

(3) By October 1, 2008, the members of the workgroup shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director its recommendations for achieving the savings specified in subsection (1). It is the intent of the legislature to act upon workgroup recommendations that may require legislative action to realize the savings.

Operational changes; workgroup to be convened by department; report.

Sec. 229. (1) Due to the importance of departmental employees in maintaining safe, secure, and efficient operations of the facilities, the department shall convene a workgroup to identify operational changes other than personnel reductions that result in full-year savings of at least \$4,995,300.00 to state general fund/general purpose appropriations that would otherwise be needed for business office operations.

(2) The workgroup shall be convened by the department no later than October 1, 2008, and at a minimum shall include representatives of the department, business office personnel who would be affected by the proposed regionalization, and the chairs of the senate and house appropriations subcommittees on corrections.

(3) By October 1, 2008, the members of the workgroup shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director its recommendations for achieving the savings specified in subsection (1). It is the intent of the legislature to act upon workgroup recommendations that may require legislative action to realize the savings.

Study relating to mental health and justice issues; contract with state university; report.

Sec. 230. (1) From the funds appropriated in part 1, the department shall contract with a state university for a study based on a representative random sample of county jail inmates. To the extent that such information would not conflict with state law on confidentiality for inmates included in the study, at a minimum, the study shall be sufficient to provide all of the information required by subsection (2). In the process of study design, development, and implementation, the department shall assure involvement of and consultation from counties, sheriffs, prosecutors, victims, and consumer, family, advocacy, provider, and professional groups concerned with mental health and justice issues. The methodological basis for the study shall include all of the following:

- (a) Diagnostic clinical interviews with all of the inmates in the study.
- (b) Reviews of the criminal history records of all of the inmates in the study.
- (c) Reviews of the medical and mental health records of all of the inmates in the study, as available.

(2) By June 30, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the results and findings of the study, including, at a minimum, information on all of the following, to the extent that such information would not conflict with state law on confidentiality for the inmates included in the study:

- (a) Study methodology, including information on the sample size and counties sampled.
- (b) The proportion of county jail inmates with a primary diagnosis of mental illness, the proportion of inmates with a primary diagnosis of addiction disorder, and the proportion of inmates with a dual diagnosis of mental illness and addiction disorder.

(c) For each category of inmates listed in subdivision (b), all of the following information:

(i) The proportion considered to currently require treatment and the percentage in need of treatment who are currently receiving it. Information on inmates currently receiving treatment shall identify whether the inmates are receiving inpatient, residential, or outpatient treatment. Treatment information on inmates with a dual diagnosis shall identify whether inmates are receiving mental health inpatient, mental health residential, mental health outpatient, substance abuse residential, or substance abuse outpatient treatment.

(ii) Data indicating how many inmates previously had been hospitalized in a state psychiatric hospital for persons with mental illness.

(iii) Data indicating whether and with what frequency inmates previously had been incarcerated in a jail or committed to the department of corrections.

(iv) Data indicating whether inmates previously had received services managed by a community mental health program or substance abuse coordinating agency.

Professional development conference or training seminar; travel; limitation.

Sec. 231. The department shall not approve the travel of more than 1 departmental employee to a specific professional development conference or training seminar that is located outside of this state unless a professional development conference or training seminar is funded by a federal or private funding source and requires more than 1 person from a department to attend, or the conference or training seminar includes multiple issues in which 1 employee from the department does not have expertise.

EXECUTIVE

Offender tracking information system; accessibility; removal of offender's file after release; retention in archive; availability of archived information; fee; report.

Sec. 301. (1) For 3 years after a felony offender is released from the department's jurisdiction, the department shall maintain the offender's file on the offender tracking information system and make it publicly accessible in the same manner as the file of the current offender. However, the department shall immediately remove the offender's file from the offender tracking information system upon determination that the offender was wrongfully convicted and the offender's file is not otherwise required to be maintained on the offender tracking information system.

(2) Information removed from the offender tracking information system due to the expiration of 3 years following release of an offender from the department's jurisdiction shall be retained by the department and maintained in a password-protected archive. Information in the archive shall be made available upon payment of a fee as determined by the department. Revenue collected under this section is appropriated for the costs of the offender tracking information system, and any revenue collected in excess of the costs of maintaining the offender tracking information system is appropriated for information technology costs. The department shall report quarterly on January 1, April 1, July 1, and September 30 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the fees charged and revenue collected under this section.

Submission of mental health study report.

Sec. 302. A report on the mental health study required under section 302 of 2007 PA 124, together with any recommendations contained in the study and response from the department, shall be provided to the members of the senate and house appropriations subcommittees on corrections and community health, the senate and house fiscal agencies, MDCH, and the state budget director no later than 30 days after the receipt of the completed study. The report shall include all of the information specified in section 302(2)(a) to (j) of 2007 PA 124. The report also shall include a plan by the department to implement those recommendations with which it agrees and an explanation of any disagreements with recommendations. It is the intent of the legislature to review the department's implementation plan and, in coordination with the department, to identify funds with which to implement the plan, as appropriate.

Plan to implement Internet-based database systems.

Sec. 303. It is the intent of the legislature that the quantity of database systems in use by the department be optimal for efficient data usage and communications. The department shall report quarterly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the status of the plan to implement secure, encrypted, Internet-based database systems that can electronically communicate with each other and with other law-enforcement-related databases by September 30, 2009. The department shall provide the reports not more than 15 days after the end of each quarter.

Staff savings initiative program.

Sec. 304. The director of the department shall develop a staff savings initiative program to invite employees to submit suggestions for saving costs for the department. The department shall report quarterly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the suggestions submitted under this section, the implementation plan for those suggestions with which the department agrees, and an explanation of any disagreements with suggestions.

PLANNING AND COMMUNITY SUPPORT**Prison population projection updates.**

Sec. 401. The department shall submit 3-year and 5-year prison population projection updates by February 1, 2009 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. The report shall include explanations of the methodology and assumptions used in developing the projection updates.

Prisoner reintegration programming.

Sec. 402. It is the intent of the legislature that the funds appropriated in part 1 for prisoner reintegration programs be expended for the purpose of reducing victimization by reducing offender recidivism through the following prisoner reintegration programming:

- (a) The provision of employment and job training.
- (b) The provision of assistance in acquiring the documents necessary to obtain a state identification card or operator's license.
- (c) The provision of housing assistance.

- (d) Referral to mental health services.
- (e) Referral to substance abuse services.
- (f) Referral to public health services.
- (g) Referral to education.
- (h) Referral to any other services necessary for successful reintegration.

Prisoner reintegration programs; reports.

Sec. 403. (1) By April 1, 2009, the department shall provide a report on prisoner reintegration programs to the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. At a minimum, the report shall include all of the following information:

- (a) Allocations and projected expenditures for each project funded and for each project to be funded, itemized by service to be provided and service provider.
- (b) An explanation of the objectives and results measures for each program.
- (c) An explanation of how the programs will be evaluated.
- (d) A discussion of the evidence and research upon which each program is based.
- (e) A discussion and estimate of the impact of prisoner reintegration programs on reoffending and returns to prison.
- (f) A progress report on applicable results of each program, including, but not limited to, the estimated bed space impact of prisoner reintegration programs.

(2) The department shall provide quarterly reports on January 1, 2009, April 1, 2009, July 1, 2009, and September 30, 2009 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the status and recidivism levels of offenders who participated in the MPRI and have been released. The data should be broken out by the controlling sentence for the following 4 offender types: drug, nonassaultive, assaultive, and sex.

(3) By September 30, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director a comparison of the overall recidivism rates and length of time prior to prison return of offenders who participated in the MPRI with those of offenders who did not. The report should disaggregate the information by each site in order to compare the practices and success rates of each site.

(4) The department shall include prisoners nearing their maximum sentence in the prison phases of the MPRI.

(5) The MPRI shall include programming on understanding conditions of parole, and each offender's transition accountability plan shall include a plan for following conditions of parole. The department shall ensure that each offender understands his or her conditions of parole prior to release from prison.

(6) The department shall provide biannual reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on parolees who participated in the MPRI and have tested positive for substance abuse in the previous 6 months. The report shall include any sanctions imposed by the department in response to the positive substance abuse test. Notwithstanding the reporting deadlines established in this subsection, the department shall monitor trends in substance abuse test results and any sanctions imposed for MPRI parolee participants and immediately notify the senate and house subcommittees on appropriations, the senate and house fiscal agencies, and the state budget director of any significant changes to those trends.

(7) The department shall provide biannual reports on December 1, 2008 and May 1, 2009 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on parolees who participated in the MPRI and have a diagnosis of mental illness or received mental health treatment while in prison. The report shall include the number of offenders successfully referred to the local community mental health agency, by county, and number of parolees participating in treatment for mental illness, by county.

(8) The department shall ensure that each prisoner develops a transition accountability plan at intake in order to successfully reenter the community after release from prison. Each prisoner's transition accountability plan shall be reviewed at least once each year to assure adequate progress. The department shall develop a plan to implement this section and shall report quarterly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the progress of the implementation of the plan.

Prisoner alcohol and drug involvement; screening; assessment; treatment.

Sec. 404. (1) The department shall screen and assess each prisoner for alcohol and other drug involvement to determine the need for further treatment. The assessment process shall be designed to identify the severity of alcohol and other drug addiction and determine the treatment plan, if appropriate.

(2) Subject to the availability of funding resources, the department shall provide substance abuse treatment to prisoners with priority given to those prisoners who are most in need of treatment and who can best benefit from program intervention based on the screening and assessment provided under subsection (1).

Residential substance abuse treatment services; availability; reports.

Sec. 405. (1) In expending residential substance abuse treatment services funds appropriated under this act, the department shall ensure to the maximum extent possible that residential substance abuse treatment services are available statewide.

(2) By April 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the allocation, distribution, and expenditure of all funds appropriated by the substance abuse testing and treatment line item during fiscal year 2007-2008 and projected for fiscal year 2008-2009. The report shall include, but not be limited to, an explanation of an anticipated year-end balance, the number of participants in substance abuse programs, and the number of offenders on waiting lists for residential substance abuse programs. Information required under this subsection shall, where possible, be separated by MDOC administrative region and by offender type, including, but not limited to, a distinction between prisoners, parolees, and probationers.

(3) By April 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on substance abuse testing and treatment program objectives, outcome measures, and results, including program impact on offender behavior and recidivism.

Intensive substance abuse services.

Sec. 405a. It is the intent of the legislature that the department work cooperatively with MDCH and substance abuse coordinating agencies in referring offenders as appropriate to intensive substance abuse services, including residential services, as provided by section 484 of Enrolled Senate Bill No. 1094 of the 2007-2008 legislative session.

Report on standards developed under 2007 PA 124.

Sec. 406. (1) By March 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the standards developed under 2007 PA 124, including all of the following:

- (a) The acceptable range or ranges for administrative costs.
 - (b) How local program results are to be reported and quantified.
 - (c) The acceptable range or ranges for per-participant expenditures.
 - (d) Procedures for referral and follow-up by the department on the status of referrals to substance abuse treatment, health care, and mental health treatment.
 - (e) Any other standards developed by the department, consistent with good management practices and optimum program results.
- (2) The report required under subsection (1) shall include information explaining how each standard is being implemented.

Statistical reports; placement on Internet.

Sec. 407. (1) By August 1, 2009, the department shall place the 2008 statistical report on an Internet site. The statistical reports for 2005, 2006, and 2007 shall be placed on an Internet site by June 1, 2009. These statistical reports shall include, but not be limited to, the information as provided in the 2004 statistical report.

(2) It is the intent of the legislature that starting with calendar year 2009, the statistical report be placed on an Internet site within 6 months after the end of each calendar year.

Recidivism rates of offenders; measurement.

Sec. 408. The department shall measure the recidivism rates of offenders using at least a 3-year period following their release from prison.

Delivery of services by office of community corrections; definitions.

