

HOUSE BILL No. 5484

EXECUTIVE BUDGET BILL

February 14, 1990, Introduced by Reps. Jacobetti and Hollister and referred to the Committee on Appropriations.

A bill to make appropriations for the department of social services and certain state purposes related to public welfare services for the fiscal year ending September 30, 1991; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; to provide for the powers and duties of certain state departments, agencies, and officers; and to repeal certain acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. There is appropriated for the department of social services and
2 certain state purposes related to public welfare services for the fiscal year
3 ending September 30, 1991, from the following funds:

4 DEPARTMENT OF SOCIAL SERVICES

5 APPROPRIATIONS SUMMARY:

| | | | |
|----|--|----------|---------------|
| 1 | Full-time equated unclassified positions..... | 6.0 | |
| 2 | Full-time equated classified positions..... | 15,036.9 | |
| 3 | GROSS APPROPRIATION..... | \$ | 4,854,386,200 |
| 4 | Total interdepartmental grants..... | | 762,700 |
| 5 | ADJUSTED GROSS APPROPRIATION..... | \$ | 4,853,623,500 |
| 6 | Total federal revenues..... | | 2,251,527,600 |
| 7 | Total private revenues..... | | 164,437,200 |
| 8 | Total local revenues..... | | 66,079,200 |
| 9 | Total other state restricted revenues..... | | 16,112,300 |
| 10 | State general fund/general purpose..... | \$ | 2,355,467,200 |
| 11 | EXECUTIVE OPERATIONS | | |
| 12 | Full-time equated unclassified positions..... | 6.0 | |
| 13 | Full-time equated classified positions..... | 1,217.6 | |
| 14 | Unclassified salaries..... | \$ | 309,700 |
| 15 | Director..... | | 83,100 |
| 16 | Salaries and wages--1,190.6 FTE positions..... | | 40,869,500 |
| 17 | Contractual services, supplies, and materials..... | | 5,848,400 |
| 18 | Adult home help..... | | 86,813,900 |
| 19 | Health and welfare data center equipment..... | | 9,461,500 |
| 20 | Demonstration projects..... | | 2,827,500 |
| 21 | Office automation expansion--27.0 FTE positions..... | | 11,047,600 |
| 22 | Inspector general contracts..... | | 1,400,900 |
| 23 | Social services to the physically | | |
| 24 | disabled..... | | 1,328,500 |
| 25 | GROSS APPROPRIATION..... | \$ | 159,990,600 |
| 26 | Appropriated from: | | |

| | | |
|----|--|----------------|
| 1 | Total federal..... | \$ 91,987,900 |
| 2 | IDG-ADP user fees..... | 371,900 |
| 3 | Local funds..... | 200,000 |
| 4 | Private funds..... | 796,300 |
| 5 | Licensing fees..... | 1,012,300 |
| 6 | State general fund/general purpose..... | \$ 65,622,200 |
| 7 | CENTRAL SUPPORT ACCOUNTS | |
| 8 | Worker's compensation..... | \$ 2,723,400 |
| 9 | Longevity and insurance..... | 60,413,800 |
| 10 | Retirement and FICA..... | 64,552,600 |
| 11 | Equipment..... | 2,390,500 |
| 12 | Travel..... | 5,341,300 |
| 13 | Rent..... | 31,702,800 |
| 14 | Advisory commissions..... | 17,600 |
| 15 | Separation cost..... | 3,423,900 |
| 16 | GROSS APPROPRIATION..... | \$ 170,565,900 |
| 17 | Appropriated from: | |
| 18 | Total federal..... | 81,042,600 |
| 19 | State general fund/general purpose..... | \$ 89,523,300 |
| 20 | MEDICAL SERVICES ADMINISTRATION | |
| 21 | Full-time equated classified positions..... | 557.0 |
| 22 | Salaries and wages—529.0 FTE positions..... | \$ 16,719,800 |
| 23 | Contractual services, supplies, and materials..... | 7,502,900 |
| 24 | Data processing contractual services..... | 100 |
| 25 | Healthy start administration—20.0 FTE positions..... | 900,000 |
| 26 | Wayne county PPSP staff—8.0 FTE positions..... | 235,900 |

| | | |
|----|--|-------------|
| 1 | Computer records - department of state police.....\$ | 283,700 |
| 2 | GROSS APPROPRIATION.....\$ | 25,642,400 |
| 3 | Appropriated from: | |
| 4 | Total federal..... | 15,122,500 |
| 5 | State general fund/general purpose.....\$ | 10,519,900 |
| 6 | FIELD POLICY AND OPERATIONS ADMINISTRATION | |
| 7 | Full-time equated classified positions.....1,246.2 | |
| 8 | Salaries and wages--290.1 FTE positions.....\$ | 9,925,000 |
| 9 | Contractual services, supplies, and materials..... | 5,293,800 |
| 10 | Child support incentive payments..... | 27,413,600 |
| 11 | Child support enforcement system | |
| 12 | --2.0 FTE positions..... | 9,002,200 |
| 13 | Food stamp issuance..... | 4,438,700 |
| 14 | High school completion project--2.5 FTE positions..... | 2,203,700 |
| 15 | Job start--398.7 FTE positions..... | 66,370,000 |
| 16 | Immigration legalization assistance | |
| 17 | program..... | 2,437,500 |
| 18 | Legal support contracts..... | 37,478,500 |
| 19 | Michigan opportunity and skills training | |
| 20 | program--535.9 FTE positions..... | 20,712,000 |
| 21 | Refugee assistance program--17.0 FTE positions..... | 6,483,600 |
| 22 | State incentive payments..... | 3,386,000 |
| 23 | Wage match contract with Michigan | |
| 24 | employment security commission..... | 962,500 |
| 25 | GROSS APPROPRIATION.....\$ | 196,107,100 |
| 26 | Appropriated from: | |

| | | |
|----|--|----------------|
| 1 | Total federal..... | \$ 121,001,900 |
| 2 | State general fund/general purpose..... | \$ 75,105,200 |
| 3 | OFFICE OF CHILDREN AND YOUTH SERVICES | |
| 4 | Full-time equated classified positions..... | 1,914.3 |
| 5 | Salaries and wages--79.9 FTE positions..... | \$ 3,412,900 |
| 6 | Longevity and insurance..... | 450,600 |
| 7 | Retirement and FICA..... | 620,200 |
| 8 | Contractual services, supplies, and materials..... | 1,561,500 |
| 9 | Equipment..... | 13,600 |
| 10 | Travel..... | 123,100 |
| 11 | Intercountry adoption contracts..... | 564,800 |
| 12 | Adoption subsidies..... | 34,465,800 |
| 13 | Advisory commissions..... | 1,900 |
| 14 | Black child and family institute..... | 97,500 |
| 15 | Children's benefit fund donations..... | 20,500 |
| 16 | Coordinated child care council's | |
| 17 | purchased day care services..... | 744,800 |
| 18 | Child care fund..... | 31,604,200 |
| 19 | Child abuse and neglect programming--1.1 FTE positions | 6,637,000 |
| 20 | Childrens department pilot administration--32.0 | |
| 21 | FTE positions..... | 3,043,800 |
| 22 | Day care payments..... | 23,940,900 |
| 23 | Dependent care grant..... | 229,500 |
| 24 | Delinquency project improvement..... | 538,500 |
| 25 | Delinquency prevention and treatment | |
| 26 | projects..... | 8,199,000 |

