

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

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

29 (f) For licensed relative caregivers without placements, the

1 status of title IV-E claims for foster care maintenance payments
2 and foster care administrative payments.

3 Sec. 540. If a physician or psychiatrist who is providing
4 services to a state or court ward placed in a residential facility
5 submits a formal request to the department to change the
6 psychotropic medication for a ward, the department shall, if the
7 ward is a state ward, make a determination on the proposed change
8 not later than 7 business days after the request or, if the ward is
9 a temporary court ward, seek parental consent not later than 7
10 business days after the request. If the determination or parental
11 consent is not provided by the seventh business day, the department
12 shall petition the court for the determination or consent on the
13 eighth business day.

14 Sec. 546. (1) From the funds appropriated in part 1 for foster
15 care payments and from child care fund, the department shall pay an
16 administrative rate before incentive payments of not less than
17 \$60.20 to providers of general foster care, independent living, and
18 trial reunification services.

19 (2) From the funds appropriated in part 1, the department
20 shall pay providers of independent living plus services per diem
21 statewide rates for staff-supported housing at a rate of \$252.30
22 and host-home housing at a rate of \$119.05. The independent living
23 plus program provides staff-supported housing and services for
24 foster youth 16 years of age to 26 years of age who, because of
25 their individual needs and assessments, are not initially
26 appropriate for general independent living foster care.

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

1 identify actual costs of providing foster care services.

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

6 (2) The department shall submit, to the standard report
7 recipients, a report that includes quarterly data on the number of
8 children enrolled in the guardianship assistance and foster care -
9 children with serious emotional disturbance waiver programs.

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

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

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

26 Sec. 551. Not later than 30 days after a county requests a
27 clarification through the department's child care fund management
28 unit email address, the department shall respond to the request.

29 Sec. 552. Sixty days after a county's child care fund review

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

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

22 Sec. 557. If a vehicle that is owned by the state is available
23 and not scheduled for use by other state workers, the department
24 may consider a children's protective services caseworker or a
25 foster care caseworker driving the vehicle to a foster home visit
26 or driving the vehicle to the caseworker's own home as an allowable
27 use of the vehicle if the driving would be helpful to the
28 caseworker in conducting the caseworker's work.

29 Sec. 559. (1) From the funds appropriated in part 1 for

1 adoption support services, not later than December 1 of the current
2 fiscal year, the department shall allocate \$500,000.00 to the
3 Adoptive Family Support Network to operate and expand its adoptive
4 parent mentor program to provide a listening ear, knowledgeable
5 guidance, and community connections to adoptive parents and
6 children who were adopted in this state or another state.

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

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

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

27 Sec. 564. (1) The department shall maintain a clear policy for
28 parent-child visitations. All of the following individuals shall
29 meet an 85% success rate, after accounting for factors outside of

1 caseworker control:

2 (a) Caseworkers and supervisors of local county offices.

3 (b) Caseworkers and supervisors of child placing agencies.

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

8 (3) Not later than March 1 of the current fiscal year, the
9 department shall submit, to the standard report recipients, a
10 report on the following:

11 (a) The percentage of success rates for parent-child
12 visitations and court-ordered required meetings under subsections
13 (1) and (2) for the previous fiscal year.

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

16 Sec. 567. (1) From the funds appropriated in part 1 for youth
17 in transition, the department shall allocate \$2,500,000.00 to
18 create the foster care age-out assistance program to provide
19 financial assistance to foster care children who reach 18 years of
20 age. The department shall allocate \$2,500.00 to the first 1,000
21 eligible youth who reach their eighteenth birthday. Participation
22 in young adult voluntary foster care is not a prerequisite for
23 participation in the foster care age-out assistance program.

24 (2) By September 30 of the current fiscal year, the
25 department, through agreements with contracted implementing
26 agencies, shall report to the standard report recipients
27 information on the aggregated demographic data of all program
28 recipients through June 30 of the current fiscal year. The report
29 must include, but not be limited to, aggregated recipient data from

1 contracted implementing agencies with each contracted implementing
2 agency providing the age, race, ethnicity, Hispanic or Latino
3 origin, federal poverty level funding source, and zip codes of all
4 program recipients.

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

13 (2) Not later than April 1 of the current fiscal year, the
14 department shall submit, to the standard report recipients, a
15 report on the number of youth who received assistance with
16 obtaining a driver license or state identification card, the number
17 of youth who received assistance with obtaining a Social Security
18 card, and the number of youth who were eligible for assistance but
19 did not receive the assistance and an explanation as to why the
20 youth did not receive the assistance.

21 Sec. 569. The department shall reimburse each private child
22 placing agency that completes an adoption at the rate on the date
23 when the petition for adoption and the required support
24 documentation were accepted by the court and not the rate on the
25 date when the court's order placing for adoption was entered.

26 Sec. 574. (1) From the funds appropriated in part 1 for foster
27 care payments, \$1,975,000.00 is allocated to support family
28 incentive grants to private and community-based foster care service
29 providers and relative caregivers for assistance with home

1 improvements to alleviate safety concerns or obtain items needed to
2 ensure compliance with licensing rule requirements and to
3 accommodate children in foster care.

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

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

15 (a) Establishing a public awareness campaign to educate the
16 public about kinship caregivers and this state's efforts to better
17 serve kinship caregivers.

18 (b) Consulting and coordinating with the kinship caregiver
19 navigator program to collect aggregate data on individuals being
20 served by the kinship caregiver navigator program, including
21 information on what services the individuals need.

22 (c) Consulting and collaborating with the provider of the
23 kinship caregiver navigator program on the design and
24 administration of the program.

25 (d) Establishing, maintaining, and updating a list of local
26 support groups and programs that provide services to kinship
27 families and, in order to obtain a better understanding of the
28 issues facing kinship families, devising a plan of action for
29 engaging with the groups and programs on the list.

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

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

6 (ii) To improve service delivery.

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

8 Sec. 578. (1) From the funds appropriated in part 1 for foster
9 care payments, the department shall allocate up to \$1,744,100.00 in
10 Title IV-E passthrough funds for educational pilot programs to
11 strengthen this state's child welfare workforce. The department
12 shall enter into contractual arrangements with state universities
13 to provide bachelor of social work and master of social work
14 educational training, including field placements and stipends for
15 tuition and educational expenses. In exchange, students completing
16 eligible educational programs are contractually obligated to work
17 for Michigan child welfare agencies for a minimum of 4 months for
18 every semester they receive the stipend. The matching funds for the
19 Title IV-E funds must be provided by the participating state
20 universities from the expenses incurred for training child welfare
21 students who participate in the program.

22 (2) Not later than March 1 of the current fiscal year, the
23 department shall submit, to the standard report recipients, a
24 report on the status of pilot programs under subsection (1) that
25 includes, but is not limited to, the total number of applicants,
26 the total number of program participants, a list of state
27 universities that participated in the pilot programs, and the total
28 amount of matching funds that each state university contributed to
29 the programs.

1 Sec. 581. From the funds appropriated in part 1 for foster
2 care payments, the department shall allocate \$75,000.00 for
3 caseworkers to provide immediate assistance with urgent needs,
4 including, but not limited to, food, clothing, and other basic
5 necessities, for children, including children who are victims of
6 human trafficking, on the children's removal from the children's
7 homes or other dangerous environments. The department shall track
8 the distribution of the funds and, not later than June 1 of the
9 current fiscal year, submit, to the standard report recipients, a
10 report on the amount of funds distributed and the number of
11 children impacted.

12 Sec. 583. Not later than March 1 of the current fiscal year,
13 the department shall submit, to the standard report recipients and
14 the senate and house of representatives standing committees that
15 cover subject matters dealing with families and human services, a
16 report that includes all of the following:

17 (a) The number and percentage of foster parents that closed
18 their license in the previous fiscal year, the reasons the foster
19 parents left, and how the figures compare to the figures for prior
20 fiscal years.

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

24 (c) The number and percentage of licensed foster homes that
25 closed their license because they adopted their foster child.

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

29 Sec. 588. (1) Concurrently with public release, the department

1 shall transmit, without revision, all reports from the court-
2 appointed settlement monitor, including, but not limited to, the
3 needs assessment and period outcome reporting, to the standard
4 report recipients.

5 (2) Not later than October 1 of the current fiscal year, the
6 department shall submit, to the standard report recipients, a
7 detailed plan that addresses the status and progress toward exiting
8 the settlement by September 30 of the current fiscal year. The
9 report must include an update on the department's child welfare
10 initiative.

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

14 (2) On a quarterly basis, the department shall submit a
15 report, to the standard report recipients, on the monthly number of
16 all foster care cases administered by the department and all foster
17 care cases administered by private providers.

18 Sec. 592. On a quarterly basis, the department shall submit,
19 to the chairs of the senate and house of representatives standing
20 oversight committees and the standard report recipients, a report
21 that includes data from children's protective services staff for
22 each of the following for the most recent quarter before the
23 applicable report is submitted:

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

26 (b) The percent of central registry reviews performed for
27 required individuals.

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

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

4 (e) The percent of supervisory reviews performed in a timely
5 manner.

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

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

11 Sec. 593. The department shall conduct an annual review in
12 each county to determine if the county has adopted and implemented
13 standard child abuse and child neglect investigation and interview
14 protocols under section 8(6) of the child protection law, 1975 PA
15 238, MCL 722.628.

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

27 Sec. 598. Partial child care fund reimbursements to counties
28 for undisputed charges must not be made later than 45 business days
29 after receipt of the required forms and documentation. Not later

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

10 11 **PUBLIC ASSISTANCE**

12 Sec. 601. After a client agrees to the release of the client's
13 name and address to the local housing authority, the department
14 shall request from the local housing authority information
15 regarding whether the housing unit for which vendoring has been
16 requested meets applicable local housing codes. Vendoring must be
17 terminated if the local housing authority indicates in writing that
18 the unit does not meet local housing codes and until the local
19 housing authority indicates in writing that the local housing codes
20 have been met.

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

24 Sec. 603. For any change in the income of a recipient of the
25 food assistance program, the family independence program, or state
26 disability assistance that results in a benefit decrease, the
27 department shall notify the recipient of the amount of the decrease
28 not later than 15 work days before the first day of the month in
29 which the decrease takes effect.

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

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

11 (b) Is an individual with a physical or mental impairment that
12 meets federal SSI disability standards, except that the minimum
13 duration of the disability must be 90 days. Substance use disorder
14 alone is not a basis for 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 AIDS.

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

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

25 (2) An applicant for or recipient of state disability
26 assistance is considered needy if the applicant or recipient does
27 both of the following:

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

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

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

7 (4) As used in this section:

8 (a) "Material to the determination of disability" means that,
9 if the individual stopped using drugs or alcohol, the individual's
10 remaining physical or mental limitations would not be disabling. If
11 the individual's remaining physical or mental limitations would be
12 disabling, then the drug addiction or alcoholism is not material to
13 the determination of disability and the individual may receive
14 state disability assistance, but the individual must actively
15 participate in a substance abuse treatment program, and the
16 assistance must be paid to a third party or through vendor
17 payments.

18 (b) "Substance abuse treatment" includes receipt of inpatient
19 or outpatient services or participation in Alcoholics Anonymous or
20 a similar program.

21 Sec. 605. The level of reimbursement provided to state
22 disability assistance recipients in licensed adult foster care
23 facilities must be the same as the prevailing SSI rate under the
24 personal care category.

25 Sec. 606. County department offices shall require each
26 recipient of family independence program and state disability
27 assistance who has applied with the Social Security Administration
28 for SSI to sign a contract to repay any assistance rendered through
29 the family independence program or state disability assistance

1 program on receipt of retroactive SSI 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 is not limited to recoveries and
6 accruals pertaining to state disability assistance, or family
7 independence program grant payments provided only in the current
8 fiscal year and 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 SSI recoveries to satisfy the
12 deduct in any line in which the revenues are appropriated,
13 regardless of the source from which the revenue is recovered.

14 Sec. 608. An adult foster care facility that provides
15 domiciliary care or personal care to a resident receiving SSI or a
16 home for the aged serving a resident receiving SSI shall not
17 require a resident described in this section to reimburse the home
18 for the aged or adult foster care facility for care at a rate in
19 excess of a rate that is authorized by the legislature. To the
20 extent permitted by federal law, an adult foster care facility and
21 home for the aged that serves a resident receiving SSI is not
22 prohibited from accepting a third-party payment in addition to SSI
23 if the payment is not for food, clothing, or shelter, or would
24 result in a reduction in the resident's SSI payment.

25 Sec. 609. The department shall not reduce the state
26 supplementation level under the SSI program for the personal
27 care/adult foster care and home for the aged categories during the
28 current fiscal year. Not later than 30 days before a proposed
29 reduction in the state supplementation level, the department shall

1 notify the legislature of the proposed reduction.

2 Sec. 610. (1) The department shall grant an exemption from the
3 good-cause criteria for the state emergency relief program if an
4 emergency results from an unexpected expense related to maintaining
5 or securing employment.

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

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

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

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

19 Sec. 611. The state supplementation level under the SSI
20 program for the living independently category or living in the
21 household of another category must not exceed the minimum state
22 supplementation level as required under federal law.

23 Sec. 613. (1) From the funds appropriated in part 1 for
24 indigent burial, the department shall provide a reimbursement for
25 the final disposition of an indigent individual. A reimbursement
26 under this section must comply with all of the following:

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

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

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

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

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

8 (3) An application for burial services must be made no later
9 than 20 business days after the burial, cremation, or donation
10 takes place. A friend or relative of the indigent individual may
11 supplement the burial payment in any amount up to \$6,000.00 for
12 additional services. A funeral director, with written authorization
13 provided by a relative of the indigent individual, is deemed an
14 authorized representative for burial benefits.

15 (4) By January 31 of the current fiscal year, the department
16 shall submit a report to the standard report recipients on burial
17 service payments issued from the state emergency relief program
18 during the previous fiscal year. The report must include the number
19 of applicants denied and the number of payments by the following
20 burial service categories:

21 (a) Fetus or infant less than 1 month of age.

22 (b) Burial with memorial service.

23 (c) Burial without memorial service.

24 (d) Cremation with memorial service.

25 (e) Cremation without memorial service.

26 (f) Transportation of a donated or unclaimed body being
27 cremated.

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

29 (h) Disposition of an unclaimed body.

1 (i) Payment if an irrevocable funeral agreement exists.

2 (j) An unclaimed body received by a university.

3 Sec. 614. By January 15 of the current fiscal year, the
4 department shall submit a report to the standard report recipients
5 on the number and percentage of state disability assistance
6 recipients who were determined to be eligible for federal SSI
7 benefits in the previous fiscal year.

8 Sec. 615. Except as required by federal law, the department
9 shall not use funds appropriated in part 1 to provide public
10 assistance to an individual who is not a United States citizen,
11 permanent resident alien, or refugee. This section does not
12 prohibit the department from entering into a contract with a food
13 bank, emergency shelter provider, or another human service agency
14 that may, as a normal part of doing business, provide food or
15 emergency shelter.

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

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

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

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

29 Sec. 620. (1) The department shall determine a Medicaid

1 applicant's Medicaid eligibility not later than 90 days after the
2 Medicaid applicant completes a Medicaid application if the Medicaid
3 applicant's disability is an eligibility factor. For other Medicaid
4 applicants, including an applicant who is a patient of a nursing
5 home, the department shall determine the applicant's Medicaid
6 eligibility within 45 days after receiving the Medicaid applicant's
7 application.

8 (2) On a quarterly basis, the department shall submit a report
9 to the standard report recipients on the number of recipients who
10 were ineligible for Medicaid after Medicaid eligibility
11 redeterminations resumed after federal continuous enrollment
12 requirements ended. The report must include, in a monthly data
13 format, the number of recipients who had their eligibility examined
14 directly, through an ex parte eligibility process or through a
15 passive eligibility process. The report must also include a copy of
16 each baseline and monthly report that the department provides to
17 CMS for unwinding data reporting and the number of recipients who
18 did not respond to the department through eligibility outreach or
19 data requests.

20 Sec. 625. From the funds appropriated in part 1 for SSI
21 advocacy legal services grant, the department shall allocate
22 \$975,000.00 as a grant to the Legal Services Association of
23 Michigan (LSAM). The purpose of the grant is to assist current or
24 potential recipients of state disability assistance who have
25 applied for or wish to apply for SSI or other federal disability
26 benefits. LSAM shall provide a list of newly eligible SSI
27 recipients to the department to verify that services are provided
28 to department referrals.

29 Sec. 645. The department shall consider an individual or

1 family to be homeless for purposes of eligibility for state
2 emergency relief, if the individual or family is living temporarily
3 with another in order to escape domestic violence. The department
4 shall define and verify domestic violence in the same manner as the
5 department defines and verifies that term in the department's
6 policies on good cause for not cooperating with child support and
7 paternity requirements.

8 Sec. 653. From the funds appropriated in part 1 for food
9 assistance program benefits, an individual who is the victim of
10 domestic violence or human trafficking and who does not qualify for
11 any other exemption may be exempt from the 3-month in 36-month
12 limit on receiving food assistance under 7 USC 2015. The department
13 may extend the exemption for an additional 3 months if an
14 individual described in this section demonstrates to the department
15 a continuing need.

16 Sec. 654. The department shall notify a recipient of food
17 assistance program benefits that the recipient's benefits can be
18 spent with the recipient's Michigan bridge card at many farmers
19 markets in this state. The department shall also provide a
20 recipient with information about the double up food bucks program
21 that is administered by the Fair Food Network. The information
22 about the double up food bucks program must include, but is not
23 limited to, information that if the recipient spends \$20.00 at a
24 participating farmers market through the program, the recipient may
25 receive an additional \$20.00 to buy Michigan produce.

26 Sec. 655. Not later than 14 days after the spending plan for
27 low-income home energy assistance program is approved by the state
28 budget office, the department shall provide the spending plan,
29 including itemized projected expenditures and itemized expenditures

1 for the previous fiscal year, to the standard report recipients.

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

7 Sec. 669. From the funds appropriated in part 1 for family
8 independence program - clothing allowance, the department shall
9 allocate \$10,000,000.00 for the annual clothing allowance. The
10 department shall grant the allowance to eligible children in a
11 family independence program group.

12 Sec. 672. (1) By February 15 of the current fiscal year, the
13 department's office of inspector general shall submit a report to
14 the standard report recipients on the department's efforts to
15 reduce the inappropriate use of Michigan bridge cards and food
16 assistance program trafficking. The department shall provide
17 information on the number of recipients of services who used their
18 Michigan bridge card inappropriately and the current status of each
19 case, the number of recipients whose benefits were permanently and
20 temporarily revoked as a result of inappropriately using their
21 Michigan bridge cards, and the number of retailers that were fined
22 or removed from the electronic benefit transfer program for
23 permitting the inappropriate use of Michigan bridge cards. The
24 report must also include the number of Michigan bridge card
25 trafficking instances and overall welfare fraud referrals, that
26 includes, but is not limited to, information on the number of
27 investigations completed, fraud and intentional program violation
28 dollar amounts identified, the number of referrals to prosecutors,
29 the number of administrative hearing referrals and waivers, and the

1 number of program disqualifications imposed. The report must
2 distinguish between savings and cost avoidance. As used in this
3 subsection:

4 (a) "Savings" includes receivables established from instances
5 of fraud committed.

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

9 (2) If a fourth Michigan bridge card has been issued to a
10 household in a 12-month period, the department shall notify the
11 household that the household has reached the number of issued cards
12 threshold. At a household's fifth and each subsequent card
13 replacement request, a card will not be issued until a recipient
14 from the household has spoken directly to the local office district
15 manager or county director. The district manager or county director
16 may issue a new Michigan bridge card based on the district
17 manager's or county director's assessment of the recipient's
18 situation and the recipient's explanation.

19 (3) As used in this section:

20 (a) "Food assistance trafficking" means the buying and selling
21 of food assistance benefits for cash or items not authorized under
22 7 USC 2036b.

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

27 Sec. 677. (1) The department shall establish a state goal for
28 the percentage of family independence program cases involved in
29 employment activities. The percentage established must not be less

1 than 50%. The goal for long-term employment must be 15% of cases
2 for 6 months or more.