Sec. 409. The office of community corrections shall provide and coordinate the delivery and implementation of services in communities to facilitate successful offender reintegration into the community. Programs and services to be offered shall include, but are not limited to, technical assistance for comprehensive corrections plan development, new program start-up funding, program funding for those programs delivering services for eligible offenders in geographic areas identified by the office of community corrections as having a shortage of available services, technical assistance, referral services for education, employment services, and substance abuse and family counseling. As used in this act:

- (a) “Alternative to incarceration in a state facility or jail” means a program that involves offenders who receive a sentencing disposition that appears to be in place of incarceration in a state correctional facility or jail based on historical local sentencing patterns or that amounts to a reduction in the length of sentence in a jail.
- (b) “Goal” means the intended or projected result of a comprehensive corrections plan or community corrections program to reduce prison commitment rates, to reduce the length of stay in a jail, or to improve the utilization of a jail.
- (c) “Jail” means a facility operated by a local unit of government for the physical detention and correction of persons charged with or convicted of criminal offenses.
- (d) “Offender eligibility criteria” means particular criminal violations, state felony sentencing guidelines descriptors, and offender characteristics developed by advisory boards and approved by local units of government that identify the offenders suitable for community corrections programs funded through the office of community corrections.

(e) “Offender target population” means felons or misdemeanants who would likely be sentenced to imprisonment in a state correctional facility or jail, who would not increase the risk to the public safety, who have not demonstrated a pattern of violent behavior, and who do not have criminal records that indicate a pattern of violent offenses.

(f) “Offender who would likely be sentenced to imprisonment” means either of the following:

(i) A felon or misdemeanant who receives a sentencing disposition that appears to be in place of incarceration in a state correctional facility or jail, according to historical local sentencing patterns.

(ii) A currently incarcerated felon or misdemeanant who is granted early release from incarceration to a community corrections program or who is granted early release from incarceration as a result of a community corrections program.

Alternative to incarceration; comprehensive corrections plans and residential services; award of funds; criteria; per diem reimbursement.

Sec. 410. (1) The funds included in part 1 for community corrections comprehensive plans and services are to encourage the development through technical assistance grants, implementation, and operation of community corrections programs that serve as an alternative to incarceration in a state facility or jail. The comprehensive corrections plans shall include an explanation of how the public safety will be maintained, the goals for the local jurisdiction, offender target populations intended to be affected, offender eligibility criteria for purposes outlined in the plan, and how the plans will meet the following objectives, consistent with section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

(a) Reduce admissions to prison of nonviolent offenders who would have otherwise received an active sentence, including probation violators.

(b) Improve the appropriate utilization of jail facilities, the first priority of which is to open jail beds intended to house otherwise prison-bound felons, and the second priority being to appropriately utilize jail beds so that jail crowding does not occur.

(c) Open jail beds through the increase of pretrial release options.

(d) Reduce the readmission to prison of parole violators.

(e) Reduce the admission or readmission to prison of offenders, including probation violators and parole violators, for substance abuse violations.

(2) The award of community corrections comprehensive plans and residential services funds shall be based on criteria that include, but are not limited to, the prison commitment rate by category of offenders, trends in prison commitment rates and jail utilization, historical trends in community corrections program capacity and program utilization, and the projected impact and outcome of annual policies and procedures of programs on prison commitment rates and jail utilization.

(3) Funds awarded for residential services in part 1 shall provide for a per diem reimbursement of not more than \$47.50.

Comprehensive corrections plans; additional information to be provided.

Sec. 411. The comprehensive corrections plans shall also include, where appropriate, descriptive information on the full range of sanctions and services that are available and utilized within the local jurisdiction and an explanation of how jail beds, residential services, the special alternative incarceration program, probation detention centers, the electronic monitoring program for probationers, and treatment and rehabilitative services will be utilized to support the objectives and priorities of the comprehensive corrections plans and the purposes and priorities of section 8(4) of the community corrections act, 1988 PA 511,

MCL 791.408. The plans shall also include, where appropriate, provisions that detail how the local communities plan to respond to sentencing guidelines found in chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, and the use of the county jail reimbursement program under section 414. The state community corrections board shall encourage local community corrections advisory boards to include in their comprehensive corrections plans strategies to collaborate with local alcohol and drug treatment agencies of the MDCH for the provision of alcohol and drug screening, assessment, case management planning, and delivery of treatment to alcohol- and drug-involved offenders, including, but not limited to, probation and parole violators who are at risk of revocation.

March biannual report; inclusion of information on counties consolidated for comprehensive corrections plans.

Sec. 412. (1) As part of the March biannual report specified in section 12(2) of the community corrections act, 1988 PA 511, MCL 791.412, that requires an analysis of the impact of that act on prison admissions and jail utilization, the department shall submit to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director the following information for each county and counties consolidated for comprehensive corrections plans:

(a) Approved technical assistance grants and comprehensive corrections plans including each program and level of funding, the utilization level of each program, and profile information of enrolled offenders.

(b) If federal funds are made available, the number of participants funded, the number served, the number successfully completing the program, and a summary of the program activity.

(c) Status of the community corrections information system and the jail population information system.

(d) Data on residential services, including participant data, participant sentencing guideline scores, program expenditures, average length of stay, and bed utilization data.

(e) Offender disposition data by sentencing guideline range, by disposition type, number and percent statewide and by county, current year, and comparisons to the previous 3 years.

(2) The report required under subsection (1) shall include the total funding allocated, program expenditures, required program data, and year-to-date totals.

Availability of and demand for certain jail data.

Sec. 413. (1) The department shall identify and coordinate information regarding the availability of and the demand for community corrections programs, jail-based community corrections programs, and basic state-required jail data.

(2) The department is responsible for the collection, analysis, and reporting of state-required jail data.

(3) As a prerequisite to participation in the programs and services offered through the department, counties shall provide basic jail data to the department.

County jail reimbursement program.

Sec. 414. (1) The department shall administer a county jail reimbursement program from the funds appropriated in part 1 for the purpose of reimbursing counties for housing in jails felons who otherwise would have been sentenced to prison.

(2) The county jail reimbursement program shall reimburse counties for housing and custody of convicted felons if the conviction was for a crime committed on or after January 1, 1999 and 1 of the following applies:

(a) The felon's sentencing guidelines recommended range upper limit is more than 18 months, the felon's sentencing guidelines recommended range lower limit is 12 months or

less, the felon's prior record variable score is 35 or more points, and the felon's sentence is not for commission of a crime in crime class G or crime class H under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

(b) The felon's minimum sentencing guidelines range minimum is more than 12 months.

(3) State reimbursement under this section for prisoner housing and custody expenses per diverted offender shall be \$43.50 per diem for up to a 1-year total.

(4) The department, the state budget office, the Michigan association of counties, and the Michigan sheriffs' association shall, if appropriate, recommend modification of the criteria for reimbursement contained in subsection (2) at meetings convened by the chairs of the house and senate appropriations subcommittees on corrections.

(5) The department shall reimburse counties for offenders in jail based upon the reimbursement eligibility criteria in place on the date the offender was originally sentenced for the reimbursable offense.

(6) County jail reimbursement program expenditures shall not exceed the amount appropriated in part 1 for the county jail reimbursement program. Payments to counties under the county jail reimbursement program shall be made in the order in which properly documented requests for reimbursements are received. A request shall be considered to be properly documented if it meets MDOC requirements for documentation. The department shall by October 15, 2008 distribute the documentation requirements to all counties.

Comprehensive corrections plan; proper preparation and approval required; effect of noncompliance.

Sec. 415. (1) As a condition of receipt of the funds appropriated in part 1 for community corrections plans and services and residential services, the department shall only award those funds requested under a properly prepared and approved comprehensive corrections plan submitted under section 8 of the community corrections act, 1988 PA 511, MCL 791.408, or directly applied for under section 10 of the community corrections act, 1988 PA 511, MCL 791.410.

(2) The department shall only halt funding for an entity funded under section 8 of the community corrections act, 1988 PA 511, MCL 791.408, in instances of substantial noncompliance during the period covered by the plan.

Felony drunk driver jail reduction and community treatment program.

Sec. 416. (1) Funds included in part 1 for the felony drunk driver jail reduction and community treatment program are appropriated for and may be expended for any of the following purposes:

(a) To increase availability of treatment options to reduce drunk driving and drunk driving-related deaths by addressing the alcohol addiction of felony drunk drivers who otherwise likely would be sentenced to jail or a combination of jail and other sanctions.

(b) To divert from jail sentences or to reduce the length of jail sentences for felony drunk drivers who otherwise would have been sentenced to jail and whose recommended minimum sentence ranges under sentencing guidelines established under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, have upper limits of 18 months or less, through funding programs that may be used in lieu of incarceration and that increase the likelihood of rehabilitation.

(c) To provide a policy and funding framework to make additional jail space available for housing convicted felons whose recommended minimum sentence ranges under sentencing guidelines established under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, have lower limits of 12 months or less and who likely otherwise would

be sentenced to prison, with the aim of enabling counties to meet or exceed amounts received through the county jail reimbursement program during fiscal year 2002-2003 and reducing the numbers of felons sentenced to prison.

(2) Expenditure of funds included in part 1 for the felony drunk driver jail reduction and community treatment program shall be by grant awards consistent with standards developed by a committee of the state community corrections advisory board. The chairperson of the committee shall be the board member representing county sheriffs. Remaining members of the committee shall be appointed by the chairperson of the board.

(3) In developing annual standards, the committee shall consult with interested agencies and associations. Standards developed by the committee shall include application criteria, performance objectives and measures, funding allocations, and allowable uses of the funds, consistent with the purposes specified in this section.

(4) Allowable uses of the funds shall include reimbursing counties for transportation, treatment costs, and housing felony drunk drivers during a period of assessment for treatment and case planning. Reimbursements for housing during the assessment process shall be at the rate of \$43.50 per day per offender, up to a maximum of 5 days per offender.

(5) The standards developed by the committee shall assign each county a maximum funding allocation based on the amount the county received under the county jail reimbursement program in fiscal year 2001-2002 for housing felony drunk drivers whose recommended minimum sentence ranges under the sentencing guidelines described in subsection (1)(c) had upper limits of 18 months or less.

(6) Awards of funding under this section shall be provided consistent with the local comprehensive corrections plans developed under the community corrections act, 1988 PA 511, MCL 791.401 to 791.414. Funds awarded under this section may be used in conjunction with funds awarded under grant programs established under that act. Due to the need for felony drunk drivers to be transitioned from county jails to community treatment services, it is the intent of the legislature that local units of government utilize funds received under this section to support county sheriff departments.

(7) As used in this section, “felony drunk driver” means a felon convicted of operating a motor vehicle under the influence of intoxicating liquor or a controlled substance, or both, third or subsequent offense, under section 625(9)(c) of the Michigan vehicle code, 1949 PA 300, MCL 257.625, or its predecessor statute, punishable as a felony.

Report on programs from previous year; information to be included.

Sec. 417. (1) By April 1, 2009, the department shall report to the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on each of the following programs from the previous fiscal year:

- (a) The county jail reimbursement program.
- (b) The felony drunk driver jail reduction and community treatment program.
- (c) The alternatives to prison jail and treatment programs.
- (d) Any new initiatives to control prison population growth funded or proposed to be funded under part 1.

(2) For each program listed under subsection (1), the report under subsection (1) shall include information on each of the following:

- (a) Program objectives and outcome measures.
- (b) Expenditures by location.
- (c) The impact on jail utilization.

- (d) The impact on prison admissions.
- (e) Other information relevant to an evaluation of the program.

State operator's license, state identification card, and birth certificate; acquisition by prisoner prior to discharge or parole hearing.

Sec. 418. (1) The department shall ensure that each prisoner make all reasonable efforts to obtain the documents necessary to obtain a state operator's license or state identification card prior to a prisoner's discharge or parole hearing. The process for prisoners to acquire this documentation shall be part of the department's operating procedure.

(2) The department shall cooperate with MDCH to maintain a process by which prisoners can obtain their birth certificates. By April 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the process developed under this section.

Prisoner, parolee, and probationer populations; reports.

Sec. 419. (1) The department shall provide weekly electronic mail reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on prisoner, parolee, and probationer populations by facility, and prison capacities.

(2) The department shall provide monthly electronic mail reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. By November 1, 2008, the department shall provide monthly reports for March 2006 through September 2007. The reports shall include information on end-of-month prisoner populations in county jails, the net operating capacity according to the most recent certification report, identified by date, and end-of-month data, year-to-date data, and comparisons to the prior year for the following:

(a) Community residential program populations, separated by centers and electronic monitoring.

(b) Parole populations.

(c) Probation populations, with identification of the number in special alternative incarceration.

(d) Prison and camp populations, with separate identification of the number in special alternative incarceration and the number of lifers.

(e) Parole board activity, including the numbers and percentages of parole grants and parole denials.

(f) Prisoner exits, identifying transfers to community placement, paroles from prisons and camps, paroles from community placement, total movements to parole, prison intake, prisoner deaths, prisoners discharging on the maximum sentence, and other prisoner exits.