| | | |
|----|--|----------------|
| 1 | Domestic violence prevention and | |
| 2 | treatment—.9 FTE position..... | \$ 3,198,900 |
| 3 | Family preservation services—1.0 FTE position..... | 5,505,800 |
| 4 | Foster care payments billing system..... | 200,000 |
| 5 | Family and childrens services, salaries | |
| 6 | and wages—1,706.5 FTE positions..... | 52,717,400 |
| 7 | Foster care payments..... | 189,484,000 |
| 8 | Interstate compact—54.0 FTE positions..... | 128,900 |
| 9 | Intensive community supervision..... | 3,502,600 |
| 10 | County juvenile officers—36.0 FTE positions..... | 2,808,200 |
| 11 | Privately funded activities—1.9 FTE positions..... | 1,704,000 |
| 12 | Rape prevention and services..... | 150,000 |
| 13 | Teenage parent counseling—1.0 FTE position..... | 2,333,000 |
| 14 | Local prevention grants program..... | 2,000,000 |
| 15 | GROSS APPROPRIATION..... | \$ 380,002,900 |
| 16 | Appropriated from: | |
| 17 | Total federal..... | 148,242,500 |
| 18 | Local funds-county payback..... | 17,224,400 |
| 19 | Local-match..... | 36,400 |
| 20 | Private-collections..... | 3,718,000 |
| 21 | Private-children's benefit fund donation..... | 21,000 |
| 22 | Private-foundation funds..... | 3,877,900 |
| 23 | Private-intercountry adoption agency | |
| 24 | contribution..... | 562,000 |
| 25 | State general fund/general purpose..... | \$ 206,320,700 |
| 26 | FAMILY PRESERVATION AND DIVERSION SAVINGS | |

| | | | |
|----|---|----|-------------|
| 1 | Savings due to diversion..... | \$ | (6,000,000) |
| 2 | GROSS APPROPRIATION..... | \$ | (6,000,000) |
| 3 | Appropriated from: | | |
| 4 | Local funds-county payback..... | | (1,000,000) |
| 5 | State general fund/general purpose..... | \$ | (5,000,000) |
| 6 | RESIDENTIAL CARE DIVISION | | |
| 7 | Full-time equated classified positions..... | | 1,100.4 |
| 8 | Salaries and wages—672.0 FTE positions..... | \$ | 25,377,100 |
| 9 | Longevity and insurance..... | | 3,139,700 |
| 10 | Retirement and FICA..... | | 4,510,000 |
| 11 | Contractual services, supplies, and materials..... | | 3,785,800 |
| 12 | Equipment..... | | 176,600 |
| 13 | Travel..... | | 293,800 |
| 14 | Fuel..... | | 1,304,800 |
| 15 | Community residential care programs—128.0 FTE | | |
| 16 | positions..... | | 6,613,100 |
| 17 | Juvenile crime package operations—50.4 FTE positions. | | 5,306,200 |
| 18 | Regional detention services—13.0 FTE positions..... | | 1,063,800 |
| 19 | Federally funded activities—28.0 FTE positions..... | | 1,655,000 |
| 20 | Family involvement project—5.0 FTE positions..... | | 370,500 |
| 21 | Genesee/Detroit detention facility—204.0 FTE | | |
| 22 | positions..... | | 9,680,800 |
| 23 | W.J. Maxey memorial fund..... | | 45,000 |
| 24 | Maintenance operating projects..... | | 892,900 |
| 25 | Training schools/detention centers | | |
| 26 | construction..... | | 200 |

| | | | |
|----|---|----|----------------------------|
| 1 | GROSS APPROPRIATION..... | \$ | 64,215,300 |
| 2 | Appropriated from: | | |
| 3 | Total federal..... | | 2,928,200 |
| 4 | Local funds-county payback..... | | 29,957,400 |
| 5 | Private funds..... | | 45,000 |
| 6 | State general fund/general purpose..... | \$ | 31,284,700 |
| 7 | ASSISTANCE PAYMENTS, SERVICES, & CLERICAL FIELD | | |
| 8 | Full-time equated classified positions..... | | 8,960.4 |
| 9 | Assistance payments, salaries and wages— | | 4,277.7 |
| 10 | FTE positions..... | \$ | 119,674,300 |
| 11 | Adult services, salaries and wages— | | 1,092.9 FTE |
| 12 | positions..... | | 34,305,200 |
| 13 | County clerical support, salaries and | | |
| 14 | wages— | | 2,851.4 FTE positions..... |
| 15 | Contractual services, supplies and materials..... | | 21,470,400 |
| 16 | Donated funds staffing— | | 37.0 FTE positions..... |
| 17 | Error and fraud reduction project— | | 350.0 FTE positions..... |
| 18 | Field services, salaries and wages— | | 182.1 FTE |
| 19 | positions..... | | 9,536,700 |
| 20 | Supplemental security income for mental | | |
| 21 | health— | | 39.0 FTE positions..... |
| 22 | Training and staff development— | | 53.0 FTE positions..... |
| 23 | Volunteer services— | | 77.3 FTE positions..... |
| 24 | Volunteer reimbursement..... | | 1,829,900 |
| 25 | GROSS APPROPRIATION..... | \$ | 277,341,700 |
| 26 | Appropriated from: | | |

| | | |
|----|---|------------------|
| 1 | Total federal..... | \$ 131,108,000 |
| 2 | IDG from mental health..... | 390,800 |
| 3 | Local funds-donated funds..... | 216,700 |
| 4 | State general fund/general purpose..... | \$ 145,626,200 |
| 5 | AID TO FAMILIES WITH DEPENDENT CHILDREN | |
| 6 | Aid to families with dependent children | |
| 7 | payments..... | \$ 1,272,654,600 |
| 8 | GROSS APPROPRIATION..... | \$ 1,272,654,600 |
| 9 | Appropriated from: | |
| 10 | Total federal..... | 585,093,400 |
| 11 | Private-child support collections..... | 156,000,000 |
| 12 | State general fund/general purpose..... | \$ 531,561,200 |
| 13 | GENERAL ASSISTANCE | |
| 14 | General assistance grants and payments..... | \$ 187,565,400 |
| 15 | GROSS APPROPRIATION..... | \$ 187,565,400 |
| 16 | Appropriated from: | |
| 17 | Supplemental securities income..... | 5,500,000 |
| 18 | State general fund/general purpose..... | \$ 182,065,400 |
| 19 | SUPPLEMENTAL SECURITY INCOME | |
| 20 | Personal care services..... | \$ 16,752,400 |
| 21 | State supplementation..... | 72,315,500 |
| 22 | GROSS APPROPRIATION..... | \$ 89,067,900 |
| 23 | Appropriated from: | |
| 24 | Total federal..... | 8,761,900 |
| 25 | State general fund/general purpose..... | \$ 80,306,000 |
| 26 | LOW INCOME ENERGY ASSISTANCE PROGRAM | |