3 (2) The department shall submit an annual report, providing
4 quarterly data, to the standard report recipients on the number of
5 cases referred to PATH, the current percentage of family
6 independence program cases involved in PATH employment activities,
7 an estimate of the current percentage of family independence
8 program cases that meet federal work participation requirements on
9 the whole, and an estimate of the current percentage of the family
10 independence program cases that meet federal work participation
11 requirements for those cases referred to PATH.

12 (3) The department shall submit a report to the standard
13 report recipients. The report must include quarterly data on all of
14 the following:

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

17 (b) The average and range of wages of employed family
18 independence program recipients.

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

21 Sec. 678. (1) From the funds appropriated in part 1 for family
22 independence program - child supplemental payment, the department
23 shall allocate \$16,240,100.00 of TANF revenue to provide a
24 supplemental payment for the current fiscal year for each child
25 under 6 years of age within a family receiving cash assistance. Not
26 later than November 30 of the current fiscal year, the department
27 shall distribute an equal payment based on the funds available in
28 part 1 and the total number of children under 6 years of age who
29 are within a family receiving cash assistance.

1 (2) From the funds appropriated in part 1 for family
2 independence program - child supplemental payment, the department
3 shall allocate \$7,000,000.00 of TANF revenue to provide a
4 supplemental payment for the current fiscal year for each child 6
5 years of age or older but under 14 years of age within a family
6 receiving cash assistance. Not later than November 30 of the
7 current fiscal year, the department shall distribute an equal
8 payment based on the funds available in part 1 and the total number
9 of children who are 6 years of age or older but under 14 years of
10 age within a family receiving cash assistance.

11 (3) By February 1 of the current fiscal year, the department
12 shall submit a report to the standard report recipients on the
13 amount of funding distributed under this section and shall include
14 the number of family independence program cases, the number of
15 family independence program eligible children by age group, and the
16 amount of funding distributed by age category.

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

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

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

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

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

10 (a) The number of applications received.

11 (b) The number of applications approved.

12 (c) The number of applications denied.

13 (d) The number of applications pending and neither approved
14 nor denied.

15 (e) The number of cases opened.

16 (f) The number of cases closed.

17 (g) The number of cases at the beginning of the quarter and
18 the number of cases at the end of the quarter.

19 (2) The department shall compile and make the information
20 provided under subsection (1) available for this state as a whole
21 and for each county and shall report the information separately for
22 each program listed in subsection (1).

23 (3) On a quarterly basis, the department shall compile and
24 make available a report on its website of the following family
25 independence program information:

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

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

1 (c) The number of cases sanctioned because of a school truancy
2 policy.

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

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

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

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

13 Sec. 689. (1) From the funds appropriated in part 1 for
14 prenatal and infant support program, the department shall allocate
15 \$20,000,000.00 of TANF revenue for programs that are intended to
16 improve the economic stability of households with very young
17 children.

18 (2) In allocating the funds referenced in subsection (1), the
19 department shall give preference to programs that demonstrate the
20 following:

21 (a) Effectiveness in improving the economic stability of
22 households with pregnant women at a minimum of 20 weeks gestation,
23 and with young children.

24 (b) Partnerships with local health care providers and
25 nonprofit human service agencies that provide for improved maternal
26 and infant health outcomes.

27 (c) Compliance with TANF requirements established by the
28 Administration for Children and Families within the United States
29 Department of Health and Human Services.

1 (3) By September 30 of the current fiscal year, the
2 department, through agreements with contracted implementing
3 agencies, shall report to the standard report recipients
4 information through June 30 of the current fiscal year on the
5 aggregated demographic data of all program recipients regardless of
6 underlying funding source. The report must include, but not be
7 limited to, aggregated recipient data from contracted implementing
8 agencies with each contracted implementing agency providing the
9 age, race, ethnicity, Hispanic or Latino origin, federal poverty
10 level, funding source, and zip codes of all program recipients.
11

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

13 Sec. 701. Unless required by a change to federal law or the
14 law of this state or at the request of a provider, the department
15 shall not alter the terms of a signed contract with a private
16 residential facility that serves children who are under state or
17 court supervision without receiving written consent from a
18 representative of the private residential facility.

19 Sec. 706. A county is subject to a 50% chargeback for the use
20 of an alternative regional detention service, if the detention
21 service does not fall under the basic grant provision of section
22 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a
23 county operates the detention service program primarily with
24 professional rather than volunteer staff.

25 Sec. 707. To be reimbursed for child care fund expenditures, a
26 county shall submit to the department the report required under
27 section 117a(11) of the social welfare act, 1939 PA 280, MCL
28 400.117a, to enable the department to document a potential
29 federally claimable expenditure.

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

21 (2) A county shall submit an amendment to its county service
22 spending plan for the current fiscal year to the department not
23 later than August 30 of the current fiscal year. A county shall
24 submit payable estimates for the current fiscal year to the
25 department not later than September 15 of the current fiscal year.

26 (3) Not later than February 15 of the current fiscal year, the
27 department shall submit a report to the standard report recipients
28 on the number of counties that fail to submit a service spending
29 plan by August 15 of the previous fiscal year and the number of

1 service spending plans not approved by October 15. The report must
2 include the number of county service spending plans that were not
3 initially approved by the department and the number of service
4 spending plans that were not approved by the department after being
5 resubmitted by the county after revisions were requested by the
6 department under subsection (1).

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

17
18 **LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES**

19 Sec. 801. The department shall submit a quarterly report that
20 contains monthly data to the standard report recipients on the most
21 recent food assistance program error rate derived from the active
22 cases, reported to the United States Department of Agriculture Food
23 and Nutrition Service for the supplemental nutrition assistance
24 program.

25 Sec. 802. From the funds appropriated in part 1 for local
26 office staff travel, the department shall allocate up to
27 \$100,000.00 annually toward reimbursing the out-of-pocket costs of
28 county board members and county department directors to attend
29 statewide meetings of the Michigan County Social Services

1 Association.

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

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

17 (a) All of the following for the supplemental nutrition
18 assistance program education funding:

19 (i) The planned allocation and actual expenditures, by location
20 of programs.

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

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

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

27 Sec. 820. From the funds appropriated in part 1 for employment
28 and training support services, the department shall allocate
29 \$750,000.00 to a nonprofit organization that is organized under the

1 laws of this state, is exempt from federal income tax under section
2 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is
3 located in a city with a population greater than 600,000 according
4 to the most recent federal decennial census, to support the
5 operation and expansion of a neighborhood-based medical clinic that
6 provides essential health services to residents in underserved
7 areas of the city in which the organization is located. To be
8 eligible to receive funds under this section, the organization must
9 have been established in 1906 and have a stated vision of being the
10 region's leading human service organization, impacting lives, and
11 helping individuals achieve their full potential at every age and
12 stage.

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

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

27 (2) Not later than March 1 of the current fiscal year, the
28 Prosecuting Attorneys Association of Michigan shall submit a report
29 to the department on the efficacy of the contract. The department

1 shall submit the report to the standard report recipients not later
2 than 30 days after the department receives the report from the
3 Prosecuting Attorneys Association of Michigan.

4 Sec. 850. (1) The department shall maintain each out-stationed
5 eligibility specialist in a community-based organization, community
6 mental health agency, nursing home, adult placement and independent
7 living setting, FQHC, and hospital, unless the community-based
8 organization, community mental health agency, nursing home, adult
9 placement and independent living setting, FQHC, or hospital
10 requests to discontinue the positions at its facility.

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

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

19 (a) Meeting a standard of promptness for processing an
20 application for Medicaid and other public assistance programs under
21 the law of this state.

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

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

28 (5) The department shall classify as a limited-term FTE a new
29 employee who is hired to fill a donated funds position contract or

1 is hired to fill a vacancy from an employee who transferred to a
2 donated funds position.

3 (6) By March 1 of the current fiscal year, the department
4 shall submit a report to the standard report recipients detailing
5 information on the donated funds positions. The report must
6 include, but is not limited to, the total number of occupied
7 positions, the total private contribution of the positions, and the
8 total cost to this state for a nonsalary expenditure for the
9 donated funds position employees.

10 Sec. 851. From the funds appropriated in part 1 for adult
11 services local office staff, the department shall seek to reduce
12 the number of older adults who are victims of crime and fraud by
13 increasing the standard of promptness in every county, as measured
14 by commencing an investigation not later than 24 hours after a
15 report is made to the department, establishing face-to-face contact
16 with the client not later than 72 hours after a report is made to
17 the department, and completing the investigation not later than 30
18 days after a report is made to the department.

19
20 **DISABILITY DETERMINATION SERVICES**

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

26
27 **BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS**

28 Sec. 901. The department shall use the funds appropriated in
29 part 1 to support a system of comprehensive community mental health

1 services under the full authority and responsibility of local
2 CMHSPs or PIHPs in accordance with the mental health code, 1974 PA
3 258, MCL 330.1001 to 330.2106, the Medicaid provider manual,
4 federal Medicaid waivers, and all other applicable federal law and
5 the law of this state.

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

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

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

23 (b) The department amends a contract that the department has
24 entered into with a CMHSP or PIHP that would affect a rate or
25 expenditure.

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

29 Sec. 904. (1) Not later than September 30 of the current

1 fiscal year, the department shall provide a report on the CMHSPs,
2 PIHPs, and designated regional entities for substance use disorder
3 prevention and treatment to the standard report recipients that
4 includes the information required by this section.

5 (2) The report required under subsection (1) must contain,
6 unless otherwise noted, information for each CMHSP and PIHP and a
7 statewide summary, as follows:

8 (a) A statewide summary of the demographic description of
9 service recipients that, minimally, includes reimbursement
10 eligibility, client population group, age, ethnicity, housing
11 arrangements, and diagnosis.

12 (b) Per capita expenditures in total and by client population
13 group.

14 (c) A statewide summary of Medicaid-funded cost information
15 for the 3 diagnosis groups of adults with a mental illness,
16 children with a serious emotional disturbance, and individuals with
17 an intellectual or developmental disability. The statewide summary
18 must, minimally, include expenditures by service category for each
19 of the 3 diagnosis groups described in this subdivision and cases,
20 units, and cost of each specific service code index or health care
21 common procedure coding system code for each of the 3 diagnosis
22 groups.

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

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

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

1 (ii) The number of individuals who requested services but did
2 not receive services.

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

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

9 (h) Performance indicator information required to be submitted
10 to the department in the contracts with each PIHP.

11 (i) Administrative expenditures of each CMHSP and PIHP that
12 include a breakout of the salary, benefits, and pension of each
13 executive-level staff, which includes, but is not limited to, the
14 director, chief executive, and chief operating officer.

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

18 (a) A statewide summary of the demographic description of
19 service recipients that, minimally, must include reimbursement
20 eligibility, primary substance of abuse, age, ethnicity, housing
21 arrangements, and sex at birth.

22 (b) The expenditures stratified by department-designated
23 regional entities for substance use disorder prevention and
24 treatment, by fund source, by subcontractor, by population served,
25 and by service type.

26 (c) The expenditures per state client, with data on the
27 distribution of expenditures reported using a histogram approach.

28 (d) The number of services provided by subcontractor and by
29 service type. Additionally, data on length of stay, referral

1 source, and participation in other state programs.

2 (e) The collections from other first- or third-party payers,
3 private donations, or other state or local programs, by department-
4 designated regional entities for substance use disorder prevention
5 and treatment, by subcontractor, by population served, and by
6 service type.

7 (f) Information about access to CMHSPs, PIHPs, and designated
8 regional entities for substance use disorder prevention and
9 treatment that includes, but is not limited to, the following:

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

11 (ii) The number of individuals who requested services but did
12 not receive services.

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

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

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

27 (2) Each managing entity shall continue current efforts to
28 collaborate on the delivery of services to clients with mental
29 illness and substance use disorder diagnoses, with the goal of

1 providing services in an administratively efficient manner.

2 Sec. 908. From the funds appropriated in part 1 for community
3 substance use disorder prevention, education, and treatment, the
4 department shall allocate \$500,000.00 to create educational
5 material to reduce the use of recreational and medical cannabis
6 products by children.

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

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

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

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

1 services each participating agency is prepared to commit to the
2 local jail diversion effort and the procedures to be used by local
3 law enforcement agencies to access mental health jail diversion
4 services are strongly encouraged.

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

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

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

29 Sec. 916. From the funds appropriated in part 1 for behavioral

1 health program administration, the department shall allocate
2 \$100,000.00 as a grant to a nonprofit mental health clinic located
3 in a county with a population between 290,000 and 300,000 according
4 to the most recent federal decennial census that provides
5 counseling services, accepts clients regardless of their ability to
6 pay for services through sliding scale copayments and volunteer
7 services, and uses fundraising to support their clinic.

8 Sec. 917. (1) From the funds appropriated in part 1 for opioid
9 response activities, the department shall allocate \$55,000,000.00
10 from the Michigan opioid healing and recovery fund created under
11 section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253,
12 as follows:

13 (a) For a peer recovery support services program for eligible
14 participants by providing the services described under Healthcare
15 Common Procedure Coding System (HCPCS) code H0038.

16 (b) \$5,000,000.00 for tribal communities, with the
17 distribution method and types of uses of the funds determined in
18 collaboration with the United Tribes of Michigan and each
19 individual sovereign nation.

20 (c) \$6,000,000.00 to a nonprofit organization organized under
21 the laws of this state, is exempt from federal income tax under
22 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
23 and with a headquarters in a charter township with a population
24 between 100,000 and 105,000 in a county with a population between
25 700,000 and 1,000,000 according to the most recent federal
26 decennial census. To receive funding under this subdivision, the
27 nonprofit organization must have a stated mission to offer
28 community-based, compassionate, best-practice/evidence-based
29 services to those suffering from addiction, to their loved ones,

1 and to erase the stigma of addiction and instill compassion and
2 hope.

3 (d) \$10,000,000.00 as competitive grants to sober living
4 organizations.

5 (e) \$3,000,000.00 to a nonprofit organization organized under
6 the laws of this state, is exempt from federal income tax under
7 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
8 is located in a city with a population greater than 600,000
9 according to the most recent federal decennial census, and was
10 established in 1955 to deliver holistic care and wraparound
11 services to address social determinants impacting health,
12 education, and economic stability. To be eligible for funds under
13 this subsection, the organization must have a stated vision of
14 being the premier provider of holistic care in the communities it
15 serves. The funds must be used to expand substance use disorder
16 prevention and treatment services.

17 (f) \$5,000,000.00 to a nonprofit organization that is
18 organized under the laws of this state, is exempt from federal
19 income tax under section 501(c)(3) of the internal revenue code of
20 1986, 26 USC 501, is located in a city with a population greater
21 than 600,000 according to the most recent federal decennial census,
22 was established in 2005, and operates as a certified community
23 behavioral health clinic. The funds must be used to create a 30-bed
24 residential treatment program for young adults with a substance use
25 disorder and expand the substance use disorder workforce.

26 (g) \$5,000,000.00 as competitive grants to substance use
27 disorder short-term recovery housing organizations.

28 (h) \$3,500,000.00 to a coalition located in a county with a
29 population of at least 1,500,000 according to the most recent

1 federal decennial census, has an aim to lead and support
2 communities to dispel the myths and stigmas about drug addiction
3 through public education, shares stories of recovery, partners with
4 local and state leaders, creates positive social changes, and
5 provides recovery support services for individuals in need. The
6 funds must be used to support mobile psychiatric services and
7 services provided by a licensed master's social worker, 24-hour
8 crisis stabilization and observation beds, short-term crisis
9 residential services and crisis stabilization, crisis hotlines that
10 are available at any time, warm lines, psychiatric advance
11 directive statements, and peer crisis services.

12 (i) \$3,500,000.00 to a nonprofit providing recreational
13 therapy, healthy living, and substance use intervention services in
14 a city with a population between 100,000 and 600,000 in a county
15 with a population greater than 1,700,000 according to the most
16 recent federal decennial census, for a substance use disorder
17 services program that implements evidence-based interventions and
18 education campaigns to prevent substance use among at-risk youth.

19 (j) \$10,000,000.00 to support naloxone distribution efforts
20 and needle exchange programs.

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

23 (a) Total revenues deposited into and expenditures and
24 encumbrances from the Michigan opioid healing and recovery fund
25 since the creation of the fund.

26 (b) Revenues deposited into and expenditures and encumbrances
27 from the Michigan opioid healing and recovery fund during the
28 previous 6 months.

29 (c) Estimated revenues to be deposited into and the spending

1 plan for the Michigan opioid healing and recovery fund for the next
2 12 months.

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

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

20 Sec. 922. From the funds appropriated in part 1 for behavioral
21 health program administration, the department shall allocate
22 \$600,000.00 to a nonprofit organization organized under the laws of
23 this state that is exempt from federal income tax under section
24 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is
25 located in a city with a population between 66,000 and 67,000,
26 according to the most recent federal decennial census, to
27 administer an online and interactive version of the protected
28 health information consent tool and make any revisions to the tool
29 to reflect any recent legislative changes. The contracting entity

1 that receives funds appropriated under this section shall also
2 develop accompanying trainings and resources for users.
3 Additionally, the contracting entity that receives funds
4 appropriated under this section shall work closely with the
5 Michigan Health Information Network Shared Services and the
6 department to develop the technical specifications for integrating
7 the protected health information consent tool with other relevant
8 systems and applications, including, but not limited to,
9 CareConnect360.

10 Sec. 924. From the funds appropriated in part 1, for the
11 purposes of actuarially sound rate certification and approval for
12 Medicaid behavioral health managed care programs, the department
13 shall maintain a fee schedule for autism services reimbursement
14 rates for direct services. Expenditures used for rate setting shall
15 not exceed the rates identified in the fee schedule. The fee
16 schedule must include a rate for behavioral technicians that is not
17 less than \$66.00 per hour.

18 Sec. 926. (1) From the funds appropriated in part 1 for
19 community substance use disorder prevention, education, and
20 treatment, \$1,000,000.00 is allocated for a specialized substance
21 use disorder detoxification project administered by a 9-1-1 service
22 district in conjunction with a substance use and case management
23 provider. The project must be located at a hospital within a 9-1-1
24 service district with at least 600,000 residents and 15 member
25 communities and that is located within a county with a population
26 of at least 1,500,000 according to the most recent federal
27 decennial census.

28 (2) The substance use and case management provider receiving
29 funds under this section shall collect and submit to the department

1 data on the outcomes of the project throughout the duration of the
2 project and the department shall submit a report on the project's
3 outcomes to the standard report recipients.

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

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

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

13 (2) Not later than April 1 of the current fiscal year, the
14 department shall report to the standard report recipients on the
15 lapse by PIHP from the previous fiscal year and the projected lapse
16 by PIHP in the current fiscal year.

17 Sec. 929. From the funds appropriated in part 1 for Michigan
18 Clinical Consultation and Care, the department shall allocate at
19 least \$325,000.00 to address needs in a city in which a declaration
20 of emergency was issued because of drinking water contamination.

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

28 Sec. 940. (1) In accordance with section 236 of the mental
29 health code, 1974 PA 258, MCL 330.1236, the department shall review

1 expenditures for each CMHSP to identify any CMHSP with a projected
2 allocation surplus and to identify any CMHSP with a projected
3 allocation shortfall. The department shall encourage the board of a
4 CMHSP with a projected allocation surplus to concur with the
5 department's recommendation to reallocate the projected surplus to
6 a CMHSP with a projected allocation shortfall.

7 (2) A CMHSP that has its projected surplus reallocated during
8 the current fiscal year as described in subsection (1) is not
9 eligible for an additional funding reallocation during the
10 remainder of the current fiscal year, unless the CMHSP is
11 responding to a public health emergency as determined by the
12 department.

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

16 (4) The department shall notify the chairs of the
17 appropriation subcommittees on the department budget when a request
18 is made and when the department grants approval for a reallocation
19 described in subsection (1). Not later than February 1 of the
20 current fiscal year, the department shall submit a report on the
21 amount of funding reallocated in the previous fiscal year to the
22 standard report recipients.

23 Sec. 942. A CMHSP shall provide at least 30 days' notice
24 before reducing, terminating, or suspending a service provided by
25 the CMHSP to a CMHSP client, unless the service is authorized by a
26 physician and the service no longer meets established criteria for
27 medical necessity.