(g) Prison intake and returns, including probation violators, new court commitments, violators with new sentences, escaper new sentences, total prison intake, returns from court with additional sentences, community placement returns, technical parole violator returns, and total returns to prison and camp.

Department response to 2007-2008 performance audits.

Sec. 420. The department shall report to the senate and house appropriations subcommittees on corrections, the senate and house judiciary committees, the senate and house fiscal agencies, and the state budget director on the status of the department's response to the fiscal year 2007-2008 performance audits by the office of the auditor general on the department's staffing, health care services, food service and prisoner transportation, mental health care services, and pharmaceuticals. The department shall provide the reports within 30 days after each audit's official release date.

Interdepartmental grant to department of state police; training teams of law enforcement officers and mental health providers to assist people with mental illness.

Sec. 421. Of the funds appropriated in part 1, \$100,000.00 is appropriated for the purpose of providing an interdepartmental grant to the Michigan state police for the purpose of providing grants for training teams of law enforcement officers and mental health treatment providers. The teams shall be trained in effective and safe ways of assisting people with mental illness during law enforcement contacts and directing people with mental illness to treatment programs. It is the intent of the legislature that mental health awareness training be incorporated into continuing education for all law enforcement officers in the state.

MPRI programs as standard operating procedure.

Sec. 422. It is the intent of the legislature that MPRI programs become standard operating procedure in the department by the end of fiscal year 2008-2009.

Female technical parole violators; pilot project to reduce criminal behavior and returns to prison; report.

Sec. 423. (1) The department shall design and implement a pilot project that has as its goal the reduction of criminal behavior and of returns to prison of female technical parole violators. The pilot project shall be of a design that is based on evidence-based practices proven in other jurisdictions to reduce criminal behavior.

(2) By May 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the extent to which the program described in subsection (1) has been successful, as evidenced by a reduction in the number of female technical parole violator returns to prison compared to prior year returns, and the extent to which any of the parolees enrolled in the pilot project have either been convicted of new offenses or have new pending charges upon return compared to paroles with similar characteristics.

OPERATIONS AND SUPPORT ADMINISTRATION**Housing and custody of parole violators and offenders; reimbursement to counties.**

Sec. 501. From the funds appropriated in part 1 for prosecutorial and detainer expenses, the department shall reimburse counties for housing and custody of parole violators and offenders being returned by the department from community placement who are available for return to institutional status and for prisoners who volunteer for placement in a county jail.

Sheriffs' coordinating and training office; expenditures.

Sec. 502. Funds included in part 1 for the sheriffs' coordinating and training office are appropriated for and may be expended to defray costs of continuing education, certification, recertification, decertification, and training of local corrections officers, the personnel and administrative costs of the sheriffs' coordinating and training office, the local corrections officers advisory board, and the sheriffs' coordinating and training council under the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

Interdepartmental grant to department of labor and economic growth; funding administrative hearings officers.

Sec. 503. Funds appropriated in part 1 for administrative hearings officers are appropriated as an interdepartmental grant to the department of labor and economic growth for the purpose of funding administrative hearings officers for adjudication of grievances pertaining to the department of corrections. The department shall not expend appropriations from part 1 to satisfy charges from the department of labor and economic growth for administrative hearings officers in excess of the amount expressly appropriated by this act for the administrative hearings officers unless funding is transferred into this line under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Judicial data warehouse; use by department employees.

Sec. 504. Of the funds appropriated in part 1, \$50,000.00 is appropriated to provide an interdepartmental grant to the judiciary for use of the judicial data warehouse by department employees.

Training custody staff; mental health awareness training.

Sec. 505. The department shall train all custody staff in effective and safe ways of handling prisoners with mental illness and referring prisoners to mental health treatment programs. Mental health awareness training shall be incorporated into the training of new custody staff.

FIELD OPERATIONS ADMINISTRATION**Caseload audit of field agents.**

Sec. 601. From the funds appropriated in part 1, the department shall conduct a statewide caseload audit of field agents. The audit shall address public protection issues and assess the ability of the field agents to complete their professional duties. The results of the audit shall be submitted to the senate and house appropriations subcommittees on corrections and the senate and house fiscal agencies, and the state budget office by February 15, 2009.

Community service work program.

Sec. 602. (1) Of the amount appropriated in part 1 for field operations, a sufficient amount shall be allocated for the community service work program and shall be used for salaries and wages and fringe benefit costs of community service coordinators employed by the department to supervise offenders participating in work crew assignments. Funds shall also be used to cover motor transport division rates on state vehicles used to transport offenders to community service work project sites.

(2) The community service work program shall provide offenders with community service work of tangible benefit to a community while fulfilling court-ordered community service work sanctions and other postconviction obligations.

(3) As used in this section, "community service work" means work performed by an offender in an unpaid position with a nonprofit or tax-supported or government agency for a specified number of hours of work or service within a given time period.

Electronic tether program; reimbursement by prisoner, probationers, and parolees; implementation of community tether program; distribution of tether units; payment of fee by county.

Sec. 603. (1) All prisoners, probationers, and parolees involved with the electronic tether program shall reimburse the department for costs associated with their participation in the

program. The department may require community service work reimbursement as a means of payment for those able-bodied individuals unable to pay for the costs of the equipment.

(2) Program participant contributions and local community tether program reimbursement for the electronic tether program appropriated in part 1 are related to program expenditures and may be used to offset expenditures for this purpose.

(3) Included in the appropriation in part 1 is adequate funding to implement the community tether program to be administered by the department. The community tether program is intended to provide sentencing judges and county sheriffs in coordination with local community corrections advisory boards access to the state's electronic tether program to reduce prison admissions and improve local jail utilization. The department shall determine the appropriate distribution of the tether units throughout the state based upon locally developed comprehensive corrections plans under the community corrections act, 1988 PA 511, MCL 791.401 to 791.414.

(4) For a fee determined by the department, the department shall provide counties with the tether equipment, replacement parts, administrative oversight of the equipment's operation, notification of violators, and periodic reports regarding county program participants. Counties are responsible for tether equipment installation and service. For an additional fee as determined by the department, the department shall provide staff to install and service the equipment. Counties are responsible for the coordination and apprehension of program violators.

(5) Any county with tether charges outstanding over 60 days shall be considered in violation of the community tether program agreement and lose access to the program.

Community-placement prisoners and parolees; reimbursement requirements.

Sec. 604. Community-placement prisoners and parolees shall reimburse the department for the total costs of the program. As an alternative method of payment, the department may develop a community service work schedule for those individuals unable to meet reimbursement requirements established by the department.

Sec. 605. (1) Of the funds appropriated in part 1, \$980,000.00 is appropriated to provide an interdepartmental grant to the judiciary. The funds shall be utilized by the state court administrative office to administer a pilot program targeting nondangerous offenders who are at significant risk of committing additional crimes. The pilot program shall include assessment, treatment, and accountability, with the goal of reducing expenditures for long-term incarceration.

(2) The department shall participate in the pilot program described in subsection (1). The circuit judge assigned to each pilot project site shall select 1 or more circuit court probation officers to supervise the caseload of the circuit court project. Although the probation officer shall remain an employee of the department, he or she shall report directly to the circuit judge.

(3) The Michigan judicial institute shall provide appropriate training for all personnel involved in the pilot program described in this section.

Contact by parolees and probationers with parole or probation agents; procedures.

Sec. 606. It is the intent of the legislature that the department shall ensure that parolees and probationers may timely contact their parole or probation agents and maintain procedures that preclude any necessity for an offender to have access to an agent's home telephone number or other personal information pertaining to the agent.

Compiler's note: The shaded text was vetoed by the Governor, whose veto message appears in this volume under the heading "Vetoed."

Parole or probation agent supervisors and agent managers; study of ability to carry caseload in addition to other duties; report.

Sec. 607. By March 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on a statewide workload study of parole or probation agent supervisors and parole or probation agent managers. The study shall assess the ability of the supervisors and managers to carry a caseload of parolees, probationers, or both, in addition to completing their professional duties as supervisors and managers.

GPS electronic monitoring; use; report.

Sec. 608. By April 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the use of GPS electronic monitoring. At a minimum, the report shall include all of the following:

(a) Details on the failure rate of parolees for whom GPS tether is utilized, including the number and rate of parolee technical violations, including specifying failures due to committing a new crime that is uncharged but leads to parole termination, and the number and rate of parolee violators with new sentences.

(b) Information on the factors considered in determining whether an offender is placed on active GPS tether, passive GPS tether, radio frequency tether, or some combination of these or other types of electronic monitoring.

(c) Monthly data on the number of offenders on active GPS tether, passive GPS tether, radio frequency tether, and any other type of tether.

Kiosk reporting stations; use; report.

Sec. 609. By April 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the use of kiosk reporting stations. At a minimum, the report shall include all of the following:

(a) Factors considered in determining whether an offender is assigned to report at a kiosk.

(b) Information on the location, costs, safety features, and other features of kiosks used for offender reporting.

(c) Information on pilot program outcome measures.

(d) An evaluation of the kiosk reporting pilot program, including any need for improvement and an assessment of the potential for expanded use of kiosk reporting stations.

Community re-entry program, electronic tether program, and special alternative to incarceration program; reports.

Sec. 611. The department shall prepare by April 1, 2009 individual reports for the community re-entry program, the electronic tether program, and the special alternative to incarceration program. The reports shall be submitted to the house and senate appropriations subcommittees on corrections, the house and senate fiscal agencies, and the state budget director. Each program's report shall include information on all of the following:

(a) Monthly new participants by type of offender. Community re-entry program participants shall be categorized by reason for placement. For technical rule violators, the report shall sort offenders by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.

(b) Monthly participant unsuccessful terminations, including cause.

- (c) Number of successful terminations.
- (d) End month population by facility/program.
- (e) Average length of placement.
- (f) Return to prison statistics.
- (g) Description of each program location or locations, capacity, and staffing.
- (h) Sentencing guideline scores and actual sentence statistics for participants, if applicable.
- (i) Comparison with prior year statistics.
- (j) Analysis of the impact on prison admissions and jail utilization and the cost effectiveness of the program.

Technical probation or parole violations; alternatives to prison; policy proposals; reports.

Sec. 612. (1) The department shall review and revise as necessary policy proposals that provide alternatives to prison for offenders being sentenced to prison as a result of technical probation violations and technical parole violations. To the extent the department has insufficient policies or resources to affect the continued increase in prison commitments among these offender populations, the department shall explore other policy options to allow for program alternatives, including department or OCC-funded programs, local level programs, and programs available through private agencies that may be used as prison alternatives for these offenders.

(2) To the extent policies or programs described in subsection (1) are used, developed, or contracted for, the department may request that funds appropriated in part 1 be transferred under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for their operation.

(3) The department shall continue to utilize parole violator processing guidelines that require parole agents to utilize all available appropriate community-based, nonincarcerative postrelease sanctions and services when appropriate. The department shall periodically evaluate such guidelines for modification, in response to emerging information from the pilot projects for substance abuse treatment provided under this act and applicable provisions of prior budget acts for the department.

(4) The department shall provide monthly reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the number of all parolees returned to prison and probationers sentenced to prison for either a technical violation or new sentence during the preceding calendar quarter. The reports shall include the following information each for probationers, parolees after their first parole, and parolees who have been paroled more than once:

(a) The numbers of parole and probation violators returned to or sent to prison for a new crime with a comparison of original versus new offenses by major offense type: assaultive, nonassaultive, drug, and sex.

(b) The numbers of parole and probation violators returned to or sent to prison for a technical violation and the type of violation, including, but not limited to, zero gun tolerance and substance abuse violations. For parole technical rule violators, the report shall list violations by type, by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.

(c) The educational history of those offenders, including how many had a GED or high school diploma prior to incarceration in prison, how many received a GED while in prison, and how many received a vocational certificate while in prison.

(d) The number of offenders who participated in the MPRI versus the number of those who did not.

(e) The unduplicated number of offenders who participated in substance abuse treatment programs, mental health treatment programs, or both, while in prison, itemized by diagnosis.

CONSENT DECREES

Consent decree funding; separate control accounts.

Sec. 701. Funding appropriated in part 1 for consent decree line items is appropriated into separate control accounts created for each line item. Funding in each control account shall be distributed as necessary into separate accounts created for the purpose of separately identifying costs and expenditures associated with each consent decree.

HEALTH CARE

Prisoner sex change.