| | | | |
|----|--|------|---------------|
| 1 | Full-time equated classified positions..... | 41.0 | |
| 2 | Low income energy assistance program--41.0 FTE | | |
| 3 | positions..... | \$ | 65,364,100 |
| 4 | Emergency needs program..... | | 55,620,100 |
| 5 | GROSS APPROPRIATION..... | \$ | 120,984,200 |
| 6 | Appropriated from: | | |
| 7 | Total federal..... | | 78,124,900 |
| 8 | State general fund/general purpose..... | \$ | 42,859,300 |
| 9 | MEDICAL SERVICES | | |
| 10 | Auxiliary medical services..... | \$ | 46,064,100 |
| 11 | Chronic care units and county medical | | |
| 12 | care facilities..... | | 113,780,600 |
| 13 | Home health services..... | | 9,699,500 |
| 14 | Health maintenance organizations..... | | 119,809,600 |
| 15 | Healthy start..... | | 10,732,900 |
| 16 | Hospital services and therapy..... | | 716,276,800 |
| 17 | Medicare premium payments..... | | 50,502,800 |
| 18 | Nursing home services..... | | 355,261,900 |
| 19 | Pharmaceutical services..... | | 200,535,500 |
| 20 | Early periodic screening, diagnosis and | | |
| 21 | treatment - department of public health..... | | 6,606,600 |
| 22 | Physician services..... | | 206,183,200 |
| 23 | Early periodic screening, diagnosis and | | |
| 24 | treatment-department of social services..... | | 757,200 |
| 25 | Transportation..... | | 7,883,600 |
| 26 | GROSS APPROPRIATION..... | \$ | 1,844,094,300 |

Appropriated from:

| | | |
|---|----|-------------|
| Total federal..... | \$ | 988,113,800 |
| Local funds-county payback..... | | 10,214,400 |
| Special purpose-public act 219 of 1987..... | | 9,600,400 |
| State general fund/general purpose..... | \$ | 836,166,100 |
| GENERAL ASSISTANCE MEDICAL | | |
| General assistance medical..... | \$ | 24,396,500 |
| General assistance medical - | | |
| hospitalization..... | | 9,460,800 |
| Wayne county patient care management | | |
| system..... | | 38,296,600 |
| GROSS APPROPRIATION..... | \$ | 72,153,900 |

Appropriated from:

| | | |
|---|----|------------|
| Local funds-county payback..... | | 8,646,900 |
| State general fund/general purpose..... | \$ | 63,507,000 |

GENERAL SECTIONS

Sec. 201. (1) In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this act is \$2,371,579,500.00 and state spending to be paid to local units of government is as follows:

Sec. 202. The appropriations made and the expenditures authorized under this act for the department, agencies, commissions, boards, offices, and programs for which an appropriation is made under this act are subject to the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

Sec. 203. The amounts appropriated for utilities and that portion of

1 contractual services, supplies, and materials used to pay for utility service
 2 to state facilities in section 101 may be expended in a manner consistent with
 3 the provisions of section 253 of the management and budget act, Act No. 431 of
 4 the Public Acts of 1984, being section 18.1253 of the Michigan Compiled Laws.

5 OFFICE OF CHILDREN AND YOUTH SERVICES

| | | | |
|---|-------------------------------|----|------------|
| 6 | Child care fund..... | \$ | 31,604,200 |
| 7 | County juvenile officers..... | | 2,808,200 |
| 8 | Adoption subsidies..... | | 21,440,800 |

9 GENERAL ASSISTANCE

| | | | |
|----|--|----|------------|
| 10 | General assistance--grants and payments..... | \$ | 11,160,000 |
|----|--|----|------------|

11 SUPPLEMENTARY SECURITY INCOME

| | | | |
|----|--|----|------------|
| 12 | Supplementary security income to community mental health | | |
| 13 | clients..... | \$ | 11,208,200 |

14 MEDICAL SERVICES

| | | | |
|----|--|--|------------|
| 15 | Medicaid to community mental health clients..... | | 17,200,000 |
|----|--|--|------------|

16 FIELD POLICY AND OPERATIONS ADMINISTRATION

| | | | |
|----|---|--|-----------|
| 17 | Michigan opportunity and skills training program..... | | 5,009,300 |
| 18 | Job start..... | | 3,256,300 |

19 GENERAL ASSISTANCE MEDICAL

| | | | |
|----|-----------------------------|----|-------------|
| 20 | County hospitalization..... | | 39,110,500 |
| 21 | TOTAL..... | \$ | 142,797,500 |

22 (2) When it appears to the principal executive officer of each department
 23 that state spending to local units of government will be less than the amount
 24 that was projected to be expended for any quarter, the principal executive
 25 officer shall immediately give notice of the approximate shortfall to the
 26 department of management and budget, the senate and house appropriations

1 committees, and the senate and house fiscal agencies.

2 Sec. 202. Money appropriated in section 101 shall not be expended for
3 per diem payments for department of social services boards and commissions.
4 Members of those boards and commissions shall be entitled only to
5 reimbursement for expenses.

6 Sec. 203. The department of social services may receive and expend
7 advances or reimbursements from the department of state police for the
8 administration of the individual and family grant disaster assistance
9 program. An account shall be established in the department of social services
10 for this purpose when a disaster is declared. The authorization and allotment
11 for the account shall be in the amount advanced or reimbursed from the
12 department of state police.

13 Sec. 204. The director of the department of social services may transfer
14 county matching revenues among the county revenue accounts established in
15 section 101. Transfers may be made to correct for discrepancies between
16 appropriated and actual county matching revenues. At least 10 days prior to
17 making such a transfer, the department of social services shall report to the
18 senate and house appropriations subcommittees on social services and to the
19 department of management and budget as to the amounts and reason for the
20 transfer.

21 Sec. 205. When a recipient of assistance funded under this act is paid
22 more than the amount to which the recipient is legally entitled, the
23 department of social services shall institute procedures to recover the
24 overpayment. The department may reduce subsequent grants in an amount that
25 will ensure repayment of the overpayment. The director of social services
26 shall establish reasonable limits on the proportion of the payments that may

1 be deducted, so as not to cause undue hardship on recipients.

2 EXECUTIVE OPERATIONS

3 Sec. 301. The department may receive local funds to be applied toward
4 the purchase of local office automation equipment. Such equipment shall only
5 be purchased through appropriate departmentwide automated data processing
6 equipment contracts, and shall be the property of the department.