28 Sec. 960. (1) From the funds appropriated in part 1 for autism
29 services, the department shall continue to cover all Medicaid

1 autism services to Medicaid enrollees eligible for the services
2 that were covered on January 1, 2019.

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

5 (a) Not later than March 1 of the current fiscal year, develop
6 and implement specific written guidance for standardization of
7 Medicaid PIHPs and CMHSPs autism spectrum disorder administrative
8 services, including, but not limited to, reporting requirements,
9 coding, and reciprocity of credentialing and training between PIHPs
10 and CMHSPs to reduce administrative duplication at the PIHP, CMHSP,
11 and service provider levels.

12 (b) Require consultation with the client's evaluation
13 diagnostician and PIHP to approve the client's ongoing therapy for
14 3 years, unless the client's evaluation diagnostician recommended
15 an evaluation before the 3 years or if a clinician on the treatment
16 team recommended an evaluation for the client before the third
17 year.

18 (c) Limit the authority to perform a diagnostic evaluation for
19 Medicaid autism services to qualified licensed practitioners as
20 determined by the department.

21 (d) Allow and expand the utilization of telemedicine and
22 telepsychiatry to increase access to diagnostic evaluation
23 services.

24 (e) Coordinate with the department of insurance and financial
25 services on oversight for compliance with the Paul Wellstone and
26 Pete Domenici mental health parity and addiction equity act of
27 2008, Public Law 110-343, as it relates to autism spectrum disorder
28 services, to ensure appropriate cost sharing between public and
29 private payers.

1 (f) Require that Medicaid eligibility be confirmed through
2 prior evaluations conducted by qualified licensed practitioners as
3 determined by the department and CMHSPs.

4 (g) Maintain regular statewide provider trainings on autism
5 spectrum disorder standard clinical best practice guidelines for
6 treatment and diagnostic services.

7 (3) By March 1 of the current fiscal year, the department
8 shall submit a report to the standard report recipients on total
9 autism services spending broken down by PIHP and CMHSP for the
10 previous fiscal year and current fiscal year and total
11 administrative costs broken down by PIHP, CMHSP, and the type of
12 administrative cost for the previous fiscal year and current fiscal
13 year.

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

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

22 Sec. 972. From the funds appropriated in part 1 for behavioral
23 health program administration, the department shall allocate not
24 less than \$9,386,400.00 of general fund/general purpose revenue and
25 any associated federal match or federal grant funding, including,
26 but not limited to, associated federal 988 grant funding for the
27 mental health telephone access line known as the Michigan crisis
28 and access line (MiCAL), to provide for both of the following in
29 accordance with section 165 of the mental health code, 1974 PA 258,

1 MCL 330.1165:

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

4 (b) Statewide secondary coverage.

5 Sec. 974. The department and a PIHP shall allow an individual
6 with an intellectual or developmental disability who receives
7 supports and services from a CMHSP to instead receive supports and
8 services from another provider if the individual is eligible and
9 qualified to receive supports and services from another provider.
10 Other providers may include, but are not limited to, MIChoice and
11 PACE.

12 Sec. 978. From the funds appropriated in part 1 for community
13 substance use disorder prevention, education, and treatment and
14 recovery community organizations, the department shall allocate
15 \$1,200,000.00 as grants for recovery community organizations in
16 accordance with section 273b of the mental health code, 1974 PA
17 258, MCL 330.1273b. A grant must be used to offer or expand
18 recovery support center services or recovery community center
19 services to individuals seeking long-term recovery from substance
20 use disorders.

21 Sec. 995. (1) From the funds appropriated in part 1 for mental
22 health diversion council, the department shall allocate
23 \$3,850,000.00 to continue to implement the jail diversion programs
24 that are intended to address the recommendations of the mental
25 health diversion council.

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

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

4 Sec. 996. From the funds appropriated in part 1 for family
5 support subsidy, the department shall make monthly payments of
6 \$300.36 to a parent or legal guardian of a child approved for the
7 family support subsidy by a CMHSP.

8 Sec. 997. The department shall use population data from the
9 most recent federal data from the United States Census Bureau in
10 determining the distribution of substance use disorder block grant
11 funds.

12 Sec. 998. If the department decides to use census data to
13 distribute state general funds to CMHSPs, the department shall use
14 the most recent federal data from the United States Census Bureau.
15

16 **BEHAVIORAL HEALTH SERVICES**

17 Sec. 1001. Not later than May 15 of the current fiscal year,
18 each CMHSP shall submit a report to the department that identifies
19 populations being served by the CMHSP broken down by program
20 eligibility category. The report must also include the percentage
21 of the operational budget that is related to program eligibility
22 enrollment. Not later than June 30 of the current fiscal year, the
23 department shall submit the reports described in this section to
24 the standard report recipients.

25 Sec. 1002. (1) The department shall expand the certified
26 community behavioral health clinic demonstration to include
27 organizations that meets both of the following criteria:

28 (a) Are a current CMHSP or an eligible organization as defined
29 in section 223(a)(2)(F) of the protecting access to Medicare act of

1 2014, Public Law 113-93, with a CCBHC grant from the federal
2 substance abuse and mental health services administration for at
3 least 1 year.

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

7 (2) From the funds appropriated in part 1 for CCBHC
8 administration, funding must be utilized to provide CCBHC outreach
9 services to encourage a CMHSP or an eligible organization located
10 in a county that does not already have a CCBHC to apply for CCBHC
11 certification.

12 Sec. 1003. The department shall notify the Community Mental
13 Health Association of Michigan when developing a policy or
14 procedure that will impact a PIHP or CMHSP.

15 Sec. 1004. The department shall submit a report to the
16 standard report recipients on any rebased formula changes to either
17 Medicaid behavioral health services or non-Medicaid mental health
18 services 90 days before the department implements the formula
19 change. The notification must include a table showing the changes
20 in funding allocation by PIHP for Medicaid behavioral health
21 services or by CMHSP for non-Medicaid mental health services.

22 Sec. 1005. (1) From the funds appropriated in part 1 for
23 health homes, the department shall maintain the number of
24 behavioral health homes and maintain the number of substance use
25 disorder health homes, in place by PIHP region as of September 30
26 of the previous fiscal year. The department may expand the number
27 of behavioral health homes and the number of substance use disorder
28 health homes in a PIHP region added after October 1 of the current
29 fiscal year.

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

5 Sec. 1006. From the funds appropriated in part 1 for certified
6 community behavioral health clinics, not later than May 1 of the
7 current fiscal year the department shall submit to the standard
8 report recipients an outcomes report for CCBHCs during the previous
9 fiscal year that includes both statewide and CCBHC site-specific
10 information on all of the following:

11 (a) The total number of distinct individuals served by the
12 CCBHCs.

13 (b) The percentage of individuals served by the CCBHCs that
14 were Medicaid recipients.

15 (c) The percentage of individuals served by the CCBHCs that
16 were not Medicaid recipients.

17 (d) The total number of CCBHC daily visits.

18 (e) Total number of CCBHC services provided, broken down by
19 the 9 core CCBHC services.

20 (f) Total expenditures from base and supplemental payments.

21 (g) Staffing and staff vacancy levels of the CCBHCs.

22 (h) The amount of prospective payment system rates for each
23 CCBHC over the entire demonstration period allocated across the 9
24 service types.

25 (i) The total expenditures by CCBHC in the previous fiscal
26 year.

27 (j) The total cost factors and implications in interpreting
28 how CCBHCs deliver care over the course of the demonstration
29 period.

1 (k) The comparison of costs for a random sample of enrollees
2 between care provided by a CCBHC provider and a Medicaid provider
3 that is not a CCBHC. The sample must include participants known to
4 have received services at CCBHC providers and Medicaid providers
5 that are not CCBHCs.

6 Sec. 1007. From the funds appropriated in part 1 for autism
7 services, the department shall make payments to PIHP and CMHSP for
8 autism services separate from other per-capita payments. Funds
9 appropriated for autism services must not be used to fund nonautism
10 costs for PIHP and CMHSP.

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

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

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

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

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

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

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

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

25 (4) Not later than March 1 of the current fiscal year, the
26 department shall submit a report to the standard report recipients
27 on all of the following:

28 (a) The types of community supports and services purchased.

29 (b) The quantity, measured by days or other relevant unit of

1 service, of each community support and service purchased.

2 (c) The quantifiable impact of the purchase of community
3 supports and services, including the number of individuals served,
4 the number of successful discharges, and the number of re-
5 escalations to either the discharging entity or a state psychiatric
6 hospital.

7 Sec. 1011. From the funds appropriated in part 1 for
8 behavioral health community supports and services, the department
9 shall allocate \$400,000.00 to a qualified Yemeni nonprofit
10 organization to provide communities with the best services suited
11 to the communities according to their time and needs, with no
12 prejudice, and regardless of religion, culture, or ethnic
13 background. As used in this section, "qualified Yemeni nonprofit
14 organization" means an organization that was established in 2000,
15 is organized under the laws of this state, is exempt from federal
16 income tax under section 501(c)(3) of the internal revenue code of
17 1986, 26 USC 501, and has its administrative office located in a
18 county with a population of at least 1,750,000 and in a city with a
19 population between 109,000 and 110,000.

20 Sec. 1014. (1) From the funds appropriated in part 1 to
21 agencies providing physical and behavioral health services to
22 multicultural populations, the department shall award grants in
23 accordance with the requirements of subsection (2). This state is
24 not liable for any spending above the contract amount. The
25 department shall not release funds until reporting requirements
26 under section 1014 of article 6 of 2024 PA 121 are satisfied.

27 (2) The department shall require each contractor described in
28 subsection (1) that receives greater than \$1,000,000.00 in state
29 grant funding to comply with performance-related metrics to

1 maintain their eligibility for funding. The performance-related
2 metrics shall include, but not be limited to, all of the following:

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

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

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

11 (d) Each contractor or subcontractor shall demonstrate cost-
12 effectiveness.

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

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

19 (3) The department shall require an annual report from the
20 contractors described in subsection (2). The annual report, due 60
21 days following the end of the contract period, must include
22 specific information on services and programs provided, the client
23 base to which the services and programs were provided, information
24 on any wraparound services provided, and the expenditures for those
25 services. Not later than February 1 of the current fiscal year, the
26 department must submit the annual reports to the standard report
27 recipients.

28 (4) From the funds appropriated in part 1 for multicultural
29 integration services, \$8,600,000.00 is allocated in the same manner

1 as the funds in section 122 of article 6 of 2024 PA 121.

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

8
9 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

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

17 Sec. 1052. The department shall use gifts and bequests
18 received for patient living and treatment environments for
19 additional private funds to provide specific enhancements for
20 individuals residing at state-operated facilities. The department
21 shall use the gifts and bequests consistent with the stipulation of
22 the donor. The department shall use gift and bequest donations
23 within 3 years unless otherwise stipulated by the donor.

24 Sec. 1055. (1) The department shall not implement a closure or
25 consolidation of a state hospital, center, or agency, until each
26 CMHSP or PIHP affected by the closure or consolidation has programs
27 and services in place for the individuals currently in the
28 hospital, center, or agency that is to be closed or consolidated,
29 and has a plan for providing services to the individuals who would

1 have been admitted to the hospital, center, or agency.

2 (2) A closure or consolidation is dependent on adequate
3 department-approved CMHSP and PIHP plans that include a discharge
4 and aftercare plan for each individual currently in a facility
5 described in subsection (1). A discharge and aftercare plan must
6 address an individual's housing needs. A homeless shelter or
7 similar temporary shelter arrangement is inadequate to meet an
8 individual's housing needs.

9 (3) Four months after a closure is certified under section
10 19(6) of the state employees' retirement act, 1943 PA 240, MCL
11 38.19, the department shall provide a closure plan to the standard
12 report recipients.

13 (4) On the closure of a hospital, center, or agency and after
14 transitional costs have been paid, the remaining balances of funds
15 appropriated for the hospital, center, or agency must be
16 transferred to CMHSPs or PIHPs responsible for providing services
17 for individuals previously served by the hospital, center, or
18 agency.

19 Sec. 1056. The department may collect revenue for patient
20 reimbursement from first- and third-party payers, including
21 Medicaid and local county CMHSP payers, to cover the cost of
22 patient placement in state hospitals and centers. The department
23 may adjust financing sources for patient reimbursement based on
24 actual revenues earned. If the revenue collected exceeds current
25 year expenditures, the revenue may be carried forward with approval
26 of the state budget director. The department shall use the revenue
27 carried forward as a first source of funds in the subsequent year.

28 Sec. 1058. Effective October 1 of the current fiscal year, the
29 department, in consultation with the department of technology,

1 management, and budget, may maintain a bid process to identify 1 or
2 more private contractors to provide food and custodial services for
3 the administrative areas at a state hospital identified by the
4 department as capable of generating savings through the outsourcing
5 of food and custodial services.

6 Sec. 1059. (1) The department shall identify specific outcomes
7 and performance measures for state-operated hospitals and centers.
8 Unless specified, the outcomes and performance measures must be
9 calculated on an average monthly basis from the previous calendar
10 year, as follows:

11 (a) The average wait time from the time of the receipt of a
12 court order for the treatment of an individual who is determined
13 incompetent to stand trial until the individual's admission to the
14 center for forensic psychiatry or other state-operated psychiatric
15 facility.

16 (b) The average number of individuals determined not guilty by
17 reason of insanity by an order of the criminal court who, on the
18 first day of each month, are waiting to receive admission into the
19 center for forensic psychiatry or other state-operated psychiatric
20 facility.

21 (c) The average number of adults who, on the first day of each
22 month, are waiting to receive admission into another state-operated
23 hospital or center through the civil admissions process.

24 (d) The average number of children who, on the first day of
25 each month, are waiting to receive admission into another state-
26 operated hospital or center through the civil admissions process.

27 (e) The average wait time for an adult who is awaiting
28 admission into another state-operated hospital or center through
29 the civil admissions process.

1 (f) The average wait time for a child who is awaiting
2 admission into another state-operated hospital or center through
3 the civil admissions process.

4 (g) The number of individuals determined not guilty by reason
5 of insanity or incompetent to stand trial by an order of a criminal
6 court that have been determined to be ready for discharge to the
7 community, and the average wait time between being determined to be
8 ready for discharge to the community and actual community
9 placement.

10 (h) The number of adults admitted through the civil admission
11 process that have been determined to be ready for discharge to the
12 community, and the average wait time between being determined to be
13 ready for discharge to the community and actual community
14 placement.

15 (i) The number of children admitted through the civil
16 admission process that have been determined to be ready for
17 discharge to the community, and the average wait time between being
18 determined to be ready for discharge to the community and actual
19 community placement.

20 (j) The most recent 12-month total number of individuals
21 determined not guilty by reason of insanity by an order of the
22 criminal court ordering the individual to be admitted into the
23 center for forensic psychiatry or other state-operated psychiatric
24 facility.

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

28 (l) The most recent 12-month total number of children requested
29 to be admitted to a state-operated hospital or center through the

1 civil admissions process.

2 (m) The number of individuals determined not guilty by reason
3 of insanity by an order of the criminal court that were removed
4 from the admissions waiting list and the reason for the removal
5 from the admissions waiting list.

6 (n) The number of adults awaiting admission through the civil
7 admission process removed from the admission waiting list and the
8 reason for the removal from the admission waiting list.

9 (o) The number of children awaiting admission through the
10 civil admission process removed from the admission waiting list and
11 the reason for the removal from the admission waiting list.

12 (p) The number of individuals determined not guilty by reason
13 of insanity by an order of the criminal court and not admitted into
14 the center for forensic psychiatry or other state-operated hospital
15 or center, and the rationale for the individual not being admitted.

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

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

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

26 Sec. 1060. Not later than March 1 of the current fiscal year,
27 the department shall submit a report on mandatory overtime, staff
28 turnover, and staff retention at the state psychiatric hospitals
29 and centers to the standard report recipients. The report must

1 include, but is not limited to, the following:

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

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

9 (c) The ranges of wages paid by position and by hospital, and
10 how the ranges of wages paid compare to wages paid during the
11 previous fiscal year.

12 Sec. 1061. (1) On a semiannual basis, the department shall
13 report to the standard report recipients a status update on the
14 construction of the new state psychiatric hospital that will house
15 both children and adults. The report must include, but is not
16 limited to, an estimated timeline for completion and any obstacles
17 that have caused a delay in construction progress.

18 (2) By September 30 of the current fiscal year, the department
19 shall report to the standard report recipients a proposed
20 transition plan for the transfer of children and adults currently
21 residing at the Walter P. Reuther Psychiatric Hospital to the newly
22 constructed state psychiatric hospital. Additionally, the report
23 must include a plan for either the future use or the demolition of
24 the Walter P. Reuther Psychiatric Hospital, and an estimated cost
25 for the proposed plan.

26 Sec. 1063. (1) From the funds appropriated in part 1 for
27 Walter P. Reuther - psychiatric hospital - adult, children and
28 adolescents, the department shall maintain a psychiatric
29 transitional unit and children's transition support team. The unit

1 and support team described in this subsection shall augment the
2 continuum of behavioral health services for high-need youth and
3 provide additional continuity of care and transition into
4 supportive community-based services.

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

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

10 (b) The measured change in the Michigan Child and Adolescent
11 Needs and Strengths tool for youth and families served through the
12 unit or support team.

13
14 **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

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

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 shall take steps necessary to work

1 with the Indian Health Service, tribal health program facilities,
2 or Urban Indian Health Program facilities, that provide services
3 under a contract with a Medicaid managed care entity to ensure that
4 the facilities described in this section receive the maximum amount
5 allowable under federal law for Medicaid services.

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

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

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

1 Sec. 1147. From the funds appropriated in part 1 for cellular
2 therapy for Versiti Michigan, \$750,000.00 is allocated to Versiti
3 Michigan. The funds must be used to enhance the collection of fetal
4 umbilical cord blood and stem cells for transplant, expand cord
5 blood laboratory capabilities, expand the diversity of collections,
6 and build information technology infrastructure.

7 Sec. 1148. From the funds appropriated in part 1 for domestic
8 violence prevention and treatment, the department shall allocate
9 \$4,000,000.00 to a nonprofit organization that is organized under
10 the laws of this state, is exempt from federal income tax under
11 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
12 and is located in a city with a population greater than 50,000 and
13 in a county with a population between 194,000 and 280,000,
14 according to the most recent federal decennial census. To be
15 eligible for funds under this section, an organization must have
16 been established in 1885 and have a stated mission to eliminate
17 racism, empower women, and promote peace, justice, freedom, and
18 dignity for all. The funds must be allocated as follows:

19 (a) \$2,500,000.00 to provide services to survivors of human
20 trafficking, domestic violence, and sexual violence.

21 (b) \$1,500,000.00 to support maternal and child health
22 programs.

23 Sec. 1153. From the funds appropriated in part 1 for crime
24 victim rights sustaining grants, the department shall allocate
25 \$102,600.00 of state general fund/general purpose revenue for a
26 sexual assault nurse examiners program at a hospital that is
27 located in a city with a population between 21,600 and 21,700 in a
28 county with a population between 64,300 and 64,400, according to
29 the most recent federal decennial census. The funds allocated under

1 this section must be used to support staff compensation and
2 training, victim needs, and community awareness, education, and
3 prevention programs.

4 Sec. 1155. (1) From the funds appropriated in part 1 for the
5 uniform statewide sexual assault evidence kit tracking system, in
6 accordance with the final report of the Michigan sexual assault
7 evidence kit tracking and reporting commission, the department
8 shall allocate \$369,500.00 for administering a uniform statewide
9 sexual assault evidence kit tracking system. The system must
10 include all of the following:

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

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

16 (c) Secure electronic access for victims.

17 (d) The ability to accommodate concurrent data entry with kit
18 collection through mechanisms that include, but are not limited to,
19 web entry through computers or smartphones, and through scanning
20 devices.

21 (2) The sexual assault evidence tracking fund established in
22 section 1451 of 2017 PA 158 shall continue to be maintained in the
23 department of treasury. Money in the sexual assault evidence
24 tracking fund at the close of a fiscal year remains in the sexual
25 assault evidence tracking fund, does not revert to the general
26 fund, and is appropriated as provided by law for the development
27 and implementation of a uniform statewide sexual assault evidence
28 kit tracking system as described in subsection (1).