Sec. 801. The department shall not expend funds appropriated under part 1 for any surgery, procedure, or treatment to provide or maintain a prisoner's sex change unless it is determined medically necessary by the chief medical officer of the department.

Prisoner health and mental health care; reports.

Sec. 802. (1) As a condition of expenditure of the funds appropriated in part 1, the department shall provide the senate and house of representatives appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with all of the following:

(a) Quarterly reports on physical and mental health care detailing the average number of days between a prisoner's diagnosis and commencement of treatment for that diagnosis, quarterly and fiscal year-to-date expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and projected year-end expenditures from accounts for prisoner health care, mental health care, pharmaceutical services, and durable medical equipment.

(b) Regular updates on progress on requests for proposals and requests for information pertaining to prisoner health care and mental health care, until the applicable contract is approved.

(2) It is the intent of the legislature that, in the interest of providing the most efficient and cost-effective delivery of health care, local health care providers shall be considered and given the opportunity to competitively bid as vendors under future managed care contracts.

Prisoner health care utilization; report.

Sec. 804. (1) The department shall report quarterly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on prisoner health care utilization. The report shall include the number of inpatient hospital days, outpatient visits, and emergency room visits in the previous quarter and since October 1, 2008, by facility.

(2) By April 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on prisoners receiving off-site inpatient medical care that would have received care in a state correctional facility if beds were available. The report shall include the number of prisoners receiving off-site inpatient medical care and average length of stay in an off-site facility during the period they would have received care in a state correctional facility if beds were available, by month and correctional facilities administration region.

Hepatitis C and HIV prevention; dissemination of information to prisoners.

Sec. 805. The bureau of health care services shall develop information on Hepatitis C and HIV prevention and the risks associated with exposure to Hepatitis C and HIV. The health care providers shall disseminate this information verbally and in writing to each prisoner at the health screening and full health appraisal conducted at admissions, at the annual health care screening 30 days before or after a prisoner's birthday, and prior to release to the community by parole, transfer to community residential placement, or discharge on the maximum sentence.

Hepatitis C and HIV; testing requirements.

Sec. 806. (1) From the funds appropriated in part 1, the department shall require a Hepatitis C antibody test and an HIV test for each prisoner prior to release to the community by parole, transfer to community residential placement, or discharge on the maximum sentence. The department shall require an HIV test and a Hepatitis C risk factor screening for each prisoner at the health screening at admissions. If Hepatitis C risk factors are identified, the department shall offer the prisoner a Hepatitis C antibody test. An explanation of results of the tests shall be provided confidentially to the prisoner, and if appropriate based on the test results, the prisoner shall also be provided a recommendation to seek follow-up medical attention.

(2) By March 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the number of offenders tested and the number of offenders testing positive for HIV, the Hepatitis C antibody, or both at prison admission and parole, transfer to community residential placement, or discharge on the maximum sentence. The department shall keep records of those offenders testing positive for HIV, the Hepatitis C antibody, or both at prison admission, parole, transfer to community residential placement, and discharge. These records shall clearly state the date each test was performed.

(3) As a condition of expenditure of the funds appropriated in part 1, the department shall keep records of the following:

(a) The number of offenders testing positive for the Hepatitis C antibody who do not receive treatment, by reason for not participating.

(b) The number of offenders achieving a sustained viral response from Hepatitis C treatment.

(c) Cost and duration of treatment by offender.

Transport of medication with transferred or released prisoner.

Sec. 807. The department shall ensure that all medications for a prisoner be transported with that prisoner when the prisoner is transferred from 1 correctional facility to another. Prisoners being released shall be provided with a supply of medication to allow for continuity of care in the community.

Clinic nurses; limitation on use of overtime.

Sec. 808. There are sufficient funds and FTEs appropriated in part 1 to provide a full complement of nurses for clinical complexes working regular pay hours, and it is the intent of the legislature that sufficient nurses be hired or retained to limit the use of overtime other-than-holiday pay.

Released prisoners who are HIV positive or positive for Hepatitis C antibody; data and information.

Sec. 809. The department, in conjunction with efforts to implement the MPRI, shall cooperate with the MDCH to share data and information as they relate to prisoners being released who are HIV positive or positive for the Hepatitis C antibody. By April 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on all of the following:

(a) Programs and the location of programs implemented as a result of the work under this section.

(b) The number of prisoners released to the community by parole, discharge on the maximum sentence, or transfer to community residential placement who are HIV positive, positive for the Hepatitis C antibody, or both.

(c) The number of offenders successfully referred to the local public health department, by county.

Bureau of health care services quality assurance report.

Sec. 811. The department shall provide to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director a copy of the bureau of health care services quality assurance report not more than 1 week after its completion, but not later than September 30, 2009. The report shall include recommendations for quality improvements and a plan to implement those recommendations.

Prisoners eligible for Medicaid benefits upon release.

Sec. 812. (1) It is the intent of the legislature that the department continue to provide the department of human services with a monthly list of prisoners newly committed to the department of corrections. The department and the department of human services shall enter into an interagency agreement under which the department of human services provides the department of corrections with monthly lists of newly committed prisoners who are eligible for Medicaid benefits. The department shall assist prisoners who may be eligible for Medicaid benefits after release from prison with the Medicaid enrollment process prior to release from prison.

(2) The department shall provide the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with regular updates on the utilization of Medicaid benefits for prisoners.

CORRECTIONAL FACILITIES ADMINISTRATION**Conversion of facilities and camps to tobacco-free status.**

Sec. 901. (1) The department shall make all department facilities and camps tobacco-free no later than March 1, 2009.

(2) By September 30, 2009, the department shall provide to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state

budget director a report on the impact of converting all facilities to tobacco-free status. At a minimum, the report shall include details on the department's efforts to provide tobacco cessation programs for prisoners and staff, and the impact on institutional safety and security of making all facilities tobacco-free.

Pilot children's visitation program.

Sec. 902. From the funds appropriated in part 1, the department shall allocate sufficient funds to develop a pilot children's visitation program. The pilot program shall teach parenting skills and arrange for day visitation at these facilities for parents and their children, except for the families of prisoners convicted of a crime involving criminal sexual conduct in which the victim was less than 18 years of age or involving child abuse.

Prisoner access to Internet; limitation.

Sec. 903. Except as otherwise provided in this section, the department shall prohibit prisoners' access to or use of the Internet or any similar system. Under adequate supervision and with security precautions that ensure appropriate computer use by prisoners, the department may allow a prisoner access to or use of the Internet for the purposes of educational programming, employment training, job searches, or other Internet-based programs and services consistent with programming objectives, efficient operations, and the safety and security of the institution.

Receipt of Hepatitis B vaccination by employee.

Sec. 904. Any department employee who, in the course of his or her job, is determined by a physician to have had a potential exposure to the Hepatitis B virus, shall receive a Hepatitis B vaccination upon request.

Inmate housing fund; use.

Sec. 905. (1) The inmate housing fund shall be used for the custody, treatment, clinical, and administrative costs associated with the housing of prisoners other than those specifically budgeted for elsewhere in this act. Funding in the inmate housing fund is appropriated into a separate control account. Funding in the control account shall be distributed as necessary into separate accounts created to separately identify costs for specific purposes.

(2) Quarterly reports on all expenditures from the inmate housing fund shall be submitted by the department to the state budget director, the senate and house appropriations subcommittees on corrections, and the senate and house fiscal agencies.

Public work services provided by special alternative incarceration participants and prisoners.

Sec. 906. (1) The department shall establish a uniform rate to be paid by public and private agencies that benefit from public work services provided by special alternative incarceration participants and prisoners.

(2) It is the intent of the legislature that to the degree consistent with public safety and the safety and security of the institutions, public works projects be continued at the level provided in 2006 PA 331.

(3) It is the intent of the legislature that public works fees be revised to halve the rates in effect on September 30, 2008.

(4) The department shall maintain a list of the number of prisoners available for public works crews at each department facility, and the number of prisoners necessary to fulfill current public works contracts at each department facility. The department shall place the list on a publicly accessible Internet site and update the list weekly.

Academic/vocational programs; report.

Sec. 907. The department shall report monthly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on academic/vocational programs. The report shall provide information relevant to an assessment of the department's academic and vocational programs, including, but not limited to, the following:

(a) The number of instructors and the number of instructor vacancies, by program and facility.

(b) The number of prisoners enrolled in each program, the number of prisoners completing each program, the number of prisoners who fail each program, the number of prisoners who do not complete each program and the reason for not completing the program, the number of prisoners transferred to another facility while enrolled in a program and the reason for transfer, the number of prisoners enrolled who are repeating the program by reason, and the number of prisoners on waiting lists for each program, all itemized by facility.

(c) The steps the department has undertaken to improve programs, track records, accommodate transfers and prisoners with health care needs, and reduce waiting lists.

(d) The number of prisoners not paroled at their earliest release date due to lack of a GED, and the reason the prisoners do not have their GED.

(e) The number of prisoners paroled without a GED.

(f) An explanation of the value and purpose of each program, e.g., to improve employability, reduce recidivism, reduce prisoner idleness, or some combination of these and other factors.

(g) An identification of program outcomes for each academic and vocational program.

(h) An explanation of the department's plans for academic and vocational programs.

Percent of offenders having high school diploma or GED; efficacy of department-provided general education and vocational education programs; report on recidivism rates.

Sec. 908. (1) By February 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director, the percent of offenders included in the prison population intake for fiscal years 2006-2007 and 2007-2008 who have a high school diploma or a GED.

(2) By February 1, 2009, the department shall provide the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with statistical reports on the efficacy of both department-provided prison general education and vocational education programs in reducing offender recidivism rates. At a minimum, the report should compare the recidivism rates of the following groups of offenders:

(a) Offenders who completed a GED while in prison and participated in the MPRI.

(b) Offenders who completed a GED while in prison but did not participate in the MPRI.

(c) Offenders who completed a vocational education program while in prison and participated in the MPRI.

(d) Offenders who completed a vocational education program while in prison but did not participate in the MPRI.

Certification rates among prisoners enrolled in GED programs.

Sec. 909. As a condition of expending funds appropriated for academic/vocational programs under part 1, the department shall by January 31, 2009 provide a plan to increase

certification rates among prisoners enrolled in GED programs at correctional facilities to the members of the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director. The plan shall include detailed information on certification rates for the most recent 5-year period, a comparison with prisoner certification rates in other states and a national average, and details on how the department plans to improve certification rates.

Michigan Braille transcribing fund program.

Sec. 910. The department shall allow the Michigan Braille transcribing fund program to operate at its current location. The donation of the building by the Michigan Braille transcribing fund at the G. Robert Cotton correctional facility in Jackson is acknowledged and appreciated. The department shall continue to encourage the Michigan Braille transcribing fund to produce high-quality materials for use by the visually impaired.

Maintaining safety and security of institution; number of correctional officers needed.

Sec. 911. (1) From the appropriations in part 1, the department shall ensure that all prisoner activities shall include the presence of a sufficient number of correctional officers needed to maintain the safety and security of the institution.

(2) By February 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director the number of critical incidents occurring each month by type and the number and severity of assaults occurring each month at each facility during calendar year 2008.

Ratio of correctional officers to prisoners.

Sec. 912. The department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director by April 1, 2009 on the ratio of correctional officers to prisoners for each correctional institution, the ratio of shift command staff to line custody staff, and the ratio of noncustody institutional staff to prisoners for each correctional institution.

Assaultive offender programs.

Sec. 913. The department shall develop and maintain a statewide waiting list for offenders referred for assessment for the assaultive offender program for parole eligibility and, if possible, shall transfer prisoners into facilities where assaultive offender programs are available in order to facilitate timely participation and completion prior to parole eligibility hearings. Nothing in this section should be deemed to make parole denial appealable in court.

Transporting of offenders.

Sec. 914. Funds appropriated in part 1 for transportation are appropriated for costs incurred by the department in transporting offenders. It is the intent of the legislature that costs of offender transportation be met through expenditure of the line item for transportation, and that any costs in excess of the amount expressly appropriated for transportation be met solely through transfers into that line item under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Prison food service.

Sec. 915. Funds appropriated in part 1 for prison food service are appropriated for costs incurred by the department in providing food to prisoners, to department employees as provided by collective bargaining agreements, and to governmental agencies as provided by

interagency agreements and contracts. It is the intent of the legislature that costs of prison food service be met through expenditure of the line item for prison food service, and that any costs in excess of the amount expressly appropriated for prison food service be met solely through transfers into that line item under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Changing offenders' behaviors, values, beliefs, and attitudes; pilot programs.