7 Sec. 302. Staffing increases for Executive Operations licensing
8 functions appropriated for FY1991 shall not take place except to the extent of
9 increased licensing fees revenue.

10 FIELD POLICY AND OPERATION ADMINISTRATION

11 Sec. 401. The amounts of any remaining unencumbered fund balances for
12 the multidisciplinary pilot project, the Michigan opportunity and skills
13 training program, office automation, the teenage parent counseling program,
14 the director's discretionary fund, the high school completion project,
15 appropriated for the fiscal year ending September 30, 1990 shall be authorized
16 for expenditure in the fiscal year ending September 30, 1991. The project
17 self reliance amount shall be carried forward and added to the Michigan
18 opportunity skills training program authorization.

19 Sec. 402. The funds appropriated in section 101 for the Michigan
20 opportunity skills training program shall be expended in accordance with
21 sections 403 to 421.

22 Sec. 403. As used in sections 404 to 421:

23 (a) "Community work experience program" means a program of training in
24 which a participant gains useful experience, work habits, and job skills by
25 performing a service for a public purpose on behalf of a public agency or
26 nonprofit private employer. Participation shall be by an agreement between

1 the department of social services and the public agency or nonprofit employer.

2 (b) "Employment and training worker" means an employee of the department
3 of social services who assesses the skills, education, and job experience of
4 applicants and recipients, determines the most appropriate placement of
5 recipients as described in the Michigan opportunity skills training program,
6 and develops contacts with employers and providers of services under the
7 Michigan opportunity skills training program through whom recipients may be
8 placed.

9 (c) "Good cause" means any of the following:

10 (i) Child care is needed, and adequate child care is not
11 available. Adequate child care is care which is appropriate to the age, special
12 handicaps, and other conditions and the individual child, where the provider
13 meets applicable federal and state standards.

14 (ii) The person suffers from a temporary illness or was involved, or his
15 or her immediate family was involved, in a recent accident or other comparable
16 emergency.

17 (iii) The person is not required to participate pursuant to section 404.

18 (iv) Compliance would interfere with the likelihood that the person would
19 be reemployed at his or her regular, full-time place of employment within 30
20 days.

21 (v) Employment, education, or job training, excluding travel to and from
22 child care providers, is not available within 1-hour travel time or is
23 inaccessible by available transportation at a reasonable cost.

24 (vi) Employment involves unreasonable requirements such as excessive work
25 hours, dangerous or unlawful working conditions, or is not within the person's
26 physical or mental capabilities.

1 (vii) The person alleges discrimination on the basis of religion, race,
2 color, national origin, age, sex, height, weight, or marital status as
3 prohibited under the Elliott-Larsen civil rights act, Act No. 453 of the
4 Public Acts of 1976, being sections 37.2101 to 37.2804 of the Michigan
5 Compiled Laws, and is taking legal action to redress his or her grievance.

6 (a) "Job club" means a formal gathering of recipients for the purpose of
7 acquiring job search skills and securing employment through direct personal
8 contact with prospective employers.

9 (b) "Recipient" means a person receiving general assistance, aid to
10 families with dependent children, food stamps, or refugee assistance.

11 (c) "Recipient who is required to participate" means a person who, under
12 section 404, is not exempted from participation in the Michigan opportunity
13 skills training program and may include, at the option of the county, an
14 applicant for aid to dependent children for the unemployed or general
15 assistance who has had a recent connection with the labor force or who is a
16 high school graduate for the sole purpose of participating in job clubs.

17 (d) "Recipient who is not required to participate" means an applicant for
18 general assistance, aid to families with dependent children, or food stamps
19 or a recipient who, under section 404, is exempted from participation in
20 programs under the Michigan opportunity skills training program.

21 Sec. 404. (1) A recipient shall not be required to participate in, but
22 may volunteer for, the Michigan opportunity skills training program, if he or
23 she is any of the following:

24 (a) A minor less than 16 years of age.

25 (b) A full-time high school student less than 19 years of age.

26 (c) A care-giver parent of a child less than 1 year of age unless the

1 care-giver parent is less than 20 years of age and has not completed high
2 school.

3 (d) A parent of 3 or more children under 10 years of age during hours in
4 which the parent is required to be in the home to care for the minors.

5 (e) Required to be in the home due to the disability or illness of a
6 relative living in the same dwelling unit, if no other care is available.

7 (f) Sixty years of age or older.

8 (g) Participating in a program of job training or education approved by
9 the department.

10 (h) Employed or self-employed, 30 or more hours per week, or is receiving
11 income equivalent to the current minimum wage times 30 hours per week for the
12 kind of work being performed.

13 (i) Has a medically verifiable illness that prevents full or part-time
14 work. This condition must be verified in writing by a physician and approved
15 by him or her as a condition that prevents employment.

16 (j) Is currently undergoing treatment for substance abuse. This
17 condition shall only apply for 1 year in the lifetime of each recipient.

18 (k) Was, within the past 5 years, a resident of a mental institution, or
19 presently is using prescribed medication to control a condition of mental
20 illness, as defined in section 1001a of the mental health code, Act No. 258 of
21 the Public Acts of 1974, being section 330.2001a of the Michigan Compiled
22 Laws. A person described in this subsection may volunteer for the Michigan
23 opportunity skills training program if that person has a treatment plan
24 developed by his or her case manager, therapist, or program director, which
25 provides for employment and training services.

26 (l) An applicant for general assistance, aid to families with dependent

1 children, or food stamps who would not be required to participate if he or she
2 was a recipient in 1 of the categories in this section.

3 (2) Any recipient may volunteer to participate and shall be given
4 priority in placement.

5 (3) Notwithstanding other requirements to register and participate in the
6 Michigan opportunity skills training program, no primary care-giver parent who
7 personally provides care to a child under 6 years of age shall be required to
8 participate in any program other than:

9 (a) Education, if the primary care-giver parent does not possess a high
10 school diploma or its equivalent and quality day care services are available
11 and provided. However, the primary care-giver parent may choose to
12 participate in a program other than education.

13 (b) Education, job skills training, or work experience related to job
14 skills development if the parent possesses a high school diploma or its
15 equivalent and quality day care services are available and provided.

16 Sec. 405. (1) Upon certification of eligibility for aid to families with
17 dependent children, general assistance, food stamps, or refugee assistance,
18 the employment and training worker shall assess the education and job skills
19 for each applicant whose eligibility has been certified and all recipients who
20 are required to participate and shall determine a program that permit and
21 encourage a recipient to secure employment.

22 (2) The department and the county social services boards shall develop
23 community work experience program positions for participants under this
24 program.

25 (3) The county director, upon the recommendation and approval of the
26 county social services board, shall negotiate contracts with employers in the

1 public, private, and nonprofit sectors regarding employment, educational, and
2 job training programs for recipients who are required to participate and for
3 volunteers.