29 Sec. 1157. From the funds appropriated in part 1 for child

1 advocacy centers - supplemental grants, the department shall
2 allocate \$8,000,000.00 to provide additional funding to child
3 advocacy centers to support the general operations of child
4 advocacy centers. The department shall allocate the additional
5 funding to each center according to the formula under this section.
6 The department shall set a formula in consultation with children's
7 advocacy centers of Michigan (CAC-MI) to allocate the additional
8 funding. The formula must include base funding for each program and
9 factors, such as the number of children in the service area, square
10 miles of the service area, and prior service levels. The purpose of
11 the additional funding is to increase the amount of services
12 provided to children and their families who are victims of abuse
13 over the amount provided in the previous fiscal year.

14 Sec. 1158. From the funds appropriated in part 1 for crime
15 victim rights sustaining grants, the department shall allocate
16 \$29,897,500.00 to supplement the loss of federal victims of crime
17 act and state crime victim rights funding. The department must
18 distribute the funds consistent with the regular allocation formula
19 for crime victim justice grants and crime victim rights services
20 grants.

21 Sec. 1159. (1) From the funds appropriated in part 1 for
22 community health programs, the department shall support preventive
23 health supports and services in regions with high health care
24 access and outcome disparities. The department shall use the funds
25 appropriated pursuant to this section to advance the
26 recommendations of the racial disparities task force including, but
27 not limited to, all of the following:

28 (a) Financial support for the operation of community-based
29 health clinics. A community-based health clinic shall provide

1 preventive health supports and services, be established in
2 communities with high social vulnerability and health disparities,
3 and be operated in cooperation with trusted community partners with
4 demonstrated experience in serving as an access point for
5 preventive health supports and services.

6 (b) Financial support for the operation of healthy community
7 zones. The healthy community zones must utilize long-term
8 strategies to address access to healthy food, affordable housing,
9 and safety networks.

10 (c) Financial support for the operation of mobile health units
11 to provide preventive health supports and services for individuals
12 residing in areas with high disparities in health care outcomes and
13 access.

14 (2) Not later than March 1 of the current fiscal year, the
15 department shall submit to the standard report recipients a report
16 on the outcome of the community health programs described in
17 subsection (1). The report must include, but is not limited to, all
18 of the following:

19 (a) The list of communities served.

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

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

22 Sec. 1162. (1) From the funds appropriated in part 1 for crime
23 victims rights sustaining grants, the department shall allocate
24 \$2,000,000.00 for a 3-year trauma recovery center pilot program at
25 a level I Michigan-designated trauma facility for adults. The pilot
26 program must be located in a city with a population of greater than
27 500,000 according to the most recent federal decennial census. The
28 pilot program must do all of the following to be awarded funding
29 under this section:

1 (a) Use an evidence-informed integrated trauma recovery
2 service model for providing and delivering services.

3 (b) Comply with applicable statutory requirements for the
4 trauma facility's administration and operation, and for service
5 requirements and funding.

6 (c) Except as otherwise provided in subsection (2),
7 demonstrate to the department that the trauma facility adheres to
8 all guidelines for implementing and operating a trauma recovery
9 center, as developed by the National Alliance of Trauma Recovery
10 Centers.

11 (2) The department may award the funding to a level I
12 Michigan-designated trauma facility for adults that does not adhere
13 to the requirements described in subsection (1) if the facility
14 demonstrates to the department the facility's ability to comply
15 with the requirements on the receipt of the funds under this
16 section.

17
18 **EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY**

19 Sec. 1180. From the funds appropriated in part 1 for
20 epidemiology administration and for childhood lead program, the
21 department shall maintain a public health drinking water program
22 and maintain enhanced efforts to monitor child blood lead levels.
23 The public health drinking water program shall ensure that
24 appropriate investigations of potential health hazards occur for
25 all community and noncommunity drinking water supplies where
26 chemical exceedances of action levels, health advisory levels, or
27 maximum contaminant limits are identified. The goals of the
28 childhood lead program must include improving the identification of
29 children affected by lead exposure, improving the timeliness of

1 case follow-up, and attaining nurse care management for children
2 with lead exposure, and to achieve a long-term reduction in the
3 percentage of children in this state with elevated blood lead
4 levels.

5 Sec. 1181. From the funds appropriated in part 1 for
6 epidemiology administration, the department shall maintain a vapor
7 intrusion response program. The vapor intrusion response program
8 shall assess risks to public health at vapor intrusion sites and
9 respond to vapor intrusion risks if appropriate. The goals of the
10 vapor intrusion response program must include reducing the number
11 of individuals who are exposed to toxic substances through vapor
12 intrusion and improving health outcomes for individuals who are
13 identified as having been exposed to vapor intrusion.

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

24 Sec. 1186. (1) From the funds appropriated in part 1 for
25 emergency medical services program, the department shall allocate
26 \$2,000,000.00 for a stroke and STEMI system. The department shall
27 integrate the stroke and STEMI system into the statewide trauma
28 care system within the emergency medical services system and shall
29 ensure that the stroke and STEMI system complies with at least all

of the following requirements:

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

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

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

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

(3) As used in this section:

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

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

LOCAL HEALTH AND ADMINISTRATIVE SERVICES

Sec. 1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17015, and 333.17515, must be used to reimburse local health departments for

1 costs incurred to implement section 17015(18) of the public health
2 code, 1978 PA 368, MCL 333.17015.

3 Sec. 1221. If a county that participates in a district health
4 department or has an associated arrangement with another local
5 health department takes action to stop participating in that
6 arrangement after October 1 of the current fiscal year, the
7 department may assess a penalty from the local health department's
8 operational accounts in an amount equal to no more than 6.25% of
9 the local health department's essential local public health
10 services funding. The department shall assess a penalty only if a
11 county requests the dissolution of the county's local health
12 department.

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

26 (2) The department shall not distribute funds under subsection
27 (1) to a county unless the county maintains local spending in the
28 current fiscal year in an amount that is equal to or exceeds the
29 amount the county expended in fiscal year 1992-1993 for the

1 services described in subsection (1).

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

6 (4) The department shall continue to implement the
7 distribution formula for allocating essential local public health
8 services funding to local health departments as specified in
9 section 1234 of article X of 2018 PA 207.

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

14 Sec. 1223. From the funds appropriated in part 1 for local
15 health services, the department shall allocate \$5,000,000.00 as a
16 grant to a nonprofit organization that is organized under the laws
17 of this state, is exempt from federal income tax under section
18 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is
19 located in a in a city with a population between 85,000 and 87,000
20 and in a county with a population between 1,200,000 and 1,300,000
21 according to the most recent federal decennial census, to conduct
22 community health screenings and to collect and distribute public
23 health data on underserved urban and rural populations, first
24 responders, and veterans, to the department.

25 Sec. 1224. (1) From the funds appropriated in part 1 for
26 violence prevention, the department's office of community violence
27 intervention shall expend \$5,000,000.00 to provide grants to
28 support community providers of violence intervention services.

29 (2) To be eligible for a grant under this section, a community

1 provider of violence interventions services must not have received
2 a grant from the department for this purpose in the previous fiscal
3 year. Additionally, the department must prioritize grants under
4 this section to community providers of violence intervention
5 services that are located in the communities the providers service
6 and to which the providers have an established history of providing
7 community violence intervention services.

8 Sec. 1227. The department shall establish criteria for all
9 funds allocated for health and wellness initiatives. The criteria
10 must include a requirement that a program receiving funding is
11 evidence-based and supported by research, includes interventions
12 that have been shown to demonstrate outcomes that lower cost and
13 improve quality, and is designed for statewide impact. The
14 department shall give preference to a program that uses the funding
15 as match for additional resources, including, but not limited to,
16 federal sources.

17 Sec. 1231. (1) From the funds appropriated for local health
18 services, up to \$4,750,000.00 is allocated for grants to local
19 health departments to support PFAS response and emerging public
20 health threat activities. The department shall allocate a portion
21 of the funding in a collaborative fashion with local health
22 departments in jurisdictions experiencing PFAS contamination. The
23 department shall allocate the remainder of the funding to address
24 infectious and vector-borne disease threats, and other
25 environmental contamination issues, including, but not limited to,
26 vapor intrusion, drinking water contamination, and lead exposure.
27 The department shall allocate the funding to address issues
28 including, but not limited to, staffing, planning and response, and
29 creating and disseminating materials related to PFAS contamination

1 issues and other emerging public health issues and threats.

2 (2) Not later than March 1 of the current fiscal year, the
3 department shall submit a report to the standard report recipients
4 on actual expenditures in the previous fiscal year and planned
5 spending in the current fiscal year of the funds described in
6 subsection (1). The report must include recipient entities, the
7 amount of allocation, the general category of allocation, and
8 detailed uses.

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

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

17 Sec. 1235. From the funds appropriated in part 1 for chronic
18 disease control and health promotion administration, the department
19 shall allocate \$750,000.00 to the ALS Association to provide free
20 ALS care services, including, but not limited to, in-home visits,
21 caregiver training, support groups, durable medical equipment, and
22 respite care. As used in this section, "ALS" means amyotrophic
23 lateral sclerosis.

24 Sec. 1239. The department shall participate in and give
25 necessary assistance to the Michigan PFAS action response team
26 (MPART) pursuant to Executive Order No. 2019-03. The department
27 shall collaborate with MPART and other departments to carry out
28 appropriate activities, actions, and recommendations as coordinated
29 by MPART. Efforts must be continuous to ensure that the

department's activities are not duplicative with activities of another department or agency.

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

(a) Developing a list of rare diseases.

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

(c) Updating the list of rare diseases.

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

FAMILY HEALTH SERVICES

Sec. 1301. (1) Not later than April 1 of the current fiscal year, the department shall submit to the standard report recipients a report on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report must include information on all of the following:

(a) The funding allocations.

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

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

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

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

6 (a) A county, city, village, or township with a population of
7 30,000 or less.

8 (b) A county, city, village, or township described in
9 subdivision (a), if it is located within a metropolitan statistical
10 area.

11 Sec. 1302. From the funds appropriated in part 1 for special
12 projects, the department shall allocate \$500,000.00 to purchase
13 child restraint systems for newborn children. The child restraint
14 systems must meet the standards of all applicable federal law and
15 the laws of this state, be purchased in volume by this state, and
16 be distributed through maternal infant health program providers.

17 Sec. 1306. (1) From the funds appropriated in part 1 for the
18 drinking water declaration of emergency, the department shall
19 allocate funds to address needs in a city in which a declaration of
20 emergency was issued because of drinking water contamination. The
21 funds allocated under this section may be used to support any of
22 the following activities:

23 (a) Nutrition assistance, nutritional and community education,
24 food bank resources, and food inspections.

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

27 (c) Support for child and adolescent health centers,
28 children's health care access program, and pathways to potential
29 programming.

1 (d) Nursing services, breastfeeding education, evidence-based
2 home visiting programs, intensive services, and outreach for
3 children exposed to lead coordinated through local community mental
4 health organizations.

5 (e) Department local office operations costs.

6 (f) Lead poisoning surveillance, investigations, treatment,
7 and abatement.

8 (g) Nutritional incentives provided to local residents through
9 the double up food bucks expansion program.

10 (h) Genesee County health department food inspectors to
11 perform water testing at local food service establishments.

12 (i) Transportation related to health care delivery.

13 (j) Senior initiatives.

14 (k) Lead abatement contractor workforce development.

15 (l) Any other activity that the department considers
16 appropriate.

17 (2) From the funds appropriated in part 1 for the drinking
18 water declaration of emergency, the department shall allocate
19 \$300,000.00 for Revive Community Health Center for health support
20 services as the center pursues certification as a FQHC.

21 (3) From the funds appropriated in part 1 for the drinking
22 water declaration of emergency, the department shall allocate
23 \$778,400.00 for rides to wellness through the Flint mass
24 transportation authority.

25 Sec. 1308. From the funds appropriated in part 1 for prenatal
26 care outreach and service delivery support, the department shall
27 allocate not less than \$500,000.00 for evidence-based programs to
28 reduce infant mortality. The funds must be used for enhanced
29 support and education to nursing teams or other teams of health

1 professionals that the department considers qualified, client
2 recruitment in areas designated as underserved for obstetrical and
3 gynecological services and in other high-need communities,
4 strategic planning to expand and sustain programs, and marketing
5 and communications of programs to raise awareness, engage
6 stakeholders, and recruit nurses.

7 Sec. 1309. From the funds appropriated in part 1 for family,
8 maternal, and child health administration, the department shall
9 allocate \$150,000.00 to implement Senate Bill No. 29 of the 103rd
10 Legislature.

11 Sec. 1310. From the funds appropriated in part 1 for family,
12 maternal, and child health administration, the department shall
13 allocate \$150,000.00 to implement Senate Bill No. 30 of the 103rd
14 Legislature.

15 Sec. 1311. From the funds appropriated in part 1 for prenatal
16 care outreach and service delivery support, the department shall
17 allocate not less than \$2,750,000.00 of state general fund/general
18 purpose revenue for a rural home visit program. The department
19 shall give equal consideration to all eligible evidence-based
20 providers in all regions in contracting for rural home visitation
21 services.

22 Sec. 1313. (1) From the funds appropriated in part 1, the
23 department shall continue developing an outreach program on fetal
24 alcohol syndrome services, targeting health promotion, prevention,
25 and intervention.

26 (2) The department shall explore federal grant funding to
27 address prevention services for fetal alcohol syndrome and to
28 reduce alcohol consumption among pregnant women.

29 Sec. 1314. From the funds appropriated in part 1, the

1 department shall enhance the department's education and outreach
2 efforts that encourage women of childbearing age to seek the
3 confirmation of a pregnancy at the earliest indication of a
4 possible pregnancy and to initiate continuous and routine prenatal
5 care on the confirmation of a pregnancy. The department shall
6 ensure that the department's programs, policies, and practices
7 promote prenatal and obstetrical care by doing all of the
8 following:

9 (a) Supporting access to care.

10 (b) Reducing and eliminating barriers to care.

11 (c) Supporting recommendations for best practices.

12 (d) Encouraging optimal prenatal habits, including, but not
13 limited to, prenatal medical visits, use of prenatal vitamins, and
14 the cessation of tobacco use, alcohol use, or drug use.

15 (e) Tracking birth outcomes to study improvements in
16 prevalence of neonatal substance exposure, fetal alcohol syndrome,
17 and other preventable neonatal disease.

18 (f) Tracking maternal increase in healthy behaviors following
19 childbirth.

20 Sec. 1315. From the funds appropriated in part 1 for dental
21 programs, \$200,000.00 is allocated to the Michigan Dental
22 Association for the administration of a volunteer dental program
23 that provides dental services to the uninsured.

24 Sec. 1316. The department shall use revenue from permit fees
25 for mobile dental facilities that the department receives under
26 section 21605 of the public health code, 1978 PA 368, MCL
27 333.21605, to offset the costs of processing and issuing permits
28 for mobile dental facilities.

29 Sec. 1325. From the funds appropriated in part 1 for prenatal

1 care outreach and service delivery support, the department shall
2 allocate \$5,000,000.00 to support grants to local collaboratives to
3 enhance the ability of local collaboratives to coordinate and
4 improve maternal and infant health outcomes. To receive a grant
5 under this section, a local collaborative must be a part of a
6 perinatal quality collaborative.

7 Sec. 1326. From the funds appropriated in part 1 for local MCH
8 services, the department shall allocate \$250,000.00 as a grant to a
9 nonprofit organization to offer comprehensive mental health
10 support, prenatal care coordination, parenting classes, mentorship,
11 and social integration activities that meets all of the following
12 requirements:

13 (a) Is organized under the laws of this state.

14 (b) Is exempt from federal income tax under the laws of this
15 state under section 501(c)(3) of the internal revenue code of 1986,
16 26 USC 501.

17 (c) Assists teen mothers exiting foster care.

18 (d) Is located in a city with a population greater than
19 600,000 and in a county with a population of more than 1,700,000
20 according to the most recent federal decennial census.

21 Sec. 1341. The department shall use income eligibility and
22 verification guidelines established by the Food and Nutrition
23 Service agency of the United States Department of Agriculture to
24 determine eligibility of individuals for the special supplemental
25 nutrition program for women, infants, and children (WIC) as stated
26 in current WIC policy.

27 Sec. 1343. (1) From the funds appropriated in part 1 for
28 dental programs, the department shall allocate \$4,260,000.00 of
29 state and local funds, plus any private contributions received to

1 support the program, to establish and maintain the dental oral
2 assessment program described in section 9316 of the public health
3 code, 1978 PA 368, MCL 333.9316.

4 (2) Not later than December 31 of the current fiscal year, the
5 department shall submit a report to the standard report recipients
6 that provides a summary of the dental reports the department
7 receives from principals and administrators under section 9316 of
8 the public health code, 1978 PA 368, MCL 333.9316.

9 Sec. 1349. Subject to federal approval, from the funds
10 appropriated in part 1 for immunization program, the department
11 shall allocate all of the following funds to support a statewide
12 media campaign for improving this state's immunization rates:

13 (a) \$740,000.00 of general fund/general purpose revenue.

14 (b) Any available work project funds.

15 (c) Any available federal match through a contract
16 administered by the department with oversight from the behavioral
17 and physical health and aging services administration and the
18 public health administration.

19
20 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

21 Sec. 1360. From the funds appropriated in part 1, the
22 department may do 1 or more of the following:

23 (a) Provide special formulas for eligible individuals with
24 specified metabolic and allergic disorders.

25 (b) Provide medical care and treatment to eligible individuals
26 with cystic fibrosis who are 26 years of age or older.

27 (c) Provide medical care and treatment to eligible individuals
28 with hereditary coagulation defects, commonly known as hemophilia,
29 who are 26 years of age or older.

1 (d) Provide human growth hormone to eligible individuals.

2 (e) Provide mental health care to eligible individuals for
3 mental health needs that result from, or are a symptom of, the
4 individual's qualifying medical condition.

5 (f) Provide medical care and treatment to eligible individuals
6 with sickle cell disease who are 26 years of age or older.

7 Sec. 1361. From the funds appropriated in part 1 for medical
8 care and treatment, the department may spend the funds to continue
9 developing and expanding telemedicine capacity to allow families
10 with children in the children's special health care services
11 program to access specialty providers more readily and in a more
12 timely manner. The department may spend funds to support chronic
13 complex care management of children enrolled in the children's
14 special health care services program to minimize hospitalizations
15 and reduce costs to the program while improving outcomes and
16 quality of life. As used in this section, "children's special
17 health care services program" or "program" means the program
18 established under section 5815 of the public health code, 1978 PA
19 368, MCL 333.5815.

20
21 **AGING SERVICES**

22 Sec. 1402. The department may encourage the Food Bank Council
23 of Michigan to collaborate directly with each area agency on aging
24 and any other organization that provides senior nutrition services
25 to secure the food access of older adults.

26 Sec. 1403. (1) From the funds appropriated in part 1, the
27 department shall implement a palliative care advisory task force.
28 The palliative care advisory task force shall do all of the
29 following:

1 (a) Provide the legislature with a recommended definition for
2 palliative care in this state.

3 (b) Conduct research on palliative care.

4 (c) Make recommendations that will expand the provision of
5 palliative care.

6 (d) Identify palliative care services that are offered and
7 measures for reimbursement of the services.

8 (e) Develop key program metrics for palliative care services
9 and make recommendations to the department and the legislature.

10 (f) Collaborate with individuals who are able to improve and
11 expand high-quality palliative care services.

12 (g) Develop engagement strategies to educate the public on
13 access to palliative care and to improve an individual's ability to
14 make informed decisions on preferred care.

15 (h) Identify the capacity of palliative care providers to
16 provide palliative care services.

17 (2) Not later than January 1 of the current fiscal year, the
18 palliative care advisory task force shall submit to the standard
19 report recipients a report that identifies the palliative care
20 services available in this state and any palliative care services
21 that are not offered in this state but would provide a benefit.

22 Sec. 1404. From the funds appropriated in part 1 for community
23 services, the department shall allocate \$658,000.00 to area
24 agencies on aging for home and community-based services.

25 Sec. 1417. Not later than March 31 of the current fiscal year,
26 the department shall submit to the standard report recipients a
27 report that contains all of the following information:

28 (a) The total allocation of state resources made to each area
29 agency on aging by individual program and administration.