Sec. 917. From the funds appropriated in part 1, the department shall allocate sufficient funds to implement evidence-based pilot programs that change offenders' behaviors, values, beliefs, and attitudes toward victims and the community.

Offender transportation; bidding.

Sec. 918. Following receipt of an auditor general performance audit on offender transportation, the department, in conjunction with the department of management and budget, shall issue a request for information on the possible bidding of all offender transportation services. State employees shall be given the opportunity to respond to a request for information on offender transportation services. Any response to the request for information shall include an explanation of how savings of at least 5% over existing costs of offender transportation would be realized.

Prison food service; bidding.

Sec. 919. Following receipt of an auditor general performance audit on prison food service, the department, in conjunction with the department of management and budget, shall issue a request for information on the possible bidding of all prison food service. State employees shall be given the opportunity to respond to a request for information on prison food service. Any response to the request for information shall include an explanation of how savings of at least 5% over existing costs of prison food service would be realized.

Operation of garden or horticultural operation.

Sec. 920. The department shall make every effort to operate a garden or horticultural operation at each correctional facility, where practical, in order to provide food for correctional facilities and not-for-profit organizations.

Employment of prisoners in correctional facility.

Sec. 922. (1) It is the intent of the legislature that all prisoners work 40 hours per week in the correctional facility, as part of a public works crew or in private enterprise, or participate in vocational or training programs. Prisoners may be enrolled in GED or education programs in combination with employment. Prisoners not employed shall be enrolled in GED or other educational programs for not less than 20 hours per week. This section does not apply to prisoners classified in level V or administrative segregation.

(2) A prisoner who does not work his or her full assigned shift shall have his or her pay reduced accordingly for the time he or she did not work.

Education programming to targeted prisoners.

Sec. 923. The department shall cooperate with the department of education to evaluate the feasibility of local school districts providing education programming to targeted prisoners under the age of 20 who have not received a high school diploma. By June 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on any plans or evaluations developed under this section.

Substance abuse disorders, developmental disorders, and serious mental illness; evaluation of prisoners at intake.

Sec. 924. The department shall evaluate all prisoners at intake for substance abuse disorders, developmental disorders, and serious mental illness. Prisoners with serious mental illness shall not be confined in administrative segregation due to behavior that is symptomatic of serious mental illness. Under the supervision of a mental health professional, a prisoner with serious mental illness may be secluded in a therapeutic environment for the safety of the prisoner or others. A prisoner in seclusion shall be evaluated every 12 hours by a mental health professional in order to remain in seclusion. As used in this section:

(a) “Administrative segregation” means confinement for maintenance of order or discipline to a cell or room apart from accommodations provided for inmates who are participating in programs of the facility.

(b) “Serious mental illness” means that term as defined in section 100d(3) of the mental health code, 1974 PA 328, MCL 330.1100d.

Administrative segregation; number of prisoners; report.

Sec. 925. By March 1, 2009, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the number of prisoners in administrative segregation between October 1, 2003 and September 30, 2008, and the number of prisoners in administrative segregation between October 1, 2003 and September 30, 2008 who at any time during the current or prior prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation. As used in this section:

(a) “Administrative segregation” means confinement for maintenance of order or discipline to a cell or room apart from accommodations provided for inmates who are participating in programs of the facility.

(b) “Serious mental illness” means that term as defined in section 100d(3) of the mental health code, 1974 PA 328, MCL 330.1100d.

Items purchased by prisoners; surcharge.

Sec. 926. (1) Except as otherwise provided by this section, the department shall impose a 10% surcharge on all items purchased by prisoners in state facilities. The 10% surcharge shall be separate from and in addition to any other surcharge or mark-up imposed on goods purchased by prisoners before the effective date of this section; the department may continue to mark up items as necessary to meet costs, fulfill the assumptions of part 1 regarding resident store revenue, and support prisoner benefit funds at the same level that existed prior to the effective date of this section.

(2) The following items shall be exempt from the 10% surcharge imposed under subsection (1):

- (a) Mandatory health care products.
- (b) Over-the-counter personal care products.
- (c) Hygiene products.
- (d) Stationery.
- (e) Cosmetics.

(3) If the department enters into a contract or an interagency agreement for prison store operations, the department shall ensure that the contract or interagency agreement provides for prison store revenues sufficient to make available the amount of additional revenue that otherwise would have been generated under subsections (1) and (2).

(4) The department shall remit the total of the revenues generated or made available under this section quarterly to the state treasurer for deposit in the trooper recruit school fund created under section 819b of the Michigan vehicle code, 1949 PA 300, MCL 257.819. Funds generated under this section and designated for the trooper recruit school fund may be appropriated only for training new state police trooper recruits and may not be appropriated for any other purpose.

(5) The department shall increase the maximum amount, if any, of money or scrip that prisoners are allowed to spend, in accordance with this section.

(6) It is the intent of the legislature that the surcharge prescribed by this section be in effect for fiscal year 2008-2009 only, and that no such surcharge be imposed in succeeding fiscal years.

Placement of certain offenders in Woodland center and W.J. Maxey training school.

Sec. 927. It is the intent of the legislature that the department of corrections and the department of human services examine the potential of entering into an intergovernmental agreement to place up to 140 offenders less than 19 years of age who are committed to the department of corrections in the west wing of the Woodland center and in the Sequoyah center on the campus of the W.J. Maxey training school. The facilities shall be used to house offenders less than 19 years of age who are currently committed to the department of corrections.

This act is ordered to take immediate effect.

Approved July 18, 2008.

Filed with Secretary of State July 18, 2008.

[No. 246]

(SB 1094)

AN ACT to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2009; to provide for the expenditure of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Appropriations; department of community health.

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of community health for the fiscal year ending September 30,

2009, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF COMMUNITY HEALTH

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	4,602.7	
Average population.....	970.4	
GROSS APPROPRIATION		\$ 12,533,142,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		40,883,900
ADJUSTED GROSS APPROPRIATION		\$ 12,492,258,100
Federal revenues:		
Total federal revenues		7,225,985,400
Special revenue funds:		
Total local revenues.....		241,578,600
Total private revenues.....		66,686,800
Merit award trust fund.....		60,856,200
Total other state restricted revenues		1,801,622,200
State general fund/general purpose		\$ 3,095,528,900

Departmentwide administration.

Sec. 102. DEPARTMENTWIDE ADMINISTRATION

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	206.2	
Director and other unclassified—6.0 FTE positions		\$ 598,600
Departmental administration and management—		
171.2 FTE positions.....		21,862,900
Internal audit consolidation		759,000
Office of long-term care and supports and services—		
25.0 FTE positions.....		3,882,000
Worker's compensation program.....		8,911,000
Rent and building occupancy.....		10,535,000
Developmental disabilities council and projects—		
10.0 FTE positions.....		2,774,500
GROSS APPROPRIATION		\$ 49,323,000
Appropriated from:		
Federal revenues:		
Total federal revenues		15,418,800
Special revenue funds:		
Total private revenues.....		76,000
Total other state restricted revenues		3,242,700
State general fund/general purpose		\$ 30,585,500

Mental health/substance abuse services administration and special projects.

Sec. 103. MENTAL HEALTH/SUBSTANCE ABUSE

SERVICES ADMINISTRATION AND SPECIAL PROJECTS

Full-time equated classified positions	109.0	
Mental health/substance abuse program administration—		
108.0 FTE positions.....		\$ 13,260,000
Consumer involvement program		189,100
Gambling addiction—1.0 FTE position.....		3,000,000
Protection and advocacy services support.....		777,400

	For Fiscal Year Ending Sept. 30, 2009
Mental health initiatives for older persons	\$ 1,291,200
Community residential and support services	2,514,600
Highway safety projects	400,000
Federal and other special projects	3,547,200
Family support subsidy	18,599,200
Housing and support services	9,306,800
GROSS APPROPRIATION	\$ 52,885,500
Federal revenues:	
Total federal revenues	35,041,800
Special revenue funds:	
Total private revenues	190,000
Total other state restricted revenues	3,000,000
State general fund/general purpose	\$ 14,653,700

Community mental health/substance abuse services programs.

Sec. 104. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

Full-time equated classified positions	9.5
Medicaid mental health services	\$ 1,770,427,200
Community mental health non-Medicaid services	322,027,700
Medicaid adult benefits waiver	40,000,000
Multicultural services	6,823,800
Medicaid substance abuse services	36,212,700
Respite services	1,000,000
CMHSP, purchase of state services contracts	134,480,900
Civil service charges	1,499,300
Federal mental health block grant—2.5 FTE positions	15,368,300
State disability assistance program substance abuse services	2,509,800
Community substance abuse prevention, education, and treatment programs	84,968,000
Children’s waiver home care program	19,549,800
Nursing home PAS/ARR-OBRA—7.0 FTE positions	12,150,400
Children with serious emotional disturbance waiver	570,000
Mental health court pilot programs	1,126,900
GROSS APPROPRIATION	\$ 2,448,714,800
Appropriated from:	
Federal revenues:	
Total federal revenues	\$ 1,220,655,200
Special revenue funds:	
Total local revenues	25,228,900
Total other state restricted revenues	100,850,200
State general fund/general purpose	\$ 1,101,980,500

State psychiatric hospitals, centers for persons with developmental disabilities, and forensic and prison mental health services.

Sec. 105. STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES

Total average population	970.4
Full-time equated classified positions	2,818.7

	For Fiscal Year Ending Sept. 30, 2009
Caro regional mental health center - psychiatric hospital - adult— 404.0 FTE positions.....	\$ 44,236,200
Average population.....	158.0
Kalamazoo psychiatric hospital - adult—431.5 FTE positions	42,646,000
Average population.....	167.6
Walter P. Reuther psychiatric hospital - adult— 444.2 FTE positions.....	45,533,500
Average population.....	238.8
Hawthorn center - psychiatric hospital - children and adolescents— 250.8 FTE positions.....	22,749,700
Average population.....	78.6
Mount Pleasant center - developmental disabilities— 393.3 FTE positions.....	43,198,700
Average population.....	117.4
Center for forensic psychiatry—578.6 FTE positions	60,386,000
Average population.....	210.0
Forensic mental health services provided to the department of corrections—316.3 FTE positions	39,344,800
Revenue recapture	750,000
IDEA, federal special education	120,000
Special maintenance and equipment	335,300
Purchase of medical services for residents of hospitals and centers..	1,045,600
Closed site, transition, and related costs.....	100
Severance pay	216,900
Gifts and bequests for patient living and treatment environment....	1,000,000
GROSS APPROPRIATION	\$ 301,562,800
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of corrections.....	39,344,800
Federal revenues:	
Total federal revenues	38,400,900
Special revenue funds:	
CMHSP, purchase of state services contracts.....	134,605,300
Other local revenues	16,811,700
Total private revenues.....	1,000,000
Total other state restricted revenues	14,736,500
State general fund/general purpose	\$ 56,663,600

Public health administration.

Sec. 106. PUBLIC HEALTH ADMINISTRATION

Full-time equated classified positions.....	99.7
Public health administration—8.3 FTE positions.....	\$ 2,212,300
Minority health grants and contracts—3.0 FTE positions	1,493,200
Promotion of healthy behaviors	1,700,000
Vital records and health statistics—88.4 FTE positions	11,199,800
GROSS APPROPRIATION	\$ 16,605,300
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of human services...	981,600

For Fiscal Year
Ending Sept. 30,
2009

Federal revenues:	
Total federal revenues	\$ 6,018,400
Special revenue funds:	
Total private revenues	2,000,000
Total other state restricted revenues	6,001,100
State general fund/general purpose	\$ 1,604,200

Health policy, regulation, and professions.

Sec. 107. HEALTH POLICY, REGULATION, AND

PROFESSIONS

Full-time equated classified positions	403.6	
Health systems administration—193.6 FTE positions		\$ 22,949,700
Emergency medical services program state staff—		
8.5 FTE positions.....		1,476,100
Radiological health administration—21.4 FTE positions		2,747,100
Emergency medical services grants and services		660,000
Health professions—130.0 FTE positions		23,507,700
Background check program—5.5 FTE positions		3,956,400
Health policy, regulation, and professions administration—		
25.2 FTE positions.....		2,944,400
Nurse scholarship, education, and research program—		
3.0 FTE positions.....		990,900
Certificate of need program administration—14.0 FTE positions ...		1,775,100
Rural health services—1.0 FTE position		1,404,400
Michigan essential health provider.....		1,952,100
Primary care services—1.4 FTE positions		4,241,700
GROSS APPROPRIATION		\$ 68,605,600

Appropriated from:

Interdepartmental grant revenues:	
Interdepartmental grant from the department of treasury, Michigan state hospital finance authority.....	116,300
Federal revenues:	
Total federal revenues	26,015,300
Special revenue funds:	
Total local revenues.....	227,700
Total private revenues.....	455,000
Total other state restricted revenues	33,762,800
State general fund/general purpose	\$ 8,028,500

Infectious disease control.