4 (4) The county director, upon the recommendation and approval of the
5 county social services board, shall negotiate contracts to establish job clubs
6 to assist recipients who are required to participate and to assist volunteers
7 in acquiring job search skills necessary to secure employment. Counties may
8 join together to establish job clubs to perform these services if a contract
9 with an outside agency cannot be made.

10 (5) The county director, with the recommendation and approval of the
11 county social services board, shall negotiate contracts with public or private
12 institutions of higher education for vocational education or the school boards
13 of school districts operating vocational skills centers to provide vocational
14 training for recipients who are required to participate or who volunteer. If
15 other forms of student financial assistance are not available, the county
16 director with the recommendation and approval of the county social services
17 board shall negotiate for reimbursement for the cost of tuition, books, fees,
18 and other expenditures required by the institution.

19 (6) The department shall coordinate programs to assist recipients in
20 becoming self-supporting.

21 (7) The county director with the recommendation and approval of the
22 county social services board may coordinate and develop programs which provide
23 day care to the minor children of participants under this program for families
24 who require day care.

25 (8) The director shall grant approval of county plan proposals if all of
26 the following provisions are complied with:

1 (a) The county office and the county social services board provide an
2 opportunity for public comment in compliance with the open meetings act, Act
3 No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the
4 Michigan Compiled Laws, with notices sent to all interested parties. Any
5 written comments of members of the public pertaining to the county plan
6 proposal shall be forwarded to the director along with the plan proposal.

7 (b) The plan is not in violation of applicable federal or state law,
8 administrative rule, regulation, or policy.

9 (c) The plan conforms to, and is consistent with, published objectives of
10 the department.

11 (d) The plan conforms to planning instructions and manual materials.

12 (e) The plan permits voluntary participation of recipients in the service
13 components described.

14 (f) The plan does not exclude any public assistance recipient category
15 from employment-related services. The local office may allocate reasonable
16 target percentages for each public assistance recipient category and include
17 these percentages.

18 (g) The plan addresses the manner in which the county office establishes
19 service components, assigns recipients, and makes services available.

20 (9) The director shall designate a person or persons to review plans to
21 make recommendations for disposition.

22 (10) Any denial of a county plan by the director shall be reported by the
23 director on a quarterly basis.

24 (11) A job club shall report quarterly to the department of social
25 services, which shall in turn report to the senate and house appropriations
26 subcommittees on social services, on the number of unsubsidized placements it

1 has achieved for participants and on other services and benefits it provides
2 its participants. The department shall negotiate performance based contracts
3 for job clubs in order to assure that payment shall only be made based upon
4 successful placements of clients in unsubsidized employment. The department
5 may determine the amount of payments for successful placements, with such
6 payments paid to providers in increments of 50% after 30 days, 20% after 60
7 days, and 30% after 90 days of retention in full-time employment.

8 (12) A county plan shall include a requirement that program participants
9 be provided written certification that they will not be subject to working
10 conditions, duties, personnel policies, or practices that are more or less
11 favorable than those applied to other employees engaged in similar activities.

12 (13) A county plan must include a description of a review process for
13 participant initiated review of the appropriateness of assignment and
14 conditions at the worksite.

15 (14) Local private industry councils shall include at least one county
16 department of social services director or his or her designee.

17 Sec. 406. (1) All recipients who are required to participate shall
18 participate in the employment, educational, or job training programs described
19 in the Michigan opportunity skills training program unless the recipient shows
20 good cause why he or she should not participate.

21 (2) A recipient who is required to participate but who refuses to
22 participate without good cause shall have his or her needs removed from the
23 general assistance or aid to families with dependent children grant until he
24 or she elects to participate. If a recipient refuses to participate a second
25 time without good cause after an earlier refusal to participate without good
26 cause, the recipient's needs will be removed from the aid to families with

1 dependent children or general assistance grants for 3 months or until the
2 recipient agrees to participate, whichever is longer. All further refusals to
3 participate without good cause will result in the removal of a recipient's
4 needs from the aid to families with dependent children or general assistance
5 grants for 6 months or until the recipient agrees to participate, whichever is
6 longer.

7 Sec. 407. The department of social services shall cooperate with other
8 state and local governmental agencies and county social services boards in
9 developing employment, educational, and job training programs and in placing
10 recipients who are required to participate and persons who volunteer to
11 participate in these programs. If possible, these programs shall utilize
12 existing available funds from the federal government for education and
13 training and shall prioritize assignment of employable recipients in an order
14 that most effectively reduces the cost to the state general fund for public
15 assistance programs.

16 Sec. 408. (1) A recipient who is required to participate shall not be
17 required under the Michigan opportunity skills training program to participate
18 in a community work experience program more hours per month than is derived by
19 dividing his or her total assistance grant, less any child support collected
20 excluding the amount rebated to the client by the current minimum wage. The
21 value of food stamp benefits shall also be included in the calculation for
22 general assistance recipients only. A participant may be required to
23 participate in educational program or job club up to 40 hours per week.

24 (2) A recipient shall not be placed at a training site if an employer has
25 discharged or laid off a regular employee or reduced his or her work force
26 with the intention of filling the vacancy created by hiring a recipient under

1 the Michigan opportunity skills training program.

2 Sec. 409. (1) An employment and training worker shall, on a quarterly
3 basis, contact educational institutions to determine the level of progress
4 being made by recipients assigned to educational activities under the Michigan
5 opportunity skills training program. Failure to participate without good
6 cause by the recipient shall be subject to sanction pursuant to section 406.

7 (2) The employment and training worker shall at least quarterly review
8 and assess the placement of participants under the Michigan opportunity skills
9 training program.

10 (3) The employment and training worker may develop employer, job,
11 vocational training, and community work experience contacts for placement of
12 participants within the jurisdiction of the office of the department to which
13 the employment and training worker is assigned.

14 (4) From the funds appropriated in section 101, employment and training
15 workers may be allowed to purchase, with the approval of the county director,
16 periodicals, training manuals, and other items which facilitate placement of
17 participants in employment.

18 Sec. 410. The department shall report to the house and senate
19 appropriations subcommittees on social services on the employment status of
20 Michigan opportunity skills training program participants at 3-month intervals
21 for a full year following their completion of the program.

22 Sec. 411. Persons assigned to educational programs who are in continuous
23 program studies shall not be required to participate in job clubs, job search,
24 or job referrals during their school breaks or vacations. •

25 Sec. 412. (1) From the Michigan opportunity skills training program
26 funds appropriated in section 101 for county departments of social services

1 for the fiscal year ending September 30, 1991:

2 (a) Fifty-five percent of the amount and related carryforward funding
3 shall be allocated to the county departments, with each county receiving that
4 portion derived by multiplying the amount to be allocated by the county's
5 aggregate public assistance recipient population which shall consist of the
6 number of aid to families with dependent children, general assistance, and
7 nonpublic assistance food stamp recipients, divided by the state's total
8 public assistance recipient population.