1 (b) Detailed expenditures by each area agency on aging by
2 individual program and administration, including both state-funded
3 resources and locally funded resources.

4 Sec. 1421. From the funds appropriated in part 1 for community
5 services, \$1,100,000.00 is allocated for locally determined needs
6 that are provided by area agencies on aging.

7
8 **HEALTH AND AGING SERVICES ADMINISTRATION**

9 Sec. 1505. Not later than March 1 of the current fiscal year,
10 the department shall submit a report to the standard report
11 recipients on the actual reimbursement savings and cost offsets
12 that have resulted from the funds appropriated in part 1 for the
13 office of inspector general and third-party liability efforts in
14 the previous fiscal year.

15 Sec. 1507. From the funds appropriated in part 1 for office of
16 inspector general, the inspector general shall audit and recoup
17 inappropriate or fraudulent payments from Medicaid managed care
18 organizations to health care providers. Unless authorized by
19 federal law or a law of this state, the department shall not fine,
20 temporarily halt operations of, disenroll as a Medicaid provider,
21 or terminate a managed care organization or health care provider
22 from providing services due to the discovery of an inappropriate
23 payment found during the course of an audit.

24 Sec. 1512. From the funds appropriated in part 1, the
25 department shall maintain the Medicaid encounter quality initiative
26 report to separate nonclinical administrative costs from actual
27 claims and encounter costs.

28 Sec. 1518. The department shall coordinate with the department
29 of licensing and regulatory affairs to ensure that, on the issuance

1 of an order suspending the license of an adult foster care
2 facility, home for the aged, or nursing home, the department of
3 licensing and regulatory affairs provides a notice to the
4 department, to the house and senate appropriations subcommittees on
5 the department budget, and to the members of the house of
6 representatives and senate that represent the legislative districts
7 of the county in which the adult foster care facility, home for the
8 aged, or nursing home is located.

9
10 **HEALTH SERVICES**

11 Sec. 1605. The protected income level for Medicaid coverage
12 determined under section 106(1)(b)(iii) of the social welfare act,
13 1939 PA 280, MCL 400.106, is 100% of the federal poverty level.

14 Sec. 1606. For the purpose of guardian and conservator
15 charges, the department may deduct up to \$83.00 per month as an
16 allowable expense against a recipient's income when determining
17 Medicaid eligibility and patient pay amounts.

18 Sec. 1607. (1) The department shall immediately presume that
19 an applicant for Medicaid whose qualifying condition is pregnancy
20 is eligible for Medicaid coverage, unless the preponderance of
21 evidence in the applicant's application indicates otherwise. The
22 applicant who is qualified as described in this subsection is
23 allowed to select or remain with the Medicaid participating
24 obstetrician of the applicant's choice.

25 (2) Each qualifying applicant is entitled to receive all
26 medically necessary obstetrical and prenatal care without
27 preauthorization from a health plan. All claims submitted for
28 payment for obstetrical and prenatal care must be paid at the
29 Medicaid fee-for-service rate if a contract does not exist between

1 the Medicaid participating obstetrical or prenatal care provider
2 and the managed care plan. The applicant must receive a listing of
3 Medicaid physicians and managed care plans in the immediate
4 vicinity of the applicant's residence.

5 (3) If an applicant, presumed to be eligible for Medicaid
6 under subsection (1), is subsequently found to be ineligible, a
7 Medicaid physician or managed care plan that has been providing
8 pregnancy services to the applicant is entitled to reimbursement
9 for the services until the Medicaid physician or managed care plan
10 is notified by the department that the applicant was found to be
11 ineligible for Medicaid.

12 (4) If the preponderance of evidence in an application under
13 subsection (1) indicates that the applicant is not eligible for
14 Medicaid, the department shall refer the applicant to the nearest
15 public health clinic or similar entity as a potential source for
16 receiving pregnancy-related services.

17 (5) The department shall develop an enrollment process for
18 applicants covered under this section that facilitates the
19 selection of a managed care plan at the time of application.

20 (6) The department shall require that Medicaid managed care
21 plans enroll women whose qualifying condition for Medicaid is
22 pregnancy.

23 (7) The department shall encourage physicians to provide an
24 applicant whose qualifying condition for Medicaid is pregnancy with
25 a referral to a Medicaid participating dentist at the applicant's
26 first pregnancy-related appointment.

27 Sec. 1611. (1) For care provided to Medicaid recipients with
28 other third-party sources of payment, Medicaid reimbursement shall
29 not exceed, in combination with such other resources, including

1 Medicare, those amounts established for Medicaid-only patients. The
2 Medicaid payment rate shall be accepted as payment in full. Other
3 than an approved Medicaid copayment, no portion of a provider's
4 charge shall be billed to the recipient or any person acting on
5 behalf of the recipient. This section does not affect the level of
6 payment from a third-party source other than the Medicaid program.
7 The department shall require a nonenrolled provider to accept
8 Medicaid payments as payment in full.

9 (2) Notwithstanding subsection (1), if a hospital service is
10 provided to a dual Medicare/Medicaid recipient with only Medicare
11 part B coverage, the Medicaid reimbursement must equal, when
12 combined with a payment for Medicare or other third-party source of
13 payment, the amount established for a Medicaid-only patient,
14 including a capital payment.

15 Sec. 1620. (1) If a Medicaid claim is a fee-for-service
16 Medicaid claim, the professional dispensing fee for a drug that is
17 listed as a medication on the Michigan pharmaceutical products list
18 is \$20.02 or the pharmacy's submitted dispensing fee, whichever is
19 less.

20 (2) If a Medicaid claim is a fee-for-service Medicaid claim,
21 the professional dispensing fee for a drug that is not listed as a
22 specialty medication on the Michigan pharmaceutical products list
23 is as follows:

24 (a) If the drug is 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) If the drug is not on the department's preferred drug
28 list, \$10.64 or the pharmacy's submitted dispensing fee, whichever
29 is less.

1 (c) If the drug is 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 Sec. 1626. (1) Not later than January 15 of the current fiscal
5 year, each pharmacy benefit manager that receives reimbursements,
6 either directly or through a Medicaid health plan, from the funds
7 appropriated in part 1 for medical services must submit all of the
8 following information to the department for the previous fiscal
9 year:

10 (a) The total number of prescriptions that were dispensed.

11 (b) The aggregate fiscal year paid pharmacy claims repriced
12 using the wholesale acquisition cost for each drug on its
13 formulary.

14 (c) The aggregate amount of rebates, discounts, and price
15 concessions that the pharmacy benefit manager received for each
16 drug on its formulary. The aggregate amount of rebates must include
17 any utilization discounts the pharmacy benefit manager received
18 from a manufacturer.

19 (d) The aggregate amount of administrative fees that the
20 pharmacy benefit manager received from all pharmaceutical
21 manufacturers.

22 (e) The aggregate amount identified in subdivisions (b) and
23 (c) that were retained by the pharmacy benefit manager and did not
24 pass through to the department or to the Medicaid health plan.

25 (f) The aggregate amount of reimbursements the pharmacy
26 benefit manager paid to contracting pharmacies.

27 (g) Any other information considered necessary by the
28 department.

29 (2) Not later than March 1 of the current fiscal year, the

1 department shall submit a report including the information provided
2 under subsection (1) to the standard report recipients.

3 (3) Any nonaggregated information submitted under this section
4 is confidential and must not be disclosed to any person by the
5 department. The information described in this subsection is not a
6 public record of the department.

7 Sec. 1627. From the funds appropriated in part 1 for the
8 Medicaid home- and community-based services waiver, the department
9 shall allocate \$14,400,000.00 to establish a risk pool for high-
10 cost MIChoice program participants. Waiver agents qualify for
11 payments from the risk pool if the cost of a participant exceeds
12 2.5 times the direct services and supports coordination capitation
13 payment received. Risk pool eligibility extends to both significant
14 support and nonsignificant support participants.

15 Sec. 1628. From the funds appropriated in part 1 for hospital
16 services and therapy and Healthy Michigan plan, the department
17 shall continue to allocate \$3,000,000.00 in general fund/general
18 purpose revenue and any associated federal match to maintain the
19 Medicaid reimbursement rate for dental services provided at
20 ambulatory surgical centers and outpatient hospitals. The funding
21 provided in this section must be used to maintain the minimum rate
22 of reimbursement for dental services provided in ambulatory
23 surgical centers at \$1,495.00 and maintain the minimum rate of
24 reimbursement for dental services provided in outpatient hospitals
25 at \$2,300.00.

26 Sec. 1629. The department shall utilize maximum allowable cost
27 pricing for generic drugs that is based on wholesaler pricing to
28 providers. The wholesaler pricing must be based on the price
29 available from at least 2 wholesalers who deliver drugs in this

1 state.

2 Sec. 1630. Not later than April 1 of the current fiscal year,
3 from the funds appropriated in part 1 for Medicaid dental services,
4 the department shall submit a report to the standard report
5 recipients on the dental service benefit. The report must cover all
6 of the following areas:

7 (a) Information on the implementation of the Adult Medicaid
8 dental benefit redesign including all of the following information:

9 (i) The number of dental providers, by Medicaid health plan in
10 this state, who provided 1 or more Medicaid dental services in the
11 fiscal year ending September 30, 2022, and the number of additional
12 providers who were added in the previous fiscal year, with a
13 delineation in the reported numbers based on the average payment
14 per visit and before and after the implementation of the Adult
15 Medicaid dental benefit redesign.

16 (ii) The status of enhanced care coordination.

17 (iii) The array of covered dental benefits and services before
18 the Adult Medicaid dental benefit redesign and how the available
19 benefits and services changed or expanded after the Adult Medicaid
20 dental benefit redesign.

21 (b) Information on the Healthy Kids Dental program including
22 all of the following information:

23 (i) The number of children enrolled in the Healthy Kids Dental
24 program who visited the dentist in the previous fiscal year broken
25 down by dental benefit manager.

26 (ii) The number of dentists who accept payment from the Healthy
27 Kids Dental program broken down by dental benefit manager.

28 (iii) The annual change in dental utilization of children
29 enrolled in the Healthy Kids Dental program broken down by dental

1 benefit manager.

2 (iv) Service expenditures for the Healthy Kids Dental program
3 broken down by dental benefit manager.

4 (v) Administrative expenditures for the Healthy Kids Dental
5 program broken down by dental benefit manager.

6 Sec. 1631. (1) The department shall require copayments on
7 dental, podiatric, and vision services provided to Medicaid
8 recipients, except as prohibited by federal law or a law of this
9 state.

10 (2) Except as otherwise prohibited by federal law or a law of
11 this state, the department shall require Medicaid recipients to pay
12 the following copayments:

13 (a) Two dollars for a physician office visit.

14 (b) Three dollars for a hospital emergency room visit.

15 (c) Fifty dollars for the first day of an inpatient hospital
16 stay.

17 (d) Two dollars for an outpatient hospital visit.

18 (e) One dollar for a generic drug or any drug indicated as
19 preferred on the department's preferred drug list and \$3.00 for a
20 brand-name drug not indicated as preferred on the department's
21 preferred drug list.

22 Sec. 1632. (1) From the funds appropriated in part 1 for
23 Medicaid orthodontic benefit, the department shall provide
24 medically necessary orthodontic care to individuals under the age
25 of 21 who are living in Grand Traverse, Kent, Lapeer, Muskegon, and
26 Wayne Counties. Interceptive orthodontic care provided under this
27 section is limited to individuals with primary and transitional
28 dentition with at least 1 of the following conditions: constricted
29 palate, deep impinging overbite, Class III malocclusion, including

1 skeletal Class III cases when a protraction facemask/reverse pull
2 headgear is necessary at a young age, craniofacial anomalies,
3 anterior cross bite, or dentition exhibiting results of harmful
4 habits or traumatic interferences between erupting teeth. The
5 department shall set a standard fee schedule based on commercial
6 rates for the reimbursement of the following CDT codes: D8080,
7 D8210, D8660, D8670, D8680, D8690, D8703, and D8704. For CDT codes
8 D8010 through D8070, D8090, D8220, D8681, D8695 through D8702, and
9 D8999, the department shall determine the appropriate reimbursement
10 for services and procedures using the following criteria:

11 (a) Time required to perform the procedure.

12 (b) Degree of skill required in the procedure performed.

13 (c) Severity and complexity of the patient's dental disease or
14 condition.

15 (d) Reimbursement rates of other third-party purchasers of
16 dental services, both governmental and private.

17 (2) Funds appropriated for Medicaid orthodontic benefit are
18 considered work project funds, do not lapse at the end of the
19 fiscal year, and are available for expenditures for projects under
20 this section until the projects have been completed. The following
21 is in compliance with section 451a of the management and budget
22 act, 1984 PA 431, MCL 18.1451a:

23 (a) The purpose of the work project is to provide orthodontic
24 care to eligible individuals.

25 (b) The work project will be accomplished by utilizing state
26 employees or contracts.

27 (c) The total estimated cost of the work project is
28 \$4,301,700.00.

29 (d) The tentative completion date for the work project is

1 September 30, 2029.

2 (3) As used in this section, "CDT" means the code on dental
3 procedures and nomenclature.

4 Sec. 1633. (1) From the funds appropriated in part 1 for
5 dental services, the department shall allocate \$4,000,000.00 to
6 implement an enhanced Medicaid reimbursement rate for dental
7 services provided to Medicaid-enrolled adults.

8 (2) The enhanced Medicaid reimbursement rate applies only to
9 adult services delivered by dental safety net providers that have
10 an established agreement with a local health department.

11 (3) The department shall determine the enhanced Medicaid
12 reimbursement methodology to reflect increased costs of care and to
13 support provider sustainability.

14 Sec. 1634. From the funds appropriated in part 1 for health
15 plan services, the department shall allocate \$100.00 to implement
16 2024 PA 244.

17 Sec. 1640. From the funds appropriated in part 1, the
18 department shall maintain the rate increase for the home help
19 individual caregiver rate and the home help agency provider rate
20 specified in the department's Medicaid provider letters L 24-66, L
21 24-67, and L 24-74.

22 Sec. 1641. An institutional provider that is required to
23 submit a cost report under the Medicaid program shall submit cost
24 reports completed in full not more than 5 months after the end of
25 the institutional provider's fiscal year.

26 Sec. 1642. (1) From the funds appropriated in part 1, the
27 department shall update the Medicaid Provider Manual policy for the
28 Class I nursing facility current asset value bed limit to use a
29 rolling 15-year history of new construction when establishing a

1 current asset value bed limit for the fiscal year beginning on
2 October 1 of the current fiscal year.

3 (2) It is the intent of the legislature that, for the fiscal
4 year beginning October 1, 2026, and subsequent fiscal years, the
5 increase in the current asset value bed limit based on the rolling
6 15-year history of new construction shall not exceed 4% of the
7 previous fiscal year's limit.

8 Sec. 1643. From the funds appropriated in part 1 the
9 department shall update the Medicaid ventilator dependent care unit
10 reimbursement to reflect 80% of the average statewide Medicaid
11 long-term acute care hospital rate. The rate must be updated
12 annually based on the annual Medicaid long-term acute care hospital
13 rate. This update must take effect October 1 of the current fiscal
14 year.

15 Sec. 1644. (1) From the funds appropriated in part 1, the
16 department shall maintain wages at a level not less than the amount
17 in effect the previous fiscal year. This funding must include all
18 costs incurred by the employer, including, but not limited to,
19 payroll taxes, due to the wage increase. As used in this
20 subsection, "direct care workers" means a registered professional
21 nurse, licensed practical nurse, competency-evaluated nursing
22 assistant, and respiratory therapist.

23 (2) From the funds appropriated in part 1, the department
24 shall maintain wages at a level not less than the amount in effect
25 during the previous fiscal year for direct care workers who are
26 employed by licensed adult foster care facilities and licensed
27 homes for the aged and who provide Medicaid-funded fee-for-service
28 personal care services that were not eligible for any direct care
29 worker pay adjustment under Medicaid-funded managed care. This

1 funding must include all costs incurred by the employer, including,
2 but not limited to, payroll taxes, due to the wage increase.

3 Sec. 1645. (1) From the funds appropriated in part 1, the
4 department shall increase wages by 85 cents per hour above the
5 level paid for the fiscal year ending September 30, 2023 for
6 eligible nonclinical staff employed by skilled nursing facilities
7 and for regularly scheduled full-time and part-time, nontemporary
8 employees that are contracted out by skilled nursing facilities.
9 The funding must include all costs incurred by the employer,
10 including payroll taxes, due to prior wage increases. The wage
11 increase applies to hours worked and paid time off hours.

12 (2) The nonclinical staff eligible for the wages described in
13 subsection (1) are those whose costs are reported in the following
14 job classifications in nursing facility institutional cost reports
15 shared with the department:

- 16 (a) Other housekeeping.
- 17 (b) Other maintenance worker.
- 18 (c) Other plant operations.
- 19 (d) Other laundry.
- 20 (e) Dining room assistants.
- 21 (f) Other dietary workers.
- 22 (g) Other medical records.
- 23 (h) Other social services.
- 24 (i) Other diversion therapy.
- 25 (j) Beauty and barber.
- 26 (k) Gift, flower, coffee, and canteen worker.
- 27 (l) Nursing department unit clerks.
- 28 (m) Noncertified aides, including, but not limited to,
29 resident aides, resident care aides, activities aides, and nurse's

1 aides.

2 Sec. 1646. From the funds appropriated in part 1, the
3 department shall maintain the Medicaid reimbursement rates for
4 orthotic and prosthetic providers in place in the previous fiscal
5 year.

6 Sec. 1650. From the funds appropriated in part 1 for special
7 Medicaid reimbursement, \$3,500,000.00 of general fund/general
8 purpose revenue must be distributed to a university located in a
9 county with a population between 284,000 and 285,000, according to
10 the most recent federal decennial census, that has a college of
11 allopathic medicine and a college of osteopathic medicine. The
12 purpose of this project is to ensure continued access to medical
13 care for indigents and increase the efficiency and effectiveness of
14 medical practitioners providing services to Medicaid beneficiaries
15 under managed care.

16 Sec. 1657. (1) The department shall not make reimbursement for
17 Medicaid to screen and stabilize a Medicaid recipient, including
18 stabilization of a psychiatric crisis, in a hospital emergency
19 room, contingent on obtaining prior authorization from the
20 recipient's HMO. If the recipient is discharged from the emergency
21 room, the hospital shall notify the recipient's HMO within 24 hours
22 of the diagnosis and treatment received.

23 (2) If the treating hospital determines that the recipient
24 will require further medical service or hospitalization beyond the
25 point of stabilization, that hospital shall receive authorization
26 from the recipient's HMO prior to admitting the recipient.

27 (3) Subsections (1) and (2) do not require an alteration to an
28 existing agreement between an HMO and its contracting hospitals and
29 do not require an HMO to reimburse for services that are not

1 considered to be medically necessary.

2 Sec. 1662. (1) From the funds appropriated in part 1, the
3 department shall require an annual external quality review of each
4 contracting HMO. The external quality review must analyze and
5 evaluate aggregated information on quality, timeliness, and access
6 to health care services that the HMO or its contractors furnish to
7 Medicaid beneficiaries. The department shall create a report
8 containing each quality review required under this subsection.

9 (2) The department shall require Medicaid HMOs to provide
10 EPSDT utilization data through the encounter data system, and HEDIS
11 well child health measures in accordance with the National
12 Committee for Quality Assurance prescribed methodology.

13 (3) The department shall submit a copy of the analysis of the
14 Medicaid HMO annual audited reports on HEDIS and the report under
15 subsection (1) to the standard report recipients within 30 days
16 after the department's receipt of the final information required
17 from the contractors.

18 Sec. 1670. (1) The appropriation in part 1 for the MICHild
19 program is to be used to provide comprehensive health care to all
20 children under age 19 who reside in families with an income at or
21 below 212% of the federal poverty level, who are uninsured and have
22 not had coverage by other comprehensive health insurance within 6
23 months of applying for MICHild benefits, and who are residents of
24 this state. The department shall develop detailed eligibility
25 criteria through the behavioral and physical health and aging
26 services administration public concurrence process. The eligibility
27 criteria must be consistent with the provisions of this part and
28 part 1.

29 (2) The department shall provide up to 1 year of continuous

1 eligibility to a child eligible for the MIChild program unless the
2 child reaches age 19.