Sec. 108. INFECTIOUS DISEASE CONTROL

Full-time equated classified positions	51.7	
AIDS prevention, testing, and care programs—		
12.7 FTE positions.....		\$ 38,468,200
Immunization local agreements		13,990,300
Immunization program management and field support—		
15.0 FTE positions.....		2,008,200
Pediatric AIDS prevention and control—1.0 FTE position		1,225,200
Sexually transmitted disease control local agreements.....		3,910,700

For Fiscal Year
Ending Sept. 30,
2009

Sexually transmitted disease control management and field support—23.0 FTE positions.....	\$	3,886,200
GROSS APPROPRIATION	\$	63,488,800
Appropriated from:		
Federal revenues:		
Total federal revenues		42,077,900
Special revenue funds:		
Total private revenues.....		7,997,900
Total other state restricted revenues		7,834,200
State general fund/general purpose	\$	5,578,800

Laboratory services.

Sec. 109. LABORATORY SERVICES

Full-time equated classified positions.....	123.0	
Bovine tuberculosis—1.0 FTE position.....	\$	200,400
Laboratory services—122.0 FTE positions		19,185,400
GROSS APPROPRIATION	\$	19,385,800
Appropriated from:		
Interdepartmental grant revenues:		
Interdepartmental grant from the department of environmental quality		441,200
Federal revenues:		
Total federal revenues		2,799,400
Special revenue funds:		
Total other state restricted revenues		8,343,200
State general fund/general purpose	\$	7,802,000

Epidemiology.

Sec. 110. EPIDEMIOLOGY

Full-time equated classified positions.....	129.4	
AIDS surveillance and prevention program.....	\$	2,254,100
Asthma prevention and control—2.6 FTE positions.....		1,065,100
Bioterrorism preparedness—68.6 FTE positions		49,292,100
Epidemiology administration—41.7 FTE positions.....		7,103,500
Lead abatement program—7.0 FTE positions.....		2,177,800
Methamphetamine cleanup fund		100,000
Newborn screening follow-up and treatment services— 9.5 FTE positions.....		4,534,500
Tuberculosis control and prevention		867,000
GROSS APPROPRIATION	\$	67,394,100
Appropriated from:		
Federal revenues:		
Total federal revenues		59,411,300
Special revenue funds:		
Total local revenues.....		500,000
Total private revenues.....		25,000
Total other state restricted revenues		4,996,900
State general fund/general purpose	\$	2,460,900

For Fiscal Year
Ending Sept. 30,
2009

Local health administration and grants.

Sec. 111. LOCAL HEALTH ADMINISTRATION AND

GRANTS

Implementation of 1993 PA 133, MCL 333.17015	\$	50,000
Local health services.....		220,000
Local public health operations.....		40,618,400
Medicaid outreach cost reimbursement to local health departments ..		9,000,000
GROSS APPROPRIATION	\$	49,888,400
Appropriated from:		
Federal revenues:		
Total federal revenues		9,000,000
Special revenue funds:		
Total local revenues.....		5,150,000
Total other state restricted revenues		220,000
State general fund/general purpose	\$	35,518,400

Chronic disease and injury prevention and health promotion.

Sec. 112. CHRONIC DISEASE AND INJURY

PREVENTION AND HEALTH PROMOTION

Full-time equated classified positions.....	70.3	
African-American male health initiative		\$ 106,700
AIDS and risk reduction clearinghouse and media campaign.....		1,351,000
Alzheimer's information network.....		389,500
Cancer prevention and control program—12.0 FTE positions		15,188,500
Chronic disease prevention—22.7 FTE positions.....		5,683,200
Diabetes and kidney program—12.2 FTE positions		4,002,200
Health education, promotion, and research programs— 6.5 FTE positions.....		812,500
Injury control intervention project		404,500
Michigan Parkinson's foundation		50,000
Morris Hood Wayne State University diabetes outreach		400,000
Physical fitness, nutrition, and health.....		700,000
Public health traffic safety coordination—1.0 FTE position		356,400
Smoking prevention program—14.0 FTE positions.....		5,724,500
Tobacco tax collection and enforcement		610,000
Violence prevention—1.9 FTE positions.....		1,889,800
GROSS APPROPRIATION	\$	37,668,800
Appropriated from:		
Federal revenues:		
Total federal revenues		21,309,500
Special revenue funds:		
Total private revenues.....		146,600
Total other state restricted revenues		13,900,500
State general fund/general purpose	\$	2,312,200

Family, maternal, and children's health services.

Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S

HEALTH SERVICES

Full-time equated classified positions.....	52.3	
Childhood lead program—6.0 FTE positions		\$ 2,557,500

	For Fiscal Year Ending Sept. 30, 2009
Dental programs	\$ 485,400
Dental program for persons with developmental disabilities.....	151,000
Early childhood collaborative secondary prevention	524,000
Family, maternal, and children’s health services administration— 40.6 FTE positions.....	5,177,400
Family planning local agreements.....	9,793,800
Local MCH services	7,264,200
Migrant health care.....	272,200
Pregnancy prevention program.....	5,235,400
Prenatal care outreach and service delivery support.....	3,049,300
School health and education programs	500,000
Special projects—5.7 FTE positions	4,017,100
Sudden infant death syndrome program.....	321,300
GROSS APPROPRIATION	\$ 39,348,600
Appropriated from:	
Federal revenues:	
Total federal revenues	25,976,600
Special revenue funds:	
Total local revenues.....	75,000
Total other state restricted revenues	8,037,500
State general fund/general purpose	\$ 5,259,500

Women, infants, and children food and nutrition program.

Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD

AND NUTRITION PROGRAM

Full-time equated classified positions	43.0
Women, infants, and children program administration and special projects—43.0 FTE positions	\$ 8,955,100
Women, infants, and children program local agreements and food costs.....	201,845,500
GROSS APPROPRIATION	\$ 210,800,600
Appropriated from:	
Federal revenues:	
Total federal revenues	157,556,300
Special revenue funds:	
Total private revenues.....	53,244,300
State general fund/general purpose	\$ 0

Children’s special health care services.

Sec. 115. CHILDREN’S SPECIAL HEALTH CARE

SERVICES

Full-time equated classified positions	47.8
Children’s special health care services administration— 47.8 FTE positions.....	\$ 4,540,100
Amputee program.....	184,600
Bequests for care and services.....	1,514,600
Outreach and advocacy	3,773,500
Non-emergency medical transportation	1,492,200

	For Fiscal Year Ending Sept. 30, 2009
Medical care and treatment	\$ 193,754,200
GROSS APPROPRIATION	\$ 205,259,200
Appropriated from:	
Federal revenues:	
Total federal revenues	102,085,400
Special revenue funds:	
Total private revenues	1,000,000
Total other state restricted revenues	2,295,300
State general fund/general purpose	\$ 99,878,500

Office of drug control policy.

Sec. 116. OFFICE OF DRUG CONTROL POLICY

Full-time equated classified positions	15.0
Drug control policy—15.0 FTE positions	\$ 1,754,300
Anti-drug abuse grants	8,575,000
Interdepartmental grant to judiciary for drug treatment courts.....	1,800,000
GROSS APPROPRIATION	\$ 12,129,300
Appropriated from:	
Federal revenues:	
Total federal revenues	11,747,000
State general fund/general purpose	\$ 382,300

Crime victim services commission.

Sec. 117. CRIME VICTIM SERVICES COMMISSION

Full-time equated classified positions	10.0
Grants administration services—10.0 FTE positions	\$ 1,395,000
Justice assistance grants	13,000,000
Crime victim rights services grants.....	11,000,000
Crime victim's rights fund revenue to Michigan state police.....	1,030,400
Crime victim's rights fund revenue to department of human services	1,300,000
GROSS APPROPRIATION	\$ 27,725,400
Appropriated from:	
Federal revenues:	
Total federal revenues	15,050,500
Special revenue funds:	
Total other state restricted revenues	12,674,900
State general fund/general purpose	\$ 0

Office of services to the aging.

Sec. 118. OFFICE OF SERVICES TO THE AGING

Full-time equated classified positions	36.5
Commission (per diem \$50.00).....	\$ 10,500
Office of services to aging administration—36.5 FTE positions.....	5,363,400
Community services	36,104,200
Nutrition services	37,922,500
Foster grandparent volunteer program	2,813,500

	For Fiscal Year Ending Sept. 30, 2009
Retired and senior volunteer program	\$ 790,200
Senior companion volunteer program	2,021,200
Employment assistance	3,213,300
Senior olympics	100,000
Respite care program	6,800,000
GROSS APPROPRIATION	\$ 95,138,800
Appropriated from:	
Federal revenues:	
Total federal revenues	53,414,800
Special revenue funds:	
Total private revenues	152,000
Merit award trust fund	5,000,000
Total other state restricted revenues	1,967,000
State general fund/general purpose	\$ 34,605,000

Michigan first healthcare plan.

Sec. 119. MICHIGAN FIRST HEALTHCARE PLAN

Michigan first healthcare plan	\$ 100,000,000
GROSS APPROPRIATION	\$ 100,000,000
Appropriated from:	
Federal revenues:	
Total federal revenues	\$ 100,000,000
State general fund/general purpose	\$ 0

Medical services administration.

Sec. 120. MEDICAL SERVICES ADMINISTRATION

Full-time equated classified positions	377.0
Medical services administration—377.0 FTE positions	\$ 62,269,900
Facility inspection contract	132,800
MICchild administration	4,327,800
Health information technology initiatives	5,000,000
GROSS APPROPRIATION	\$ 71,730,500
Appropriated from:	
Federal revenues:	
Total federal revenues	46,330,200
Total local revenues	5,000
Total other state restricted revenues	95,000
State general fund/general purpose	\$ 25,300,300

Medical services.

Sec. 121. MEDICAL SERVICES

Hospital services and therapy	\$ 1,150,208,800
Hospital disproportionate share payments	50,000,000
Physician services	256,478,800
Medicare premium payments	341,121,700
Pharmaceutical services	241,659,100

	For Fiscal Year Ending Sept. 30, 2009
Home health services.....	\$ 5,758,200
Hospice services.....	99,398,100
Transportation.....	10,169,300
Auxiliary medical services.....	9,668,600
Dental services.....	123,558,000
Ambulance services.....	22,760,100
Long-term care services.....	1,524,066,200
Medicaid home- and community-based services waiver.....	152,424,900
Adult home help services.....	258,789,300
Personal care services.....	19,247,500
Program of all-inclusive care for the elderly.....	15,250,000
Single point of entry.....	14,724,200
Health plan services.....	3,490,211,100
MIChild program.....	32,535,400
Plan first family planning waiver.....	5,785,500
Medicaid adult benefits waiver.....	134,837,900
County indigent care and third share plans.....	88,518,500
Federal Medicare pharmaceutical program.....	178,055,800
Promotion of healthy behavior waiver.....	10,000,000
Maternal and child health.....	20,279,500
Social services to the physically disabled.....	1,344,900
Subtotal basic medical services program.....	8,256,851,400
School-based services.....	89,201,000
Special Medicaid reimbursement.....	197,039,500
Subtotal special medical services payments.....	286,240,500
GROSS APPROPRIATION.....	\$ 8,543,091,900
Appropriated from:	
Federal revenues:	
Total federal revenues.....	5,200,877,700
Special revenue funds:	
Total local revenues.....	58,975,000
Total private revenues.....	400,000
Merit award trust fund.....	55,856,200
Total other state restricted revenues.....	1,576,062,300
State general fund/general purpose.....	\$ 1,650,920,700

Information technology.