9 (b) Forty-five percent of the amount and related carryforward funding
10 shall be allocated to the county departments based upon the receipt, and
11 approval by the director or his or her designee, of locally based proposals
12 that describe specific services to be targeted at the hard-to-serve population
13 subgroups identified in the job opportunities and basic skills training
14 program legislation.

15 (2) Of the funds allocated to counties under this section, the department
16 of social services may reallocate money that is not committed by counties for
17 contracts or county set-asides to other counties under subsection (1)(b)
18 before April 1, 1991.

19 (3) The funds appropriated under this section may be expended only for
20 purposes described in this program.

21 (4) For counties with more than 1 department of social services office,
22 the county social services board may allocate funds appropriated under this
23 section to department offices.

24 Sec. 413. From funds allocated in section 412, the department shall make
25 available to recipients funds for transportation. The department may also
26 make available funds for minor car repair, tool purchases, clothing, medical

1 and dental care, and other supportive services that will assist recipients in
2 seeking, obtaining, and retaining unsubsidized employment.

3 Sec. 414. Notwithstanding section 412, up to 5% of the total of the
4 funds described in section 412 may be used by the department of social
5 services to develop statewide contracts, pilot projects, and demonstration
6 projects, or special contracts requested by counties. The department shall
7 report on these contracts and pilots to the house and senate appropriations
8 subcommittees on social services.

9 Sec. 415. Notwithstanding other provisions of this act, if a person who
10 is employable provides day care in the home for Michigan opportunity skills
11 training program participants, then the provision of those services shall be
12 deemed to meet the Michigan opportunity skills training program participation
13 requirements for that provider.

14 Sec. 416. Of Michigan opportunity skills training program funds
15 appropriated in section 101, the department, together with other agencies, may
16 establish special projects to provide employment training, placement programs,
17 and community service programs for persons leaving prison and who are on
18 parole. By April 1, 1991, the department shall report to the house and senate
19 appropriation subcommittees on social services on the expenditures, numbers of
20 persons served and the types of services provided through the special projects
21 established under this subsection. The department shall assess the
22 effectiveness of the special projects in reducing recidivism.

23 Sec. 417. The department shall offer subsidies from the funds
24 appropriated in section 101 to nongovernmental employers for grant diversion
25 programs for the on-the-job training, hiring, and employment of aid to
26 families with dependent children recipients and general assistance and job

1 start recipients. An aid to families with dependent children recipient or
2 general assistance or job start recipient employed by a nongovernmental
3 employer receiving a subsidy under this section shall continue to be eligible
4 for medical assistance or for the general assistance medical program for the
5 length of that employment subsidy. A nongovernmental employer shall be
6 eligible to receive a payment under this section only if all aid to families
7 with dependent children recipients and general assistance or job start
8 recipients employed by the employer receive the same salaries and wages as the
9 employer pays all other employees in the same or equivalent positions. If an
10 aid to families with dependent children recipient or general assistance or job
11 start recipient is terminated, without good cause, from employment described
12 in this section, the department shall reinstate the person's full assistance
13 benefits with a minimum of delay, if the aid to families with dependent
14 children recipient or general assistance or job start recipient meets the
15 appropriate eligibility standards.

16 Sec. 418. (1) From the funds appropriated in section 101 for the
17 Michigan opportunity skills training program, the department of social
18 services shall develop a public service employee program. Under this program,
19 local department of social services offices will hire aid to families with
20 dependent children and general assistance recipients for entry level public
21 service aide I positions. These positions shall be time-limited to not more
22 than 1 year, and shall be employment and training slots which shall not
23 supplant existing department of social services employees. Participants shall
24 not be eligible to receive unemployment insurance benefits from the state.
25 The department shall reinstate the person's full assistance benefits with a
26 minimum of delay if the aid to families with dependent children recipient,

1 general assistance recipient or job start recipient meets the appropriate
2 eligibility standards upon termination of the time-limited training slot.
3 Expenditures for this purpose shall not exceed net \$2,800,000.00 of state
4 general fund/general purpose money.

5 (2) It is the intent of the legislature that the appropriate federal,
6 county, or private funds, such as job training partnership act, aid to
7 families with dependent children, or federal match be utilized to the extent
8 possible. These funds shall be available to the department of social services
9 and shall be appropriated and allotted to the department as they are received.

10 (3) In order to partially fund the public service employee program, the
11 department may transfer federal and general fund authorization from the aid to
12 families with dependent children, general assistance, medicaid, and general
13 assistance medical accounts to the Michigan opportunity skills training
14 account on a quarterly basis. These transfers shall be in recognition of the
15 aid to families with dependent children and general assistance grant
16 expenditures and medicaid and general assistance medical expenditures that
17 would have been paid to the public service employees as normal grants or
18 medical expenditures.

19 Sec. 419. (1) From the federal money received for child support incentive
20 payments, up to \$6,954,900.00 shall be retained by the state and expended in:
21 legal support contracts; state incentive payments; and salaries and wages for
22 office of child support staff in the income and supportive services
23 administration.

24 (2) At the end of this fiscal year the department may, when it is cost
25 beneficial to the state and counties, withhold from submitting to the federal
26 government office of child support administrative expenses eligible for

1 federal financial participation. The department may recoup earned but
2 unclaimed federal funds from the resulting increased federal child support
3 incentive. The recoupment by the department shall be made prior to
4 distribution of the increased incentive to the counties. Any incentive funds
5 retained by the state under this section are to be separate and apart from
6 incentive funds retained in any other section of this bill.

7 Sec. 420. (1) The department of social services shall administer a
8 school completion program to provide incentives for low-income Michigan
9 residents to graduate from high school.

10 (2) The program shall provide payment for tuition for up to 80 credits at
11 any community college in this state. The payment shall be provided for any
12 person who meets the following criteria:

13 (a) The person's family income is currently, and was for the calendar
14 year prior to application, below the poverty level.

15 (b) The person graduates from high school or completes the general
16 educational development test before 20 years of age. The payment shall only
17 be made for courses taken during the 4 years immediately following graduation
18 from high school or completion of the general educational development test.

19 (3) Medical coverage shall be provided to former aid to families with
20 dependent children recipients who are eligible for this program and who agree
21 to identify any health or medical insurance or any other third party health
22 insurance resources for the purpose of third party liability claims by the
23 state.

24 (4) A recipient shall only be eligible for medical coverage during the
25 period that he or she is actively enrolled in community college and has
26 tuition payments made under this program.

1 (5) The medical services received by recipients shall only be obtained
2 from providers enrolled in the Michigan medical assistance program, and the
3 payments for these medical services shall be at the then current medicaid
4 rates.

5 (6) Any person participating in the school completion program who
6 completes 60 credits at a community college within 4 years immediately
7 following graduation from high school or completion of a general educational
8 development test shall be eligible for a voucher valued at not more than
9 \$2,000.00 for tuition at any Michigan 4-year college or university. The
10 voucher shall only be valid during the 2-1/2 years immediately following
11 completion of 60 credits at a community college in this state.