3 Sec. 1677. From the funds appropriated in part 1 for the
4 MIChild program, the department shall provide, at a minimum, all
5 benefits available under the Michigan benchmark plan that are
6 delivered through contracted providers and consistent with federal
7 law, including, but not limited to, the following medically
8 necessary services:

9 (a) Inpatient mental health services, other than substance use
10 disorder treatment services, including services furnished in a
11 state-operated mental hospital and residential or other 24-hour
12 therapeutically planned structured services.

13 (b) Outpatient mental health services, other than substance
14 use disorder services, including services furnished in a mental
15 hospital operated by this state and community-based services.

16 (c) Durable medical equipment and prosthetic and orthotic
17 devices.

18 (d) Dental services as outlined in the approved MIChild state
19 plan.

20 (e) Substance use disorder treatment services that may include
21 inpatient, outpatient, and residential substance use disorder
22 treatment services.

23 (f) Care management services for mental health diagnoses.

24 (g) Physical therapy, occupational therapy, and services for
25 individuals with speech, hearing, and language disorders.

26 (h) Emergency ambulance services.

27 Sec. 1682. (1) In addition to the appropriations in part 1,
28 the department is authorized to receive and spend penalty money
29 received as the result of noncompliance with Medicaid certification

1 regulations. Penalty money, characterized as private funds,
2 received by the department shall increase authorizations and
3 allotments in the long-term care accounts.

4 (2) Any unexpended penalty money, at the end of the year, must
5 carry forward to the following year.

6 (3) Not later than March 1 of the current fiscal year, the
7 department shall report to the standard report recipients on
8 penalty money received by the department as described in subsection
9 (1). The report must include, but is not limited to, the following
10 information:

11 (a) The amount of penalty monies received by the department in
12 the previous fiscal year listed by the assessed entity.

13 (b) A list of the entities that were assessed penalties in the
14 previous fiscal year with the rationale for each penalty.

15 Sec. 1689. The department shall modify Medicaid policy in the
16 Medicaid Provider Manual, nursing facility chapter, cost reporting
17 and reimbursement appendix, section 9.13 and submit a Medicaid
18 state plan amendment to CMS to seek approval to allow existing
19 temporary nonavailable bed plan flexibilities under MSA 21-43 to
20 become permanent.

21 Sec. 1690. The department shall apply current Medicaid policy
22 (NF Cost and Reporting and Reimbursement Appendix 9/2/A) to
23 recognize home office nursing costs attributable to patient care as
24 base costs. These costs shall not be reclassified to support costs
25 or purchased services. This update shall take effect October 1,
26 2025.

27 Sec. 1691. The department shall modify and update the Medicaid
28 Provider Manual policy to recognize expenses incurred by nursing
29 facilities for skilled staffing fees attributable to in-home

1 dialysis services as a reimbursable base cost, to take effect
2 October 1, 2025.

3 Sec. 1692. (1) The department is authorized to pursue
4 reimbursement for eligible services provided in Michigan schools
5 from the federal Medicaid program. The department and the state
6 budget director are authorized to negotiate and enter into
7 agreements, together with the department of education, with local
8 and intermediate school districts regarding the sharing of federal
9 Medicaid services funds received for these services. The department
10 is authorized to receive and disburse funds to participating school
11 districts pursuant to agreements described in this subsection and
12 pursuant to federal law and a law of this state.

13 (2) From the funds appropriated in part 1 for health services
14 school-based services payments, the department is authorized to do
15 all of the following:

16 (a) Finance activities within the behavioral and physical
17 health and aging services administration related to eligible
18 services.

19 (b) Reimburse participating school districts pursuant to the
20 fund-sharing ratios negotiated in the state-local agreements
21 authorized in subsection (1).

22 (c) Offset general fund costs associated with the Medicaid
23 program.

24 Sec. 1693. The special Medicaid reimbursement appropriation in
25 part 1 may be increased if the department submits a Medicaid state
26 plan amendment pertaining to this line item at a level higher than
27 the appropriation. The department is authorized to appropriately
28 adjust financing sources in accordance with the increased
29 appropriation.

1 Sec. 1694. From the funds appropriated in part 1 for special
2 Medicaid reimbursement, \$2,628,500.00 of general fund/general
3 purpose revenue and any associated federal match must be
4 distributed for poison control services to an academic health care
5 system that has a high volume of providing care to indigent
6 individuals.

7 Sec. 1697. The department shall require that Medicaid health
8 plans administering Healthy Michigan plan benefits maintain a
9 network of dental providers in sufficient numbers, mix, and
10 geographic locations throughout their respective service areas in
11 order to provide adequate dental care for Healthy Michigan plan
12 enrollees.

13 Sec. 1700. Not later than December 1 of the current fiscal
14 year, the department shall report to the standard report recipients
15 on the distribution of funding provided, and the net benefit if the
16 special hospital payment is not financed with general fund/general
17 purpose revenue, to each eligible hospital during the previous
18 fiscal year from the following special hospital payments:

19 (a) GME.

20 (b) Special rural hospital payments provided under section
21 1802(1)(b) of this part.

22 (c) Lump-sum payments to rural hospitals for obstetrical care
23 provided under section 1802(1)(a) of this part.

24 Sec. 1702. From the funds appropriated in part 1, the
25 department shall allocate \$2,830,000.00 in general fund/general
26 purpose revenue and any associated federal match to maintain the
27 rates in place in the previous fiscal year for private duty nursing
28 services for Medicaid beneficiaries under the age of 21. These
29 additional funds must be used to attract and retain highly

1 qualified registered nurses and licensed practical nurses to
2 provide private duty nursing services so that medically fragile
3 individuals can be cared for in the most homelike setting possible.

4 Sec. 1757. The department shall obtain proof from all Medicaid
5 recipients that they are United States citizens or otherwise
6 legally residing in this country and that they are residents of
7 this state before approving Medicaid eligibility.

8 Sec. 1764. The department shall annually certify whether rates
9 paid to Medicaid health plans and specialty PIHPs are actuarially
10 sound in accordance with federal requirements. The department shall
11 provide to the standard report recipients a copy of the rate
12 certification required under this section and the approval of rates
13 paid to Medicaid health plans and specialty PIHPs for any fiscal
14 year not later than October 1 for Medicaid capitation rate
15 certifications and not later than February 15, May 15, and August
16 15 for any Medicaid capitation rate amendments. Following the rate
17 certification, the department shall ensure that no new or revised
18 state Medicaid policy bulletin that is promulgated materially
19 impacts the capitation rates that have been certified. The
20 department shall ensure the actuarial rates are allocated to direct
21 service providers contracting with the local CMHSP or PIHP
22 entities.

23 Sec. 1775. From the funds appropriated in part 1, by not later
24 than March 1 of the current fiscal year, the department shall
25 provide a report to the standard report recipients on the
26 transition of the MI Health Link program to an integrated dual
27 eligible special needs plan (D-SNP) required by Medicare Advantage
28 and Part D Final Rule (CMS-4192-F). The report must include all of
29 the following:

1 (a) The status of any extension received from CMS for the MI
2 Health Link demonstration.

3 (b) The amount and fund source of realized or anticipated
4 transition costs by fiscal year.

5 (c) The status of the transition, by MI Health Link service
6 region and by individual county within a region.

7 (d) A summary of the efforts taken to engage beneficiaries,
8 stakeholders, and health plans in the transition process.

9 (e) A summary of necessary Medicaid contractual and policy
10 changes related to D-SNP contracting, including any carve-outs that
11 will be proposed.

12 (f) A summary of the eligibility guidelines and covered
13 benefits proposed in the D-SNP transition, including a comparison
14 of long-term services and supports, home- and community-based
15 services and behavioral health services as of September 30, 2024,
16 and in the proposed D-SNP.

17 (g) A verification of the inclusion of the most important
18 aspects of the MI Health Link into any D-SNP proposal, including,
19 but not limited to, the following:

20 (i) \$0.00 copayments and deductibles for all covered services.

21 (ii) Access to a care coordinator for care navigation and care
22 planning.

23 (iii) A single card for all Medicare and Medicaid services.

24 Sec. 1785. (1) From the funds appropriated in part 1 for
25 federally qualified health centers, the department shall allocate
26 \$2,000,000.00 to partner with a health centers careers training
27 program to provide additional recruitment and training
28 opportunities for individuals employed in FQHCs operating in this
29 state.

1 (2) The health centers careers training program described in
2 subsection (1) must do all of the following:

3 (a) Provide recruiting and training opportunities for
4 professions, including, but not limited to, medical and dental
5 assistants, community health workers, doulas, medical billing and
6 coding professionals, pharmacy technicians, and opticians.

7 (b) Provide paid clinical or internship experience
8 opportunities for behavioral health students.

9 (c) Provide on-the-job training and apprenticeship
10 opportunities.

11 (d) Support opportunities to grow workforce and career
12 opportunities for low-income and underserved communities.

13 Sec. 1786. From the funds appropriated in part 1, the
14 department shall maintain Medicaid reimbursement for the
15 administration of injectable, nasal, and oral vaccines at \$23.03.

16 Sec. 1787. From the funds appropriated in part 1 for health
17 plan services, Healthy Michigan Plan, and long-term care services,
18 the department shall maintain the Medicaid reimbursement rates in
19 place in the previous fiscal year for CPT codes 31579, 92507,
20 92508, 92520, 92521, 92522, 92523, 92524, 92526, 92597, 92607,
21 92608, 92609, 92610, 92630, 92633, 92700, 94010, 97129, 97130,
22 97533, 97799, G2250, G2251, and S9152.

23 Sec. 1788. From the funds appropriated in part 1, the
24 department shall provide Medicaid reimbursement rates, including
25 Medicaid reimbursements from the ambulance provider quality
26 assurance assessment, for ground ambulance services at not less
27 than 100% of the Medicare base rates for Locality 01 for ground
28 ambulance services in effect on January 1, 2023.

29 Sec. 1789. From the funds appropriated in part 1 for federally

1 qualified health centers, the department shall allocate not less
2 than \$11,300,000.00 in general fund/general purpose revenue and any
3 associated federal match to maintain Medicaid prospective payment
4 system reimbursement rates.

5 Sec. 1790. The department shall maintain the current
6 practitioner rates paid for CPT codes 90791 through 90899 for
7 psychiatric procedures through Medicaid fee-for-service and through
8 the comprehensive Medicaid health plans for psychiatric procedures
9 provided for Medicaid 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 neonatal
15 services and physician services eligible for reimbursement rates
16 under this section are described as CPT codes 99468, 99469, 99471,
17 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

18 Sec. 1794. (1) From the funds appropriated in part 1, the
19 department shall provide Medicaid reimbursements for hospital-based
20 substance use disorder peer-supports.

21 (2) Not later than March 1 of the current fiscal year, the
22 department shall report to the standard report recipients on the
23 statewide amounts and each hospital amount for hospital-based
24 substance use disorder peer-supports during the first quarter of
25 the current fiscal year, including for all of the following:

- 26 (a) The number of individuals served.
- 27 (b) The Medicaid reimbursement utilization.
- 28 (c) The total expenditures.

29 Sec. 1801. From the funds appropriated in part 1 for physician

1 services and health plan services, the department shall continue
2 the increase to Medicaid rates for primary care services provided
3 only by primary care providers. The department shall not provide
4 the increase to Medicaid rates under this section to primary care
5 providers whose primary practice is as a non-primary-care
6 subspecialty. The department shall establish policies that most
7 effectively limit the increase to primary care providers for
8 primary care services only. As used in this section, "primary care
9 provider" means a physician, or a practitioner working in
10 collaboration with a physician, who is either licensed under part
11 170 or part 175 of the public health code, 1978 PA 368, MCL
12 333.17001 to 333.17097 and 333.17501 to 333.17556, and who works as
13 a primary care provider in general practice or is board-eligible or
14 certified with a specialty designation of family medicine, general
15 internal medicine, or pediatric medicine, or is a provider who
16 provides the department with documentation of equivalency.

17 Sec. 1802. (1) From the funds appropriated in part 1 for
18 hospital services and therapy, the department shall provide for the
19 following:

20 (a) \$8,470,200.00 in general fund/general purpose revenue as
21 lump-sum payments to noncritical access hospitals that qualified
22 for rural hospital access payments in fiscal year 2013-2014 and
23 that provide obstetrical care this fiscal year. Payment amounts
24 must be based on the volume of obstetrical care cases and newborn
25 care cases for all such cases billed by each qualified hospital in
26 the most recent year for which data is available. The department
27 shall make payments not later than January 1 of the current fiscal
28 year. For the current fiscal year, a hospital that met established
29 occupied bed criteria based on Medicaid cost reports as of the

1 fiscal year ending September 30, 2011, and that is located within a
2 county with a population of not more than 165,000 and within a
3 city, village, or township with a population of not more than
4 16,000, according to the 2000 federal decennial census, is
5 eligible.

6 (b) \$15,204,800.00 in general fund/general purpose revenue and
7 any associated federal match awarded as rural access payments to
8 noncritical access hospitals that meet criteria established by the
9 department for services to low-income rural residents. One of the
10 reimbursement components of the criteria established by the
11 department under this subsection must be assistance with labor and
12 delivery services. A hospital that met established occupied bed
13 criteria based on Medicaid cost reports as of the fiscal year
14 ending September 30, 2011, and that is located within a county with
15 a population of not more than 165,000 and within a city, village,
16 or township with a population of not more than 16,000 according to
17 the 2000 federal decennial census is eligible solely for the rural
18 access pool general fund/general purpose revenue portion.

19 (2) Payments under this section must be made by January 1 of
20 the current fiscal year.

21 (3) The department shall publish the distribution of payments
22 for the current fiscal year and the previous fiscal year.

23 Sec. 1804. The department may utilize the federal public
24 assistance reporting information system to continue to work to
25 identify Medicaid recipients who are veterans and who may be
26 eligible for federal veterans' health care benefits or other
27 benefits and shall continue to refer veterans to the department of
28 military and veterans affairs for assistance in securing additional
29 benefits.

1 Sec. 1809. (1) From the funds appropriated in part 1, the
2 department shall allocate not less than \$1,000,000.00 of general
3 fund/general purpose revenue and any associated federal matching
4 funds to provide perinatal and gynecological services when
5 perinatal and gynecological services are provided by a perinatal or
6 gynecological professional who is licensed, registered, or
7 otherwise authorized to practice in this state, including, but not
8 limited to, a licensed midwife acting within the scope of the
9 licensed midwife's license. Medicaid reimbursement must be paid
10 when gynecological or perinatal care service is provided in a
11 hospital, medical care facility, freestanding birth center licensed
12 under article 17 of the public health code, 1978 PA 368, MCL
13 333.20101 to 333.22260, midwifery care facility, or home setting.
14 The rates paid to perinatal or gynecological professionals
15 described in this section must be the same as those paid to other
16 perinatal or gynecological professionals, regardless of the
17 location of those services.

18 (2) The perinatal or gynecological care services described in
19 subsection (1) must meet all of the following:

20 (a) Promote high-quality, cost-effective, and evidence-based
21 care.

22 (b) Promote high-value, evidence-based payment models.

23 (c) Prevent risk in subsequent pregnancies.

24 Sec. 1810. In advance of the annual rate setting development,
25 Medicaid health plans must be given at least 60 days to dispute and
26 correct any discarded encounter data before rates are certified.
27 The department shall notify each contracting Medicaid health plan
28 of any encounter data that have not been accepted for the purposes
29 of rate setting.

1 Sec. 1812. Not later than June 1 of the current fiscal year,
2 and using the most recent available cost reports, the department
3 shall complete a report of all direct and indirect costs associated
4 with residency training programs for each hospital that receives
5 funds appropriated in part 1 for graduate medical education or
6 through the MiDocs consortium. The report shall be submitted to the
7 standard report recipients.

8 Sec. 1820. (1) In order to avoid duplication of effort, if a
9 Medicaid health plan has been reviewed and accredited by a national
10 accrediting entity for health care services, the department shall
11 use applicable national accreditation review criteria to determine
12 compliance with corresponding requirements in this state.

13 (2) The department shall continue to comply with federal law
14 and laws of this state and shall not initiate an action that
15 negatively impacts beneficiary safety.

16 (3) As used in this section, "national accrediting entity"
17 means the National Committee for Quality Assurance, the URAC,
18 formerly known as the Utilization Review Accreditation Commission,
19 or another appropriate entity, as approved by the department.

20 Sec. 1830. From the funds appropriated in part 1 for hospital
21 services and therapy, the department shall allocate \$5,000,000.00
22 to support prenatal health care providers operating in this state
23 to provide services for existing group-based prenatal care programs
24 that include 1 or more health care professionals leading small
25 groups of expectant mothers - in the same phase of pregnancy - in
26 discussions and other health services that promote the well-being
27 and health of mothers and babies.

28 Sec. 1831. From the funds appropriated in part 1 for hospital
29 services and therapy, the department shall allocate \$10,000,000.00

1 to continue to support hospitals in this state to improve maternal
2 safety and outcomes by administering and expanding a data-driven
3 maternal safety and quality improvement initiative that is based on
4 interdisciplinary and consensus-based practices. The initiative
5 expansion must focus on mitigating pregnancy-associated injury and
6 death, work to improve outcomes for underserved groups, and address
7 problems related to substance use disorders.

8 Sec. 1837. The department shall continue, and expand where
9 appropriate, utilization of telemedicine and telepsychiatry as
10 strategies to increase access to services for Medicaid recipients.

11 Sec. 1846. From the funds appropriated in part 1 for graduate
12 medical education, the department shall distribute the funds with
13 an emphasis on the following health care workforce goals:

14 (a) The encouragement of the training of physicians in
15 specialties, including primary care, that are necessary to meet the
16 future needs of residents of this state.

17 (b) The training of physicians in settings that include
18 ambulatory sites and rural locations.

19 (c) The training of practitioners providing pediatric
20 psychiatry services.

21 Sec. 1850. The department may allow Medicaid health plans to
22 assist with maintaining eligibility through outreach activities to
23 ensure continuation of Medicaid eligibility and enrollment in
24 managed care. The assistance may include mailings, telephone
25 contact, or face-to-face contact with beneficiaries enrolled in the
26 individual Medicaid health plan. Medicaid health plans may offer
27 assistance in completing paperwork for beneficiaries enrolled in
28 the Medicaid health plan.

29 Sec. 1854. The funds appropriated in part 1 for PACE must

1 support a current fiscal year enrollment cap that is not less than
2 8,597.

3 Sec. 1855. From the funds appropriated in part 1 for PACE, to
4 the extent that funding is available in the PACE line item and
5 unused program slots are available, the department may do the
6 following:

7 (a) Increase the number of slots for a local and already-
8 established PACE if the local PACE has provided appropriate
9 documentation to the department indicating its ability to expand
10 capacity to provide services to additional PACE clients.

11 (b) Suspend the 10 member per month individual PACE enrollment
12 increase cap in order to allow unused and unobligated slots to be
13 allocated to address unmet demand for PACE services.

14 Sec. 1856. (1) From the funds appropriated in part 1 for
15 hospice services, \$5,000,000.00 shall be expended to provide room
16 and board for Medicaid recipients who meet hospice eligibility
17 requirements and receive services at Medicaid enrolled hospice
18 residences in this state. The department shall distribute funds
19 through grants based on the total beds located in all eligible
20 residences that have been providing these services as of October 1,
21 2017. An eligible grant applicant may inform the department of the
22 applicant's request to reduce the grant amount allocated for the
23 applicant's residence and the funds must be distributed
24 proportionally to increase the total grant amount of the remaining
25 grant-eligible residences. Grant amounts shall be paid out monthly
26 with 1/12 of the total grant amount distributed each month to the
27 grantees.

28 (2) Not later than September 15 of the current fiscal year,
29 each Medicaid-enrolled hospice with a residence that receives funds

1 under this section shall provide a report to the department on the
2 utilization of the grant funding provided in subsection (1). The
3 report must be provided in a format prescribed by the department
4 and must include the following information:

5 (a) The number of patients served.

6 (b) The number of days served.

7 (c) The daily room and board rates for the patients served.

8 (d) If there is not sufficient funding to cover the total room
9 and board need, the number of patients who did not receive care due
10 to insufficient grant funding.