Sec. 122. INFORMATION TECHNOLOGY

Information technology services and projects.....	\$ 35,593,700
Michigan Medicaid information system.....	16,801,100
GROSS APPROPRIATION.....	\$ 52,394,800
Appropriated from:	
Federal revenues:	
Total federal revenues.....	36,798,400
Special revenue funds:	
Total other state restricted revenues.....	3,602,100
State general fund/general purpose.....	\$ 11,994,300

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS**Total state spending; payments to local units of government.**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2008-2009 is \$4,958,007,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2008-2009 is \$1,275,247,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF COMMUNITY HEALTH

MENTAL HEALTH/SUBSTANCE ABUSE SERVICES

ADMINISTRATION AND SPECIAL PROJECTS

Community residential and support services	\$	387,300
Housing and support services		695,500
Mental health initiatives for older persons		1,049,200

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE

SERVICES PROGRAMS

State disability assistance program substance abuse services	\$	2,509,800
Community substance abuse prevention, education, and treatment programs		12,473,900
Medicaid mental health services		674,240,800
Community mental health non-Medicaid services		322,027,700
Medicaid adult benefits waiver		11,124,000
Multicultural services.....		6,823,800
Medicaid substance abuse services.....		14,390,800
Respite services		1,000,000
Children's waiver home care program.....		5,437,000
Nursing home PASARR.....		2,731,800

STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES

Center for forensic psychiatry	\$	290,300
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PUBLIC HEALTH ADMINISTRATION

Minority health grants and contracts	\$	100,000
Public health administration.....		12,000

HEALTH POLICY, REGULATION, AND PROFESSIONS

Primary care services	\$	88,900
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INFECTIOUS DISEASE CONTROL

AIDS prevention, testing, and care programs	\$	824,400
Immunization local agreements		375,700
Sexually transmitted disease control local agreements.....		421,800

EPIDEMIOLOGY	
Methamphetamine cleanup fund	\$ 100,000
LOCAL HEALTH ADMINISTRATION AND GRANTS	
Implementation of 1993 PA 133	\$ 5,300
Local public health operations.....	35,468,400
CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION	
Cancer prevention and control program	\$ 350,300
Diabetes and kidney program	313,100
Smoking prevention program.....	906,200
FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES	
Childhood lead program	\$ 240,300
Dental programs	25,000
Family planning local agreements.....	111,300
Local MCH services	184,600
Pregnancy prevention program	602,100
Prenatal care outreach and service delivery support.....	697,800
Special projects	657,500
CHILDREN'S SPECIAL HEALTH CARE SERVICES	
Medical care and treatment	\$ 618,000
Outreach and advocacy.....	1,283,200
MEDICAL SERVICES	
Dental services.....	\$ 2,035,500
Long-term care services.....	111,978,200
Transportation.....	2,799,600
Medicaid adult benefits waiver	9,664,700
Hospital services and therapy.....	6,278,600
Physician services.....	5,556,100
OFFICE OF SERVICES TO THE AGING	
Community services	\$ 15,044,000
Nutrition services.....	11,405,600
Foster grandparent volunteer program	496,700
Retired and senior volunteer program.....	188,000
Senior companion volunteer program.....	96,600
Respite care program	4,336,000
CRIME VICTIM SERVICES COMMISSION	
Crime victim rights services grants.....	\$ <u>6,800,000</u>
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT...	\$ 1,275,247,400

Appropriations subject to MCL 18.1101 to 18.1594; funds not subject to annual appropriation.

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

(2) Funds for which the state is acting as the custodian or agent are not subject to annual appropriation.

Definitions.

Sec. 203. As used in this act:

- (a) “AIDS” means acquired immunodeficiency syndrome.
- (b) “CMHSP” means a community mental health services program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.
- (c) “Department” means the Michigan department of community health.
- (d) “Director” means the director of the department.
- (e) “DSH” means disproportionate share hospital.
- (f) “EPSDT” means early and periodic screening, diagnosis, and treatment.
- (g) “Federal poverty level” means the poverty guidelines published annually in the federal register by the United States department of health and human services under its authority to revise the poverty line under 42 USC 9902.
- (h) “FTE” means full-time equated.
- (i) “GME” means graduate medical education.
- (j) “Health plan” means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department’s comprehensive health plan.
- (k) “HIV/AIDS” means human immunodeficiency virus/acquired immunodeficiency syndrome.
- (l) “HMO” means health maintenance organization.
- (m) “IDEA” means the individuals with disabilities education act, 20 USC 1400 to 1482.
- (n) “IDG” means interdepartmental grant.
- (o) “MCH” means maternal and child health.
- (p) “MICHild” means the program described in section 1670.
- (q) “MSS/ISS” means maternal and infant support services.
- (r) “PASARR” means the preadmission screening and annual resident review required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the social security act, 42 USC 1396r.
- (s) “PIHP” means a specialty prepaid inpatient health plan for Medicaid mental health services, services to persons with developmental disabilities, and substance abuse services as described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.
- (t) “Title XVIII” means title XVIII of the social security act, 42 USC 1395 to 1395hhh.
- (u) “Title XIX” means title XIX of the social security act, 42 USC 1396 to 1396v.
- (v) “Title XX” means title XX of the social security act, 42 USC 1397 to 1397f.
- (w) “WIC” means women, infants, and children supplemental nutrition program.

Billing by civil service commission.

Sec. 204. The civil service commission shall bill the department at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. The department shall pay the total amount of the billing by the end of the second fiscal quarter.

Hiring freeze; exceptions.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will render a state department or agency unable to deliver basic services, will cause loss of revenue to the state, will result in the inability of the state to receive federal funds, or will necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Contingency funds.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Reporting requirements; use of Internet.

Sec. 208. The department shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on the Internet or Intranet site.

Purchase of goods or services; preference.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans if they are competitively priced and of comparable quality.

Contracts to provide services or supplies; businesses in deprived and depressed communities.

Sec. 210. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies,

or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Carrying forward revenue from fees and collections; report.

Sec. 211. (1) If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward with the approval of the state budget director into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

(2) The department shall provide a report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the balance of each of the restricted funds administered by the department as of September 30 of the current fiscal year.

Federal maternal and child health block grant, preventive health and health services block grant, substance abuse block grant, healthy Michigan fund, and Michigan health initiative funds; amounts; reports; revenue source detail.

Sec. 212. (1) From the amounts appropriated in part 1, no greater than the following amounts are supported with federal maternal and child health block grant, preventive health and health services block grant, substance abuse block grant, healthy Michigan fund, and Michigan health initiative funds:

(a) Maternal and child health block grant.....	\$	19,953,100
(b) Preventive health and health services block grant.....		4,028,700
(c) Substance abuse block grant		60,627,400
(d) Healthy Michigan fund		41,827,600
(e) Michigan health initiative.....		9,100,000

(2) On or before February 1 of the current fiscal year, the department shall report to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the detailed name and amounts of federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1 of this act.

(3) Upon the release of the fiscal year 2009-2010 executive budget recommendation, the department shall report to the same parties in subsection (2) on the amounts and detailed sources of federal, restricted, private, and local revenue proposed to support the total funds appropriated in each of the line items in part 1 of the fiscal year 2009-2010 executive budget proposal.

(4) The department shall provide to the same parties in subsection (2) all revenue source detail for consolidated revenue line item detail upon request to the department.

State departments, agencies, and commissions receiving tobacco tax funds and healthy Michigan funds; report.

Sec. 213. The state departments, agencies, and commissions receiving tobacco tax funds and healthy Michigan funds from part 1 shall report by April 1 of the current fiscal year to the senate and house of representatives appropriations committees, the senate and house fiscal agencies, and the state budget director on the following:

(a) Detailed spending plan by appropriation line item including description of programs and a summary of organizations receiving these funds.

(b) Description of allocations or bid processes including need or demand indicators used to determine allocations.

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

(d) Outcome measures used to evaluate programs, including measures of the effectiveness of these programs in improving the health of Michigan residents.

(e) Any other information considered necessary by the house of representatives or senate appropriations committees or the state budget director.

State-restricted tobacco tax revenue; use for certain lobbying prohibited.

Sec. 214. The use of state-restricted tobacco tax revenue received for the purpose of tobacco prevention, education, and reduction efforts and deposited in the healthy Michigan fund shall not be used for lobbying as defined in section 5 of 1978 PA 472, MCL 4.415, and shall not be used in attempting to influence the decisions of the legislature, the governor, or any state agency.

Policy changes; rules having disproportionate economic impact on small businesses; definitions.

Sec. 215. (1) The department shall report to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies by no later than April 1, 2009 on each specific policy change made by the department to implement a public act affecting that department that took effect during the preceding calendar year.

(2) Funds appropriated in part 1 shall not be used by the department to adopt a rule that will apply to a small business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

(3) As used in this section:

(a) "Rule" means that term as defined under section 7 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

(b) "Small business" means that term as defined under section 7a of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207a.

Write-offs of accounts receivable, deferrals, and prior year obligations; reimbursements, refunds, adjustments, and settlements from prior years; report.

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

(2) The department's ability to satisfy appropriation deductions in part 1 shall not be limited to collections and accruals pertaining to services provided in the current fiscal year, but shall also include reimbursements, refunds, adjustments, and settlements from prior years.

(3) The department shall report by March 15 of the current fiscal year to the house of representatives and senate appropriations subcommittees on community health on all reimbursements, refunds, adjustments, and settlements from prior years.

Basic health services.

Sec. 218. The department shall include the following in its annual list of proposed basic health services as required in part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321:

- (a) Immunizations.
- (b) Communicable disease control.
- (c) Sexually transmitted disease control.
- (d) Tuberculosis control.
- (e) Prevention of gonorrhea eye infection in newborns.

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

- (g) Community health annex of the Michigan emergency management plan.
- (h) Prenatal care.

Michigan public health institute; contract; purpose.

Sec. 219. (1) The department may contract with the Michigan public health institute for the design and implementation of projects and for other public health-related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the institute to carry out these purposes for up to a 3-year period. The department shall report to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on or before November 1 and May 1 of the current fiscal year all of the following:

(a) A detailed description of each funded project.

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

(c) The expected project duration.

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

(2) On or before September 30 of the current fiscal year, the department shall provide to the same parties listed in subsection (1) a copy of all reports, studies, and publications produced by the Michigan public health institute, its subcontractors, or the department with the funds appropriated in part 1 and allocated to the Michigan public health institute.

Michigan public health institute; submission to audits.

Sec. 220. All contracts with the Michigan public health institute funded with appropriations in part 1 shall include a requirement that the Michigan public health institute submit to financial and performance audits by the state auditor general of projects funded with state appropriations.

Publications, videos, conferences, and workshops; collection of fees.

Sec. 223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The department shall not collect fees under this section that exceed the cost of the expenditures.

Ambulatory surgery centers; reimbursement.

Sec. 248. The department shall continue to allow ambulatory surgery centers in this state to fully participate in the Medicaid program when hospitals are reimbursed for Medicaid services through the new Michigan Medicaid information system. Ambulatory surgery centers that provide services to Medicaid eligible patients shall be reimbursed in the same manner as hospitals. The reimbursement schedule for ambulatory surgery centers that was developed and implemented in consultation with the industry in fiscal year 2007-2008 shall continue to be used in fiscal year 2008-2009.

Technology-related services and projects; payment of user fees.

Sec. 259. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology-related services and projects. Such user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

Technology project amounts; designation as work projects.

Sec. 260. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Medicaid management information system upgrade; funds; contingency.

Sec. 261. Funds appropriated in part 1 for the Medicaid management information system upgrade are contingent upon approval of an advanced planning document from the centers for Medicare and Medicaid services. If the necessary matching funds are identified and legislatively transferred to this line item, the corresponding federal Medicaid revenue shall be appropriated at a 90/10 federal/state match rate. This appropriation may be designated as a work project and carried forward to support completion of this project.

Medicaid waiver applications; notice to legislature; reports.

Sec. 264. (1) Upon submission of a Medicaid waiver, a Medicaid state plan amendment, or a similar proposal to the centers for Medicare and Medicaid services, the department shall notify the house of representatives and senate appropriations subcommittees on community health and the house and senate fiscal agencies of the submission.

(2) The department shall provide written or verbal quarterly reports to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies summarizing the status of any new or ongoing discussions with the centers for Medicare and Medicaid services or the federal department of health and human services regarding potential or future Medicaid waiver applications.

Receipt and retention of copies of reports.

Sec. 265. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed.

Out-of-state travel; exceptions; report.

Sec. 266. (1) Due to the current budgetary problems in this state, out-of-state travel shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the house of representatives and senate standing committees on appropriations.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the house of representatives and senate standing committees on appropriations, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

(d) A brief statement of the reason for each travel occurrence.

(e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state-restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Communication of employee with legislative member or staff.

Sec. 267. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Mental health medications; reimbursement.