12 (7) The department shall ensure that the school completion program is
13 well publicized and that potentially eligible low-income persons are provided
14 information on the program. All information on the school completion program
15 shall include an explanation of medical services benefits that are available
16 to former aid to families with dependent children recipients through the
17 department of social services.

18 (8) The department shall work closely with community colleges and 4-year
19 colleges and universities to develop an application and eligibility
20 determination process that will provide the highest level of participation
21 while ensuring that all requirements of the program are met.

22 (9) Payments made through the school completion program shall not be used
23 by any recipient for theology or divinity programs.

24 (10) The department shall submit an annual report on the school
25 completion program to the senate and house appropriations committees. The
26 report shall provide specific details on the progress of implementation of the

1 program, the number of persons potentially eligible for the program, the
2 number of persons actually determined to be eligible for the program, total
3 payments in the immediately preceding fiscal year, and total payments to
4 date. The report shall also identify and recommend solutions to any problems
5 experienced in administering the program.

6 (11) Tuition payments may be made to Northern Michigan university, Lake
7 Superior state university, Ferris state university, Pontiac business
8 institute, institute of merchandising and design of Lansing, Bay Mills
9 community college, and Lewis business college to the extent that courses,
10 services, and fees and tuition are similar to those at community colleges.

11 (12) Applications for the program may be taken any time after a student
12 completes the sixth grade. A determination of financial eligibility will be
13 valid as long as the student meets other requirements of the program.

14 Sec. 421. The funds appropriated in section 101 for the immigration
15 legalization assistance program shall be for the use of the departments of
16 social services, education, and public health. The distribution of funds
17 among the 3 departments shall be determined under the terms of an
18 interdepartmental agreement, consistent with the requirements of federal
19 regulations. The department of social services shall be the single point of
20 contact with the department of health and human services regarding the program
21 and shall claim and receive all applicable federal funds. The departments of
22 public health and education shall receive their shares based on presentation
23 of an interaccount bill which states the services provided and the cost to the
24 state of those services.

25 Sec. 422. Notwithstanding other provisions of this act, an employable
26 person who provides day care in the home or transportation for Michigan

1 opportunity skills training program participants or respite care for families
2 providing home care for multiple handicapped family members or foster care for
3 children or adults who are released or discharged from any public or private
4 institution for delinquent, neglected, abused children or emotionally
5 disturbed, mentally or developmentally disabled persons or are diverted from
6 any of these institutions shall be considered to meet the Michigan opportunity
7 skills training program participation requirements for that provider. The
8 duration of Michigan opportunity skills training service provisions shall be
9 for a total of 12 months. The department shall explore the use of combined
10 resources, such as grant diversion and foster care payments, in addition to
11 Michigan opportunity skills training supportive services in implementing this
12 section.

13 Sec. 423. (1) The department may operate a job start program for
14 unemployed, employable persons, 18 through 25 years of age. The program shall
15 involve high school completion, intensive job seeking activities, employment
16 training, and community work components to be defined by the department.
17 Financial eligibility shall be the same as for general assistance. Employable
18 18 through 25 year old persons shall not be eligible for general assistance
19 until they meet the criteria in subsection (3) of this section.

20 (2) Each participant in the program shall be eligible to receive general
21 assistance medical coverage or coverage through the indigent patient care
22 management system in Wayne county, and a monthly training allowance comparable
23 to what he or she would have received on general assistance, except that
24 participants in the community work component shall be paid the minimum wage or
25 up to 50 cents beyond the minimum wage for 35 hours work per week instead of
26 the monthly training allowance. Administrative costs for community work site

1 supervisors will be needed in the program budget.

2 (3) Any eligible individual who refuses to participate in the program
3 shall be ineligible for general assistance unless he or she demonstrates good
4 cause for not participating. Good cause shall include those criteria for
5 nonparticipation in the Michigan opportunity skills training program, as set
6 forth in section 404. Additional good cause criteria may be established as
7 appropriate by the department. The job start program shall provide a hearing
8 process to enable a person to request general assistance rather than
9 participate in job start. Any person required to participate in the program
10 shall be counseled about the procedures for requesting nonparticipation and
11 shall have explained the consequences of not participating.

12 (4) Training allowances or earnings from job start are to be excluded in
13 determining general assistance eligibility or benefit levels for other
14 individuals sharing a home with a participant. To the extent allowed by
15 federal regulations, training allowances or earnings from job start are not to
16 be considered in determining eligibility or benefits levels for aid to
17 families with dependent children.

18 OFFICE OF CHILDREN AND YOUTH SERVICES

19 Sec. 501. A county receiving state funds for in-home or out-of-home care
20 of children from the appropriations in section 101 shall submit reports to the
21 department of social services at least quarterly or as otherwise required by
22 the office of children and youth services. The reports shall be submitted on
23 forms provided by the director of the office of children and youth services
24 and shall include the number of children receiving foster care services and
25 the number of days of care that were provided. Each county receiving state
26 matching funds for in-home or out-of-home care of children shall provide to

1 the department of social services, at the times and on forms provided by the
2 department, reports including the status of the plan for the return of each
3 child to his or her natural parent, the placement of each child for adoption,
4 or other permanent placement plans for each child.

5 Sec. 502. In accordance with section 471(a)(14) of part E of title IV of
6 the social security act, chapter 531, 49 Stat. 620, 42 U.S.C. 671, the
7 following goal is established by state law. During the fiscal year ending
8 September 30, 1991, not more than 3,000 children supervised by the department
9 of social services shall remain in foster care longer than 24 months. The
10 department shall continue to report to the senate and house appropriations
11 subcommittees on social services on the number of children supervised by the
12 department who remain in foster care in excess of 12 months and in excess of
13 24 months.

14 Sec. 503. (1) The department of social services shall not place children
15 under 10 years of age in institutions for longer than 30 days. From the funds
16 appropriated in section 101 for foster care payments and the child care fund,
17 reimbursement shall not be provided for institutional stays exceeding 30 days
18 for children under 10 years of age. This limitation may be waived by the
19 director of the office of children and youth services to a stay beyond 30 days
20 if it is determined to be in the best interests of the child.

21 (2) From the funds appropriated in section 101 for foster care payments,
22 the institutional population of children less than 13 years of age shall not
23 exceed 18% of the total institutional population supported through this
24 account.

25 Sec. 504. From the funds appropriated in section 101 for foster care
26 payments, the department of social services shall provide 50% reimbursement to

1 Indian tribal governments for foster care expenditures for children who are
2 under the jurisdiction of Indian tribal courts and who are not otherwise
3 eligible for foster care cost sharing.