11 (3) If funds awarded under this section remain unused at the
12 end of the current fiscal year, the Medicaid-enrolled hospice with
13 a residence shall return those unused funds to this state.

14 Sec. 1859. The department shall partner with the Michigan
15 Association of Health Plans and Medicaid health plans to develop
16 and implement strategies for the use of information technology
17 services for Medicaid research activities. The department shall
18 make available state medical assistance program data, including
19 Medicaid behavioral data, to the Michigan Association of Health
20 Plans and Medicaid health plans or any vendor considered qualified
21 by the department to perform research activities consistent with
22 this state's goals of improving health; increasing the quality,
23 reliability, availability, and continuity of care; and reducing the
24 cost of care for the eligible population of Medicaid recipients.

25 Sec. 1861. From the funds appropriated in part 1 for
26 transportation, on a monthly basis, the department shall submit, to
27 the standard report recipients and contracted Medicaid health
28 plans, a report with sufficient information to allow for the
29 appropriate and timely adjudication of claims for non-emergency

1 medical transportation related to substance use disorders and
2 behavioral health services. The information reported must include,
3 but is not limited to, member demographic information, provider
4 information, and dates of service.

5 Sec. 1862. From the funds appropriated in part 1, the
6 department shall maintain payment rates for Medicaid obstetrical
7 services at 95% of Medicare levels effective October 1, 2014.

8 Sec. 1870. (1) From the funds appropriated in part 1 for
9 hospital services and therapy, the department shall allocate
10 \$11,000,000.00 in general fund/general purpose revenue plus any
11 contributions from public entities, up to \$5,000,000.00, and any
12 associated federal match to the MiDocs consortium to create new
13 primary care residency slots in underserved communities. The new
14 primary care residency slots must be in 1 of the following
15 specialties: family medicine, general internal medicine, general
16 pediatrics, general OB-GYN, psychiatry, or general surgery.

17 (2) The department shall seek any necessary approvals from CMS
18 to allow the department to implement the program described in this
19 section.

20 (3) Assistance with repayment of medical education loans, loan
21 interest payments, or scholarships provided by the MiDocs
22 consortium shall be contingent upon a minimum 2-year commitment to
23 practice in an underserved community in this state post-residency
24 and an agreement to forego any sub-specialty training for at least
25 2 years post-residency with the exception of a child and adolescent
26 psychiatry fellowship that must be integrated with a psychiatry
27 residency training program in a MiDocs consortium affiliated
28 institution.

29 (4) The MiDocs consortium shall work with the department to

1 integrate the Michigan inpatient psychiatric admissions discussion
2 (MIPAD) recommendations and, when possible, prioritize training
3 opportunities in state psychiatric hospitals and community mental
4 health organizations.

5 (5) The department shall maintain the MiDocs consortium
6 initiative advisory council to help support implementation of the
7 program described in this section, and to provide oversight. The
8 advisory council must be composed of the MiDocs consortium, the
9 Michigan Area Health Education Centers, the Michigan Primary Care
10 Association, the Michigan Center for Rural Health, the Michigan
11 Academy of Family Physicians, and any other appointees designated
12 by the department.

13 (6) Not later than September 1 of the current fiscal year, the
14 MiDocs consortium shall submit a report to the standard report
15 recipients that includes all of the following information:

16 (a) Audited financial statement of per-resident costs.

17 (b) Education and clinical quality data.

18 (c) Roster of trainees, including areas of specialty and
19 locations of training.

20 (d) Medicaid revenue by training site.

21 (7) The department shall monitor outcome and performance
22 measures for this program, including, but not limited to, the
23 following:

24 (a) Increasing this state's ability to recruit, train, and
25 retain primary care physicians and other select specialty
26 physicians in underserved communities.

27 (b) Maximizing training opportunities with community health
28 centers, rural critical access hospitals, solo or group private
29 practice physician practices, schools, and other community-based

1 clinics, in addition to the required training through rotations at
2 inpatient hospitals.

3 (c) Increasing the number of residency slots for family
4 medicine, general internal medicine, general pediatrics, general
5 OB-GYN, psychiatry, and general surgery.

6 (8) Unexpended and unencumbered funds up to a maximum
7 \$11,000,000.00 in general fund/general purpose revenue plus any
8 contributions from public entities, up to \$5,000,000.00, and any
9 associated federal match remaining in accounts appropriated in part
10 1 for hospital services and therapy are designated as work project
11 appropriations, and any unencumbered or unallotted funds must not
12 lapse at the end of the fiscal year and must be available for
13 expenditures for the MiDocs consortium to create new primary care
14 residency slots in underserved communities under this section until
15 the work project has been completed. All of the following are in
16 compliance with section 451a(1) of the management and budget act,
17 1984 PA 431, MCL 18.1451a:

18 (a) The purpose of the work project is to fund the cost of the
19 MiDocs consortium to create new primary care residency slots in
20 underserved communities.

21 (b) The work project will be accomplished by contracting with
22 the MiDocs consortium to oversee the creation of new primary care
23 residency slots.

24 (c) The total estimated completion cost of the work project is
25 \$29,400,000.00.

26 (d) The tentative completion date for the work project is
27 September 30, 2030.

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. 1874. The department shall ensure, in counties where PACE
5 services are available, that PACE is included as an option in all
6 options counseling and enrollment brokering for aging services and
7 managed care programs, including, but not limited to, Area Agencies
8 on Aging, centers for independent living, and the MiChoice home and
9 community-based waiver. The department must include approved
10 marketing and discussion materials for options counseling.

11 Sec. 1879. (1) Not later than May 15 of the current fiscal
12 year, the department shall submit to the standard report recipients
13 a report with Medicaid pharmaceutical information. The report shall
14 include, for the previous fiscal year, the total Medicaid
15 pharmaceutical costs and the total Medicaid pharmaceutical rebates.
16 The report must categorize the total Medicaid pharmaceutical costs
17 and total Medicaid pharmaceutical rebates recognized by the
18 contracted health plans and the department. In addition, the report
19 must also include all of the following information:

20 (a) The total estimated pharmaceutical benefit expenses
21 incurred by contracted health plans from the previous fiscal year
22 and through the first 2 quarters of the current fiscal year.

23 (b) The total estimated pharmaceutical benefit expenses
24 included in approved initial rates for contracted health plans from
25 the previous fiscal year and total estimated pharmaceutical benefit
26 expenses included in approved initial rates for contracted health
27 plans for the first 2 quarters of the current fiscal year.

28 (c) The total Medicaid pharmaceutical rebates received by the
29 department in the previous fiscal year and the single preferred

1 drug list supplemental rebates invoices in the previous fiscal
2 year.

3 (d) Information as to whether the average benefit expense for
4 the composite average across all rate cells and service categories
5 included in capitation rates, based on actual enrollment and
6 anticipated recoveries, for the previous fiscal year and through
7 the first 2 quarters of the current fiscal year exceeded the
8 reported contracted health plan's experience, adjusted for
9 completion over the same reporting periods.

10 (e) The following information related to the current Medicaid
11 pharmacy carve-out of pharmaceutical products as provided for in
12 section 109h of the social welfare act, 1939 PA 280, MCL 400.109h:

13 (i) The number of prescriptions paid by the department during
14 the previous fiscal year.

15 (ii) The total amount of expenditures for prescriptions paid by
16 the department during the previous fiscal year.

17 (iii) The number of and total expenditures for prescriptions
18 paid by the department for generic equivalents during the previous
19 fiscal year.

20 (2) If a physician orders a drug off the common formulary, the
21 contracted health plan must cover that drug with the standard
22 Medicaid copayment applied.

23 Sec. 1880. The department shall align all pharmacy-related
24 policies with the United States Food and Drug Administration
25 quality and clinical standards. Any single preferred drug list
26 utilization management criteria will be established in consultation
27 with the Medicaid health plans and the Michigan pharmacy and
28 therapeutics committee described in section 9705 of the public
29 health code, 1978 PA 368, MCL 333.9705, with consideration given to

1 applicable United States Food and Drug Administration dosing
2 guidelines, subsequent evidence-based literature or studies, and
3 current treatment guidelines.

4 Sec. 1888. The department shall establish contract performance
5 standards associated with the capitation withhold provisions for
6 Medicaid health plans at least 3 months before the implementation
7 of those standards. The determination of whether performance
8 standards have been met must be based primarily on recognized
9 concepts such as 1-year continuous enrollment and the health care
10 effectiveness data and information set, HEDIS, audited data.

11
12 **INFORMATION TECHNOLOGY**

13 Sec. 1901. (1) The department shall submit a report on a
14 semiannual basis to the standard report recipients that lists the
15 projects approved in the previous 6 months and provides the purpose
16 for approving each project including any federal, state, court, or
17 legislative requirement for each project.

18 (2) Once an award for an expansion of information technology
19 is made, the department shall submit a report to the standard
20 report recipients that provides the projected cost of the expansion
21 broken down by use and type of expense.

22 Sec. 1903. (1) Not later than November 1 of the current fiscal
23 year, the department shall submit a report to the standard report
24 recipients that describes the status of an implementation plan
25 regarding the appropriation in part 1 to modernize the MiSACWIS.
26 The report must include, but is not limited to, an update on the
27 status of the settlement and efforts to bring the system in
28 compliance with the settlement and other federal guidelines set
29 forth by the United States Department of Health and Human Services

1 Administration for Children and Families.

2 (2) The department shall submit on a quarterly basis a report
3 to the standard report recipients on the planning, implementation,
4 and operation, regardless of the current operational status,
5 regarding the appropriation in part 1 to implement the MiSACWIS.
6 The report must provide details on the planning, implementation,
7 and operation of the MiSACWIS, including, but not limited to, all
8 of the following:

9 (a) Areas where implementation went as planned, and in each
10 area including whether the implementation results in either
11 enhanced user interface or portal access, conversion to new
12 modules, or substantial operation improvement to the MiSACWIS.

13 (b) The number of known issues.

14 (c) The average number of help tickets submitted per day.

15 (d) Any additional overtime or other staffing costs to address
16 known issues and volume of help tickets.

17 (e) Any contract revisions to address known issues and volume
18 of help tickets.

19 (f) Other strategies undertaken to improve implementation, and
20 for each strategy area including whether the implementation results
21 in either enhanced user interface or portal access, conversion to
22 new modules, or substantial operation improvement to the MiSACWIS.

23 (g) Progress in developing cross-system trusted data exchange
24 with the MiSACWIS.

25 (h) Progress in moving away from a statewide automated child
26 welfare information system to a comprehensive child welfare
27 information system.

28 (i) Progress in developing and implementing a program to
29 monitor data quality.

1 (j) Progress in developing and implementing custom integrated
2 systems for private agencies.

3 (k) A list of all change orders, planned or in progress.

4 (l) The status of all change orders, planned or in progress.

5 (m) The estimated costs for all planned change orders.

6 (n) The estimated and actual costs for all change orders in
7 progress.

8 (3) Not later than July 1 of the current fiscal year, the
9 department shall submit to the standard report recipients a report
10 on the department's efforts and recommendations to develop and
11 implement a simpler and more streamlined process for the annual
12 renewal of the licenses for family foster care homes, and the
13 development of a simpler and more efficient version of the
14 application form for renewal of the licenses for family foster care
15 homes.

16 Sec. 1906. From the funds appropriated in part 1 for
17 information technology services and projects, the department shall
18 allocate \$1,750,000.00 general fund/general purpose revenue, and
19 all associated federal matching revenue, to a public and private
20 nonprofit collaboration that is designated as this state's
21 statewide health information exchange by cooperative agreement, to
22 implement health information technology strategies for health
23 information exchange development, data management, and population
24 health at a statewide level.

25 Sec. 1909. (1) From the funds appropriated in part 1 for child
26 support automation, the department shall only encumber or expend
27 funds for the operation, maintenance, and improvements of the
28 Michigan child support enforcement system.

29 (2) From the funds appropriated in part 1 for bridges

1 information system, the department shall only encumber or expend
2 funds for the operation, maintenance, and improvements of Bridges
3 and MIBridges.

4 (3) From the funds appropriated in part 1 for Michigan
5 Medicaid information system, the department shall only encumber or
6 expend funds for the operation, maintenance, and improvements of
7 the community health automated Medicaid processing system.

8 (4) From the funds appropriated in part 1 for Michigan
9 statewide automated child welfare information system, the
10 department shall only encumber or expend funds for the operation,
11 maintenance, and improvements of MiSACWIS.

12 (5) From the funds appropriated in part 1 for comprehensive
13 child welfare information system, the department shall only
14 encumber or expend funds for the operation, maintenance, and
15 improvements to the comprehensive child welfare information system.

16 (6) From the funds appropriated in part 1 for comprehensive
17 child welfare information system, the department shall continue
18 development of a new information system to replace MiSACWIS
19 consistent with the plan provided by the department to the United
20 States District Court for Eastern District of Michigan as a part of
21 the settlement. The development of the comprehensive child welfare
22 information system must adhere to department of technology,
23 management, and budget and information technology investment fund
24 (ITIF) policies and practices, including use of the state unified
25 information technology environment methodology and agile
26 development. The project team shall also participate in and comply
27 with the enterprise portfolio management office process and product
28 quality assurance. To ensure full transparency, the project must be
29 included in the ITIF portfolio for executive, legislative, and

external reporting purposes. As a component of the ITIF portfolio, the project is subject to governance and oversight by the information technology investment management board.

Sec. 1910. From the funds appropriated in part 1, \$542,866,100.00 is appropriated for information technology services and projects including:

(a) \$123,932,600.00 for bridges information system.

(b) \$22,474,200.00 for Michigan statewide automated child welfare information system.

(c) \$104,020,300.00 for Michigan Medicaid information system.

(d) \$45,101,900.00 for child support automation.

(e) \$8,750,300.00 for comprehensive child welfare information system.

ONE-TIME APPROPRIATIONS

Sec. 1951. (1) From the funds appropriated in part 1 for medical debt relief pilot program, the department shall allocate \$5,000,000.00, for the purpose of purchasing bundles of medical debt on secondary markets or directly from providers to abolish the medical debt for a group or groups of patients, to a national nonprofit organization that is organized under the laws of this state, is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and was established in 2014. The department shall ensure the following conditions and criteria are met before allocating funds to the organization under this section:

(a) The organization may use an award under this section only to eliminate medical debt to patients with an income below the federal poverty level with a financial need or who face insolvency.

1 (b) The organization shall ensure that there are no adverse
2 tax or income implications for a patient due to the elimination of
3 the medical debt.

4 (c) The organization shall provide evidence to the department
5 that it has a track record of performing the work described in this
6 section.

7 (d) The organization shall work with local units of government
8 to eliminate medical debt for residents of those local units of
9 government. The organization shall give preference to local units
10 of government that provide a dollar of matching funds for every
11 dollar appropriated under this section.

12 (2) The unexpended funds appropriated in part 1 for medical
13 debt relief pilot program are designated as a work project
14 appropriation. Unencumbered or unallotted funds shall not lapse at
15 the end of the fiscal year and shall be available for expenditures
16 under this section until the project has been completed. All of the
17 following are in compliance with section 451a of the management and
18 budget act, 1984 PA 431, MCL 18.1451a:

19 (a) The purpose of the project is to purchase bundles of
20 medical debt on secondary markets or directly from providers to
21 abolish the medical debt for a group or groups of patients.

22 (b) The project will be accomplished by the organization under
23 subsection (1).

24 (c) The estimated cost of the project is \$5,000,000.00.

25 (d) The tentative completion date is September 30, 2030.

26 Sec. 1953. From the funds appropriated in part 1 for uterine
27 fibroid study, the department shall allocate \$250,000.00 to
28 commission a study to evaluate options to expand services for the
29 detection and treatment of uterine fibroids, increase awareness of

1 services for the detection and treatment of uterine fibroids, and
2 increase access to services for the detection and treatment of
3 uterine fibroids. The department shall provide the study
4 commissioned under this section to the standard report recipients
5 not later than 30 days after receipt.

6 Sec. 1955. (1) From the funds appropriated in part 1 for
7 family planning local agreements, the department shall allocate
8 \$10,000,000.00 to support statewide family planning services.

9 (2) The unexpended funds appropriated in part 1 for family
10 planning local agreements are designated as a work project
11 appropriation, and any unencumbered or unallotted funds shall not
12 lapse at the end of the fiscal year and shall be available for
13 expenditures for projects under this section until the projects
14 have been completed. The following is in compliance with section
15 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

16 (a) The purpose of the project is to assist individuals and
17 families in planning and spacing births, preventing unintended
18 pregnancies, and seeking preventive health screenings.

19 (b) The project will be accomplished by utilizing state
20 employees or contracts.

21 (c) The total estimated cost of the project is \$10,000,000.00.

22 (d) The tentative completion date is September 30, 2030.

23 Sec. 1957. From the funds appropriated in part 1 for cancer
24 drug repository program, the department shall allocate
25 \$3,000,000.00 as a grant to a nonprofit organization that is
26 organized under the laws of this state, is exempt from federal
27 income tax under section 501(c)(3) of the internal revenue code of
28 1986, 26 USC 501, is located in a county with a population between
29 300,000 and 400,000 and in a city with a population greater than

1 100,000 according to the most recent federal decennial census, and
2 operates an interconnected system of cancer drug repository
3 programs at health care sites located in this state. The funding
4 must be used to improve medication access and decrease medication
5 waste.

6 Sec. 1959. From the funds appropriated in part 1 for community
7 mental health projects, the department shall allocate \$3,000,000.00
8 as a grant to a prepaid inpatient health plan that serves a county
9 with a population between 900,000 and 1,500,000 according to the
10 most recent federal decennial census. The funds must be allocated
11 as follows:

12 (a) \$2,500,000.00 to renovate a resource and crisis center to
13 house a behavioral health urgent care center and to support
14 services provided by the behavioral health urgent care center.

15 (b) \$500,000.00 to renovate a space to house an integrated
16 care assessment center to improve care coordination for individuals
17 with complex needs, to provide access to mental health services for
18 individuals who otherwise might not seek care due to stigma, and to
19 provide services to address elevated levels of anxiety, depression,
20 substance use disorder, or other concerns.

21 Sec. 1961. From the funds appropriated in part 1 for social
22 determinants of health hub - one-time, the department shall
23 allocate \$3,000,000.00 to a nonprofit organization that is
24 organized under the laws of this state, is exempt from federal
25 income tax under section 501(c)(3) of the internal revenue code of
26 1986, 26 USC 501, is located in a city with a population between
27 80,000 and 82,000 according to the most recent federal decennial
28 census, and runs health equity programs. The funding must be used
29 to expand services at a social determinants of health hub to reduce

1 barriers to health care access and expand the use of community
2 health workers.

3 Sec. 1963. From the funds appropriated in part 1 for
4 community-based care project, the department shall appropriate
5 \$2,000,000.00 to a nonprofit organization that is organized under
6 the laws of this state, is exempt from federal income tax under
7 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
8 and is located in a city with a population between 80,000 and
9 82,000 according to the most recent federal decennial census, to
10 support an entire family who is in crisis or in contact with the
11 child welfare system. To be eligible for the funding, the
12 organization must have been established in 2021 and have a stated
13 mission of investing in the safety and well-being of children and
14 families through building community, providing support, and
15 promoting advocacy.

16 Sec. 1965. (1) From the funds appropriated in part 1 for water
17 affordability, the department shall allocate \$6,000,000.00 as
18 grants to qualified providers to assist eligible residents who have
19 a financial burden, have accumulated a balance on their water
20 utility bill, have had their water service shut off, and/or are at
21 risk of having their water service shut off. Eligible expenditures
22 from these funds must be income-based and must include all of the
23 following:

24 (a) Restoring residential water service.

25 (b) Paying down water bills currently in arrears.

26 (c) Supporting reasonable water affordability plans that are
27 based on an individual's ability to pay, including capped payments
28 based on household income to prevent accumulating a balance on
29 future water bills and funding to qualified providers to cover the

1 remaining cost of service.

2 (d) Protecting participating residents from water shutoffs.

3 (2) To be considered a qualified provider under this section,
4 the provider must be 1 of the following:

5 (a) A community water system.

6 (b) A community action agency.

7 (c) A nonprofit, community-based organization organized under
8 the laws of this state that is exempt from federal income tax under
9 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
10 with a history of doing utility assistance work.