Sec. 269. The amount appropriated in part 1 for medical services pharmaceutical services includes funds to cover reimbursement of mental health medications under the Medicaid program. Reimbursement procedures for mental health medications shall be the same as those that were followed in fiscal year 2005-2006, and utilization procedures for such medications shall adhere to section 1625, the department's fiscal year 2006-2007 contract with Medicaid health plans, and section 109h of the social welfare act, 1939 PA 280, MCL 400.109h.

Recovery of expenses in legal action; report.

Sec. 270. Within 30 days after receipt of the notification from the attorney general's office of a legal action in which expenses had been recovered pursuant to section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106, or any other statute under which the department has the right to recover expenses, the department shall submit a written report to the house of representatives and senate appropriations subcommittees on community health, the house

and senate fiscal agencies, and the state budget office which includes, at a minimum, all of the following:

- (a) The total amount recovered from the legal action.
- (b) The program or service for which the money was originally expended.
- (c) Details on the disposition of the funds recovered such as the appropriation or revenue account in which the money was deposited.
- (d) A description of the facts involved in the legal action.

Early mental health services intervention pilot project.

Sec. 271. (1) A PIHP, Medicaid HMO, and federally qualified health center may establish and implement an early mental health services intervention pilot project. This project shall provide care coordination, disease management, and pharmacy management to eligible recipients suffering from chronic disease, including, but not limited to, diabetes, asthma, substance addiction, or stroke. Participating organizations may make use of data sharing, joint information technology efforts, and financial incentives to health providers and recipients in this project. The department shall encourage that each CMHSP and Medicaid health plan act in a coordinated manner in the establishment of their respective electronic medical record systems.

(2) The pilot project shall make use of preestablished objectives and outcome measures to determine the cost effectiveness of the project. Participating organizations shall collect data to study and monitor the correlation between early mental health treatment services to program participants and improvement in the management of their chronic disease.

(3) The department shall request any necessary Medicaid state plan amendments or waivers to ensure participation in this project by eligible Medicaid recipients.

(4) A progress report on the pilot project shall be provided to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director no later than May 1 of the current fiscal year.

Administrative efficiencies; implementation of results of study; report.

Sec. 272. (1) The department shall make efforts to implement the results of the study of current policies and allocation methodologies specified in section 272 of 2007 PA 123. These efforts to encourage administrative efficiencies shall apply to the following entities:

- (a) Local public health departments.
- (b) CMHSPs.
- (c) Substance abuse coordinating agencies.
- (d) Area agencies on aging.

(2) The department shall consult with at least the following applicable organizations in implementing the results of the study:

- (a) The Michigan association of community mental health boards.
- (b) The Michigan association for local public health.
- (c) The Michigan association of substance abuse coordinating agencies.
- (d) The area agencies on aging association of Michigan.

(3) The department shall submit a report on its efforts to implement the results of the study to the senate and house appropriations subcommittees on community health, the senate and house committees on health policy, the senate and house fiscal agencies, and the state budget director by April 1, 2009.

Legal services.

Sec. 276. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Departmental administration, operation, and finance; establishment of uniform definitions, standards, and instructions.

Sec. 282. (1) The department, through its organizational units responsible for departmental administration, operation, and finance, shall establish uniform definitions, standards, and instructions for the classification, allocation, assignment, calculation, recording, and reporting of administrative costs by the following entities:

(a) Coordinating agencies on substance abuse, Salvation Army harbor light program, and their subcontractors that receive payment or reimbursement from funds appropriated under section 104.

(b) Area agencies on aging and local providers, and their subcontractors that receive payment or reimbursement from funds appropriated under section 118.

(2) By May 15 of the current fiscal year, the department shall provide a written draft of its proposed definitions, standards, and instructions to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director.

Professional development conference or training seminar.

Sec. 284. The department shall not approve the travel of more than 1 departmental employee to a specific professional development conference or training seminar that is located outside of this state unless the professional development conference or training seminar is funded by a federal or private funding source and requires more than 1 person from a department to attend, or the conference or training seminar includes multiple issues in which 1 employee from the department does not have expertise.

Prescription drug website; expansion; cost study.

Sec. 285. (1) The department shall determine the cost to expand its current prescription drug website to provide all of the following information:

(a) The 150 most commonly prescribed brand name drug products under the Medicaid program and, if available, their generic equivalents.

(b) The most commonly prescribed brand name drug products used for the treatment of all major illnesses and diseases, if not already included under subdivision (a), and, if available, their generic equivalents.

(c) The usual and customary price of each brand name and generic prescription drug listed.

(d) The dosage, including the number of doses and dosage strength, on which the price is based.

(e) Names and addresses for the pharmacies associated with the listed prescription drugs.

(f) A minimum of 5 links to other useful websites that can provide assistance to consumers.

(g) The department's toll-free telephone number that residents of this state may call to determine which prescription drug programs they may be eligible for, including free and discounted prescription drug programs.

(h) An advisory statement alerting consumers of the need to tell their health professionals and pharmacists about all the medications they are taking so that they know how to avoid harmful interactions between medications.

(i) An advisory statement alerting consumers that the price posted for a listed drug product is only for the strength and quantity posted.

(j) A date stamp indicating the most recent date the usual and customary price of each brand name and generic prescription drug listed was updated.

(k) A notation indicating a prescription drug price was corrected.

(2) The department shall provide the results of the cost study to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by May 1 of the current fiscal year.

DEPARTMENTWIDE ADMINISTRATION

Employees returning to work; payments in lieu of worker's compensation.

Sec. 301. From funds appropriated for worker's compensation, the department may make payments in lieu of worker's compensation payments for wage and salary and related fringe benefits for employees who return to work under limited duty assignments.

Mental health services; first-party payment.

Sec. 303. The department shall not require first-party payment from individuals or families with a taxable income of \$10,000.00 or less for mental health services for determinations made under section 818 of the mental health code, 1974 PA 258, MCL 330.1818.

MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS

Contract with protection and advocacy agency; contract to provide legal services.

Sec. 350. The department may enter into a contract with the protection and advocacy agency, authorized under section 931 of the mental health code, 1974 PA 258, MCL 330.1931, or a similar organization to provide legal services for purposes of gaining and maintaining occupancy in a community living arrangement that is under lease or contract with the department or a community mental health services program to provide services to persons with mental illness or developmental disability.

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

Services required to be provided by each CMHSP or PIHP.

Sec. 401. Funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local

CMHSPs or PIHPs. The department shall ensure that each CMHSP or PIHP provides all of the following:

- (a) A system of single entry and single exit.
- (b) A complete array of mental health services that includes, but is not limited to, all of the following services: residential and other individualized living arrangements, outpatient services, acute inpatient services, and long-term, 24-hour inpatient care in a structured, secure environment.
- (c) The coordination of inpatient and outpatient hospital services through agreements with state-operated psychiatric hospitals, units, and centers in facilities owned or leased by the state, and privately-owned hospitals, units, and centers licensed by the state pursuant to sections 134 through 149b of the mental health code, 1974 PA 258, MCL 330.1134 to 330.1149b.
- (d) Individualized plans of service that are sufficient to meet the needs of individuals, including those discharged from psychiatric hospitals or centers, and that ensure the full range of recipient needs is addressed through the CMHSP's or PIHP's program or through assistance with locating and obtaining services to meet these needs.
- (e) A system of case management or care management to monitor and ensure the provision of services consistent with the individualized plan of services or supports.
- (f) A system of continuous quality improvement.
- (g) A system to monitor and evaluate the mental health services provided.
- (h) A system that serves at-risk and delinquent youth as required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106.

CMHSPs or PIHPs; final authorizations; contracts; report.

Sec. 402. (1) From funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for fiscal year 2008-2009 does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

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

- (a) Any new contracts with CMHSPs or PIHPs that would affect rates or expenditures are enacted.
- (b) Any amendments to contracts with CMHSPs or PIHPs that would affect rates or expenditures are enacted.

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

Multicultural services.

Sec. 403. (1) From the funds appropriated in part 1 for multicultural services, the department shall ensure that CMHSPs or PIHPs meet with multicultural service providers to develop a workable framework for contracting, service delivery, and reimbursement.

(2) Funds appropriated in part 1 for multicultural services shall not be utilized for services provided to illegal immigrants and people who are not residents of this state. The department shall modify contracts with recipients of multicultural services grants to mandate that grantees establish that recipients of services are legally residing in the United States. An exception to the contractual provision will be allowed to address persons presenting with emergent mental health conditions.

(3) The department shall require an annual report from the independent organizations that receive multicultural services funding. The annual report shall include specific information on services and programs provided, the client base to which the services and programs were provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies.

Community mental health services programs; report.

Sec. 404. (1) Not later than May 31 of the current fiscal year, the department shall provide a report on the community mental health services programs to the members of the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director that includes the information required by this section.

(2) The report shall contain information for each CMHSP or PIHP and a statewide summary, each of which shall include at least the following information:

(a) A demographic description of service recipients which, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures by client population group.

(c) Financial information that, minimally, includes a description of funding authorized; expenditures by client group and fund source; and cost information by service category, including administration. Service category includes all department-approved services.

(d) Data describing service outcomes that includes, but is not limited to, an evaluation of consumer satisfaction, consumer choice, and quality of life concerns including, but not limited to, housing and employment.

(e) Information about access to community mental health services programs that includes, but is not limited to, the following:

(i) The number of people receiving requested services.

(ii) The number of people who requested services but did not receive services.

(f) The number of second opinions requested under the code and the determination of any appeals.

(g) An analysis of information provided by CMHSPs in response to the needs assessment requirements of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, including information about the number of persons in the service delivery system who have requested and are clinically appropriate for different services.

(h) Lapses and carryforwards during the immediately preceding fiscal year for CMHSPs or PIHPs.

(i) Information about contracts for mental health services entered into by CMHSPs or PIHPs with providers, including, but not limited to, all of the following:

(i) The amount of the contract, organized by type of service provided.

(ii) Payment rates, organized by the type of service provided.

(iii) Administrative costs for services provided to CMHSPs or PIHPs.

(j) Information on the community mental health Medicaid managed care program, including, but not limited to, both of the following:

(i) Expenditures by each CMHSP or PIHP organized by Medicaid eligibility group, including per eligible individual expenditure averages.

(ii) Performance indicator information required to be submitted to the department in the contracts with CMHSPs or PIHPs.

(k) An estimate of the number of direct care workers in local residential settings and paraprofessional and other nonprofessional direct care workers in settings where skill building, community living supports and training, and personal care services are provided by CMHSPs or PIHPs as of September 30, 2008 employed directly or through contracts with provider organizations.

(3) The department shall include data reporting requirements listed in subsection (2) in the annual contract with each individual CMHSP or PIHP.

(4) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs or PIHPs.

Direct care workers; employee wage pass-through.

Sec. 405. (1) It is the intent of the legislature that the employee wage pass-through funded in previous years to the community mental health services programs for direct care workers in local residential settings and for paraprofessional and other nonprofessional direct care workers in settings where skill building, community living supports and training, and personal care services are provided shall continue to be paid to direct care workers.

(2) It is the intent of the legislature that a 1% wage increase, effective February 1, 2009, be provided to direct care workers in local residential settings and for paraprofessional and other nonprofessional direct care workers in settings where skill building, community living supports and training, and personal care services are provided.

(3) Each CMHSP awarded wage pass-through money from the funds established under subsections (1) and (2) shall report on the actual expenditures of the money in the format determined by the department.

Substance abuse residential facilities; funds to support per diem room and board payments; reimbursement rate.

Sec. 406. (1) The funds appropriated in part 1 for the state disability assistance substance abuse services program shall be used to support per diem room and board payments in substance abuse residential facilities. Eligibility of clients for the state disability assistance substance abuse services program shall include needy persons 18 years of age or older, or emancipated minors, who reside in a substance abuse treatment center.

(2) The department shall reimburse all licensed substance abuse programs eligible to participate in the program at a rate equivalent to that paid by the department of human services to adult foster care providers. Programs accredited by department-approved accrediting organizations shall be reimbursed at the personal care rate, while all other eligible programs shall be reimbursed at the domiciliary care rate.

Substance abuse prevention, education, and treatment grants; contracts with coordinating agencies; fee schedule; feasibility study.

Sec. 407. (1) The amount appropriated in part 1 for substance abuse prevention, education, and treatment grants shall be expended for contracting with coordinating agencies. Coordinating agencies shall work with the CMHSPs or PIHPs to coordinate the care and services provided to individuals with both mental illness and substance abuse diagnoses.