11 (3) Qualified providers receiving grants under this section
12 may spend not more than 3% of the total grant award for
13 administrative services related to the implementation of this
14 section.

15 (4) Qualified providers receiving grants under this section
16 shall report to the department by September 30 of the current
17 fiscal year on outcomes and performance measures for the program,
18 including, but not limited to, all of the following:

19 (a) The total grant award received by the qualified provider.

20 (b) The percentage of the grant award that was used for
21 administrative costs.

22 (c) The total dollars spent broken down by type of assistance
23 provided.

24 (d) The number of individuals helped broken down by type of
25 assistance provided.

26 (e) The number of individual applicants denied assistance.

27 (5) Upon receipt of the information required under subsection
28 (4), the department shall compile and forward the report to the
29 standard report recipients.

1 (6) The unexpended funds appropriated in part 1 for water
2 affordability are designated as a work project appropriation, and
3 any unencumbered or unallotted funds shall not lapse at the end of
4 the fiscal year and shall be available for expenditures for
5 projects under this section until the projects have been completed.
6 The following is in compliance with section 451a of the management
7 and budget act, 1984 PA 431, MCL 18.1451a:

8 (a) The purpose of the project is to provide grants to
9 qualified providers that assist eligible residents who have a
10 financial burden, have accumulated a balance on their water utility
11 bill, have had their water service shut off, and/or are at risk of
12 having their water service shut off.

13 (b) The project will be accomplished through competitive
14 grants to qualified providers.

15 (c) The total estimated cost of the project is \$6,000,000.00.

16 (d) The tentative completion date is September 30, 2030.

17 Sec. 1967. From the funds appropriated in part 1 for maternal
18 electronic health records pilot project, the department shall
19 allocate \$1,000,000.00 as a grant to a nonprofit organization that
20 is organized under the laws of this state, is exempt from federal
21 income tax under section 501(c)(3) of the internal revenue code of
22 1986, 26 USC 501, and is located in a county with a population
23 between 900,000 and 1,500,000 and in a city with a population
24 between 62,000 and 66,000 according to the most recent federal
25 decennial census, to support a pilot project to provide maternal
26 and infant health providers access to electronic medical records.
27 To be eligible to receive funding under this section, an
28 organization must have been established in 2011 and provide
29 maternal outreach services.

1 Sec. 1969. From the funds appropriated in part 1 for health
2 and wellness program, the department shall allocate \$250,000.00 as
3 a grant to a nonprofit organization that is organized under the
4 laws of this state, is exempt from federal income tax under section
5 501(c)(3) of the internal revenue code of 1986, 26 USC 501, is
6 located in a city with a population greater than 600,000 according
7 to the most recent federal decennial census, and works to create a
8 sustainable ecosystem for underserved communities. To be eligible
9 for funds under this section, the organization must have been
10 established in 2017 and have a stated mission of empowering
11 communities through education. A grant under this subsection may be
12 used for any of the following:

13 (a) To create and operate health and wellness educational
14 workshops.

15 (b) To support an annual community health fair.

16 (c) To provide wraparound services that address mental health,
17 nutrition, and physical fitness to support individual and community
18 well-being.

19 (d) To support initiatives to build leadership skills and
20 mental health resilience among youth.

21 (e) To support programs that emphasize community engagement,
22 culturally tailored interventions, and policy advocacy.

23 Sec. 1971. From the funds appropriated in part 1 for
24 disability and independent living program, the department shall
25 allocate \$100.00 to a nonprofit organization that is organized
26 under the laws of this state, is exempt from federal income tax
27 under section 501(c)(3) of the internal revenue code of 1986, 26
28 USC 501, and is located in a city with a population between 2,600
29 and 3,200 in a county with a population greater than 1,500,000

1 according to the most recent federal decennial census. To be
2 eligible for funds under this section, the nonprofit organization
3 must have a stated mission to enhance the lives of the
4 organization's participants with disabilities and, through
5 therapeutic, social, work-based, and community engagement, seeks to
6 support, enrich, inspire, and embolden the organization's
7 participants and the participants' families so that the
8 participants can achieve the participants' goals.

9 Sec. 1973. (1) From the funds appropriated in part 1 for
10 Hispanic maternal mortality study, the department shall allocate
11 \$100.00 to enter into a contract with a research organization or
12 public university to conduct a study on Hispanic maternal and
13 infant mortality. The study must do at least both of the following:

14 (a) Identify barriers and inequality in care that impact
15 Hispanic maternal and infant mortality rates.

16 (b) Make recommendations for policy changes to reduce Hispanic
17 maternal and infant mortality rates.

18 (2) The department shall submit a report on the study
19 described in subsection (1) to the standard report recipients not
20 later than September 30 of the current fiscal year.

21 Sec. 1975. (1) From the funds appropriated in part 1 for food
22 pantry grants, the department shall allocate \$1,000,000.00 as
23 competitive grants to support community food pantries. Individual
24 grants must not exceed \$50,000.00. If the department does not
25 receive enough grant applications to fully expend the funds under
26 this section, the department may award individual grants in an
27 amount greater than \$50,000.00.

28 (2) To be eligible for a grant under this section, the
29 community food pantry must have been in existence for at least 12

1 months.

2 Sec. 1977. (1) From the funds appropriated in part 1 for
3 underserved healthcare facility project, the department shall
4 allocate \$1,500,000.00 to a wellness center to support a pediatric
5 and sedation dentistry clinic. The pediatric and sedation dental
6 clinic must serve uninsured and underinsured children and
7 adolescents and eligible adults who have a mental illness, severe
8 emotional disturbance, intellectual developmental disorder, or co-
9 occurring substance use disorder. To be eligible for the funds
10 under this section, the wellness center must meet all of the
11 following requirements:

12 (a) Be dedicated to enhancing the well-being of individuals by
13 providing an array of comprehensive behavioral and physical health
14 services in a trauma-informed environment and by promoting quality
15 of life, continuous improvement, social awareness, and healing.

16 (b) Have its administrative office located in a county with a
17 population of greater than 1,750,000 and in a city with a
18 population between 109,000 and 111,000 according to the most recent
19 federal decennial census.

20 (c) Be accredited by CARF International.

21 (2) The unexpended funds appropriated in part 1 for
22 underserved healthcare facility project are designated as a work
23 project appropriation. Unencumbered or unallotted funds shall not
24 lapse at the end of the fiscal year and shall be available for
25 expenditures under this section until the project has been
26 completed. All of the following are in compliance with section 451a
27 of the management and budget act, 1984 PA 431, MCL 18.1451a:

28 (a) The purpose of the project is to support a pediatric and
29 sedation dentistry clinic.

1 (b) The project will be accomplished by a CARF International
2 accredited wellness center.

3 (c) The estimated cost of the project is \$1,500,000.00.

4 (d) The tentative completion date is September 30, 2030.

5 Sec. 1979. (1) From the funds appropriated in part 1 for
6 adoption placement software pilot project, the department shall
7 allocate \$750,000.00 to contract with a nonprofit organization that
8 is organized under the laws of this state and is exempt from
9 federal income tax under section 501(c)(3) of the internal revenue
10 code of 1986, 26 USC 501, to support a pilot project that utilizes
11 a connecting technology to create stable and successful placements
12 for children in foster care. The nonprofit organization must
13 utilize a matching algorithm that analyzes key attributes of both
14 children and prospective families and have a stated vision to
15 empower people to create connections to achieve a reality in which
16 every child is rooted in family.

17 (2) It is the intent of the legislature that this pilot
18 project operate for 3 years.

19 (3) The unexpended funds appropriated in part 1 for adoption
20 placement software pilot project are designated as a work project
21 appropriation. Unencumbered or unallotted funds shall not lapse at
22 the end of the fiscal year and shall be available for expenditures
23 under this section until the project has been completed. The
24 following are in compliance with section 451a of the management and
25 budget act, 1984 PA 431, MCL 18.1451a:

26 (a) The purpose of the project is to create stable and
27 successful placements for children in foster care.

28 (b) The project will be accomplished by a nonprofit 501(c)(3)
29 organization.

1 (c) The estimated cost of the project is \$750,000.00.

2 (d) The tentative completion date is September 30, 2030.

3 Sec. 1981. From the funds appropriated in part 1 for hospital
4 infrastructure grant, the department shall allocate \$100.00 to a
5 hospital located in a county with a population between 67,000 and
6 75,000 and in a city with a population greater than 10,000
7 according to the most recent federal decennial census, for
8 replacement of the main hospital boiler, condensate receiver, and
9 deaerator system.

10 Sec. 1983. From the funds appropriated in part 1 for Michigan
11 nurse scholarship, the department shall allocate \$3,000,000.00 to a
12 statewide nonprofit foundation that is organized under the laws of
13 this state and is exempt from federal income tax under section
14 501(c)(3) of the internal revenue code of 1986, 26 USC 501, to
15 support a scholarship program for nursing students or existing
16 nurses who are seeking advanced degrees or certifications in this
17 state. Funds allocated under this section may also be used to
18 provide wraparound supports to participating students or nurses.

19 Sec. 1985. From the funds appropriated in part 1 for
20 continuous eligibility study, the department shall allocate \$100.00
21 to conduct a study to determine the feasibility of pursuing a state
22 demonstration under section 1115 of the social security act, 42 USC
23 1315, for expanded Medicaid coverage to provide for continuous
24 eligibility for beneficiaries who are 0 to 6 years of age.

25 Sec. 1987. From the funds appropriated in part 1 for diaper
26 assistance procurement, the department shall implement any change
27 necessary to purchase diapering supplies through bulk purchasing
28 and to implement section 464 of this article.

29 Sec. 1989. (1) From the funds appropriated in part 1 for

1 health workforce development, the department shall allocate
2 \$1,250,000.00 for a 4-year pilot program to increase the number of
3 prepared psychiatric mental health nurse practitioners to expand
4 access to mental health services and to provide care in underserved
5 communities throughout this state. The office of nursing programs
6 in the department may oversee the program. The pilot program must
7 be through a college of nursing at a 4-year state university
8 located in a county with a population greater than 1,500,000
9 according to the most recent federal decennial census.

10 (2) The unexpended funds appropriated in part 1 for health
11 workforce development are designated as a work project
12 appropriation. Unencumbered or unallotted funds shall not lapse at
13 the end of the fiscal year and shall be available for expenditures
14 under this section until the project has been completed. All of the
15 following are in compliance with section 451a of the management and
16 budget act, 1984 PA 431, MCL 18.1451a:

17 (a) The purpose of the project is to support a 4-year pilot
18 program to increase the number of prepared psychiatric mental
19 health nurse practitioners.

20 (b) The project will be accomplished by a college of nursing
21 at a 4-year state university.

22 (c) The estimated cost of the project is \$1,250,000.00.

23 (d) The tentative completion date is September 30, 2030.

24 Sec. 1991. (1) From the funds appropriated in part 1 for
25 dental programs, \$100.00 of general fund/general purpose revenue
26 and any associated federal match must be distributed to a qualified
27 nonprofit provider of dental services that partners with local
28 health departments for the purpose of expanding capacity and
29 ensuring operational efficiencies that may include equipment and

1 technology upgrades.

2 (2) To be considered a qualified nonprofit provider of dental
3 services, the provider must demonstrate the following:

4 (a) An effective health insurance enrollment process for
5 uninsured patients.

6 (b) An effective process of charging patients on a sliding
7 scale based on the patient's ability to pay.

8 (c) Utilization of additional fund sources, including, but not
9 limited to, federal Medicaid matching funds.

10 Sec. 1993. From the funds appropriated in part 1 for
11 affordable housing project, the department shall allocate
12 \$2,000,000.00 to a nonprofit organization that is organized under
13 the laws of this state, is exempt from federal income tax under
14 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
15 and has a headquarters in a city with a population between 60,000
16 and 135,000 and is located in a county with a population between
17 700,000 and 1,000,000 according to the most recent federal
18 decennial census, for capital costs resulting from construction of
19 an affordable housing apartment complex. To be eligible for funds
20 under this section, the nonprofit organization must have been
21 established in 2006 and be dedicated to improving the stability,
22 health, and wellness of individuals served through advocacy,
23 acculturation, community development, and cultural preservation.

24 Sec. 1995. (1) From the funds appropriated in part 1 for liver
25 screening pilot project, the department shall allocate
26 \$1,000,000.00 to partner with at least 1 Medicaid health plan to
27 develop and fund a basic liver screening pilot project for Medicaid
28 eligible women, between the ages of 25 and 45. The pilot project
29 must include, but is not limited to, screening for cholestatic

1 liver disorders associated with increased risk of end-stage liver
2 disease.

3 (2) By September 30 of the current fiscal year, the department
4 shall submit a report to the standard report recipients on the
5 outcomes of the liver screening pilot project. The report must
6 include, but is not limited to, all of the following:

7 (a) Demographic information of pilot participants who are at
8 higher risk for developing cholestatic liver disorders.

9 (b) The number of pilot participants who were identified as
10 high-risk for developing a cholestatic liver disorder who did not
11 follow through with referrals or treatment recommendations.

12 (c) Recommendations on how to increase awareness for
13 cholestatic liver disorders, including screening and genetic
14 testing.

15 (d) Recommendations on investments and strategies to increase
16 screening and genetic testing for cholestatic liver disorders.

17 (e) Any other information considered relevant by the
18 department.

19 Sec. 1997. From the funds appropriated in part 1 for primary
20 care clinic, the department shall allocate \$2,000,000.00 to a
21 nonprofit organization that is organized under the laws of this
22 state, is exempt from federal income tax under section 501(c)(3) of
23 the internal revenue code of 1986, 26 USC 501, and has a
24 headquarters in a city with a population greater than 85,000 and is
25 located in a county with a population between 900,000 and 1,500,000
26 according to the most recent federal decennial census, for costs
27 related to the operation of a primary care clinic. To be eligible
28 for funds under this section, the nonprofit organization must have
29 been established in 1979 and have a stated mission to ensure

1 humanity lives in every community by providing core human needs to
2 all people.

3 Sec. 1999. From the funds appropriated in part 1 for dementia
4 support, the department shall allocate \$100.00 to a nonprofit
5 organization that is organized under the laws of this state, is
6 exempt from federal income tax under section 501(c)(3) of the
7 internal revenue code of 1986, 26 USC 501, was founded and governed
8 by individuals living with dementia, and is located in a county
9 with a population between 41,000 and 44,000 according to the most
10 recent federal decennial census. Eligible expenditures from these
11 funds include:

12 (a) Development of resources to empower individuals recently
13 diagnosed with dementia with information about practical supports
14 and effective communications with health care providers.

15 (b) Provision of interactive educational programming and
16 outreach to equip individuals living with dementia and their family
17 care partners with essential resources needed to thrive and live
18 well with dementia.

19 (c) Development of financial planning and employment resources
20 for individuals and families facing younger onset dementia.

21 (d) Creation of peer support opportunities for individuals
22 living with early-stage and middle-stage dementia in home- or
23 community-based settings.

24 (e) Creation of a public awareness campaign about the
25 incidence of dementia across age groups and resources and
26 strategies available to individuals to allow them to live well with
27 dementia in-home- or community-based settings.

28 Sec. 2001. From the funds appropriated in part 1 for addiction
29 pilot program, the department shall allocate \$1,000,000.00 to the

1 prosecutor's office in a county with a population between 700,000
2 and 1,200,000 according to the most recent federal decennial
3 census, for a pilot program to support recovery for individuals
4 impacted by 1 or multiple substance use disorders by stabilizing
5 the systems addiction damages most.

6 Sec. 2003. From the funds appropriated in part 1 for nonprofit
7 mental health clinic, the department shall allocate \$1,400,000.00
8 as a grant to a nonprofit mental health clinic located in a county
9 with a population between 290,000 and 300,000 according to the most
10 recent federal decennial census, that provides counseling services,
11 accepts clients regardless of their ability to pay for services
12 through sliding scale copayments and volunteer services, and uses
13 fundraising to support the clinic.

14 Sec. 2005. From the funds appropriated in part 1 for menopause
15 initiatives, the department shall allocate \$2,500,000.00 to do both
16 of the following:

17 (a) Partner with community-based women's organizations to
18 develop and implement an awareness campaign about menopause
19 symptoms, medications, and nonprescribed therapies.

20 (b) Partner with a state medical professional society located
21 in a city with a population between 47,000 and 48,000 in a county
22 with a population between 284,000 and 285,000 according to the most
23 recent federal decennial census, to develop a statewide menopause
24 health education curriculum for implementation in medical schools
25 and continuing medical education in this state.

26 Sec. 2007. (1) From the funds appropriated in part 1 for air
27 quality sensor pilot project, the department shall allocate
28 \$100,000.00 as a grant to a nonprofit organization that is
29 organized under the laws of this state, is exempt from federal

1 income tax under section 501(c)(3) of the internal revenue code of
2 1986, 26 USC 501, and is located in a county with a population
3 between 300,000 and 400,000 and is in a city with a population
4 greater than 25,000 according to the most recent federal decennial
5 census. To be eligible for the funds under this section, the
6 organization must have been established in 1970 and be an
7 environmental organization dedicated to promoting healthy people
8 and a healthy planet through advocacy, education, and innovative
9 local solutions. The funds must be used to support a pilot project
10 that enhances public awareness of environmental health risks
11 through real-time air quality data. The pilot project must give
12 communities access to hyperlocal air quality insights.

13 (2) It is the intent of the legislature that the pilot project
14 operate for 3 years.

15 (3) The unexpended funds appropriated in part 1 for air
16 quality sensor pilot project are designated as a work project
17 appropriation. Unencumbered or unallotted funds shall not lapse at
18 the end of the fiscal year and shall be available for expenditures
19 under this section until the project has been completed. All of the
20 following are in compliance with section 451a of the management and
21 budget act, 1984 PA 431, MCL 18.1451a:

22 (a) The purpose of the project is to design and implement an
23 FQHC Medicaid alternative payment methodology as well as provide
24 funding to help FQHCs prepare for and be successful in their
25 alternative payment methodology participation.

26 (b) The project will be accomplished through a grant with a
27 nonprofit organization.

28 (c) The estimated cost of the project is \$100,000.00.

29 (d) The tentative completion date is September 30, 2030.

1 Sec. 2009. (1) From the funds appropriated in part 1 for
2 alternative payment model transition, the department shall allocate
3 \$18,000,000.00 in general fund/general purpose revenue and any
4 associated federal match or federal grant funding, to support the
5 implementation of a Medicaid alternative payment methodology for
6 FQHCs. The alternative payment methodology must be a population-
7 based payment system that is based on a per-patient reimbursement
8 for each Medicaid recipient assigned to each FQHC. Funds
9 appropriated in this section must be used both to support
10 alternative payment methodology implementation costs incurred by
11 the department and to provide funding to support the preparation
12 and success of FQHCs participating in the alternative payment
13 methodology.

14 (2) The unexpended funds appropriated in part 1 for
15 alternative payment model transition are designated as a work
16 project appropriation. Unencumbered or unallotted funds shall not
17 lapse at the end of the fiscal year and shall be available for
18 expenditures under this section until the project has been
19 completed. All of the following are in compliance with section 451a
20 of the management and budget act, 1984 PA 431, MCL 18.1451a:

21 (a) The purpose of the project is to design and implement an
22 FQHC Medicaid alternative payment methodology and provide funding
23 to help FQHCs prepare for and be successful in their alternative
24 payment methodology participation.

25 (b) The project will be accomplished by utilizing state
26 employees, contracting with vendors, and providing funding to
27 FQHCs.

28 (c) The estimated cost of the project is \$18,000,000.00.

29 (d) The tentative completion date is September 30, 2030.

1 (3) It is the intent of the legislature that the department
2 begin, no later than January 1, to develop and seek any appropriate
3 federal approvals to implement an alternative payment methodology
4 for FQHCs in the medical assistance program and Healthy Michigan
5 Plan as authorized in section 1902(bb)(6) of the social security
6 act, 42 USC 1396a.

7 (4) The department shall coordinate with the Michigan Primary
8 Care Association on the design of the alternative payment
9 methodology, to identify FQHCs that are able to implement the
10 necessary care delivery and system changes required for the
11 alternative payment methodology described in subsection (1), and to
12 develop funding approaches that support the preparation and success
13 of FQHCs participating in the alternative payment methodology.