4 Sec. 505. (1) From the funds appropriated in section 101, a limited
5 number of multidisciplinary teams for the assessment, diagnosis, and treatment
6 of protective services cases shall be funded. Teams which are funded shall be
7 defined as stable groups of community professionals who regularly and
8 frequently meet together to assess, plan, implement, and monitor treatment for
9 each family accepted for team services. Professional make-up of each team
10 shall include at a minimum access to legal expertise, and medical,
11 psychological, and social work expertise with credentials as required by law.

12 (2) The office of children and youth services shall establish an advisory
13 group consisting of persons knowledgeable in the area of child abuse and
14 neglect to review multidisciplinary contracts. Approval criteria for team
15 programs shall include but not be limited to all of the following:

16 (a) An agreement between the team and the local department of social
17 services for department case referral and case consultation.

18 (b) Provision by the local community of a minimum of 25% needed in-cash
19 or in-kind funding.

20 (c) Verification that voluntary efforts currently provided will continue
21 to be maintained at current levels.

22 (d) An agreement between the team and the local department on procedures
23 for department case closure which reflect the long-term treatment needs of
24 high risk cases referred to treatment to the pilot program.

25 (e) An emphasis on the provision of services to high risk and chronic
26 protective services cases.

1 (f) An emphasis on the provision of services to all significant members
2 of the child's family.

3 (3) The multidisciplinary teams will be funded for assessment, diagnosis,
4 and treatment on these cases through December 31, 1990.

5 Sec. 506. The department of social services shall also provide programs
6 which focus on the special education, training, employment, and social needs
7 of teen-age parents and teen-age expectant parents. These programs shall,
8 wherever available, be coordinated with alternative education programs for
9 school age expectant parents and school age parents and their children as
10 funded under section 93 of the state school aid act of 1979, Act No. 94 of the
11 Public Acts of 1979, being section 388.1693 of the Michigan Compiled Laws.

12 Sec. 507. The department of social services shall continue a medical or
13 support subsidy until an adoptee reaches the age of 19, if the office of
14 children and youth services determines that the adoptee is a student regularly
15 attending a high school, college, university, or a course of vocational
16 training in pursuance of a course of study leading to a high school diploma,
17 college degree, or gainful employment.

18 Sec. 508. The department of social services shall charge or cause to be
19 charged a fee for intercountry adoption services. These fees shall be based
20 on the cost of providing the services, with reduced fees for low-income
21 families. These fees shall be used to pay for or contract for personnel and
22 related activities. If it becomes apparent that the fees will not generate
23 sufficient income to support the program, the director of social services
24 shall adjust or cause an adjustment of the fees to permit the program to be
25 self-supporting.

26 Sec. 509. To achieve the reduction of costs in the adoption subsidy

1 program, the office of children and youth services shall do all of the
2 following:

3 (a) Screen all residential placements which are subsidized by an adoption
4 medical subsidy to assure the placement and treatment are needed and are in
5 the best interest of the child.

6 (b) Establish a utilization review procedure for cases in which extensive
7 outpatient therapy for severe emotional problems is subsidized by an adoption
8 medical subsidy.

9 (c) In conjunction with professional provider groups, establish fee
10 schedules for treatment of emotional problems subsidized with an adoption
11 medical subsidy.

12 (d) In cooperation with the department of mental health, develop a model
13 for postplacement adoption services, including the screening and monitoring of
14 placements in child caring institutions and psychiatric hospitals.

15 (e) Limit payment for out-of-home in child caring institutions and
16 psychiatric hospitals to short-term crisis placements unless the local
17 community mental health board has determined that a long-term placement is
18 needed. Payments for long-term placements shall be limited to a maximum of 6
19 months.

20 Sec. 510. From the funds appropriated in section 101 for foster care
21 payments, the office of children and youth services may use funds for programs
22 to serve children in their own homes or in community-based services, if the
23 service is in lieu of the children being placed in foster care.

24 Sec. 511. After the end of each fiscal year, the department of social
25 services shall report to the house and senate appropriations subcommittees on
26 social services the total amount of expenditures for child abuse and neglect

1 programming, which shall include expenditures from the day care payment line
2 item and other related appropriations line items to child abuse and neglect.

3 Sec. 512. The department of social services' ability to satisfy
4 appropriation deductions in section 101 for foster care private collections
5 shall not be limited to collections and accruals pertaining to services
6 provided in fiscal year 1990-91 as specified in section 101 but shall include
7 revenues collected in excess of the amount specified in section 101.

8 Sec. 513. The office of children and youth services shall compile
9 information on the status of the implementation of section 18(2) of chapter
10 XIIIA of Act No. 288 of the Public Acts of 1939, being section 712A.18 of the
11 Michigan Compiled Laws, by counties. The information shall include at a
12 minimum, the amount of money collected from parents by each county for the
13 care of their children and efforts by the office to encourage full compliance
14 with the act, including any adjustments made, if any, to a county's child care
15 fund allocation based on that county's failure to fully implement the act.

16 Sec. 514. From the funds appropriated in section 101 for day-care
17 payments, the department of social services may provide day-care services to
18 current or prospective foster parents who are in need of day-care services for
19 their foster children in order to become or remain foster parents.

20 Sec. 515. From the funds appropriated in section 101, the office of
21 children and youth services shall assign new rates to private child care
22 organizations based on a formula that includes the organization's previous
23 year's audited costs. Overall, the assignment of the new rates will be cost
24 neutral.

25 Sec. 516. The office of children and youth services shall not be
26 required to put up for bids contracts with service providers if currently only

1 1 provider in the service area exists. Existing runaway service contracts
2 shall be exempt from the bids process.

3 Sec. 517. The department of social services shall report to the
4 department of management and budget, house and senate appropriations
5 subcommittees on social services and the house committee on social services
6 and youth, on a quarterly basis, the following information:

7 (a) The percentage and numbers of children and families served by the
8 family reunification funds.

9 (b) The number of families served who are still intact 6 months later or
10 who have 1 or more children returned within 6 months of the reunification fund
11 expenditures.

12 (c) The type and amount of assistance provided and number of cases by
13 county.

14 Sec. 518. Notwithstanding section 117a or 117c of the social welfare
15 act, Act No. 280 of the Public Acts of 1939, being sections 400.117a and
16 400.117c of the Michigan Compiled Laws, the distribution of collections made
17 to counties by child, parent, guardian, or custodian, on behalf of children in
18 foster care who are wards of the county, shall be made pursuant to section
19 18(2) of chapter XIIA of Act No. 288 of the Public Acts of 1939, being section
20 712A.18 of the Michigan Compiled Laws.

21 Sec. 519. From the funds appropriated in section 101 for children
22 services, the office of children and youth services shall operate
23 demonstration projects to improve the coordination of and demonstrate the
24 benefits of consolidating children and family services.

25 Sec. 520. (1) Of the funds appropriated in section 101 for foster care
26 payments, a total of 5% of the previous year's total foster care payments

1 expenditures may be set aside in a separate account for prevention services.

2 (2) Funding from the prevention services account shall be allocated and
3 available to pilot sites in those counties participating in the department of
4 mental health prevention planning model.

5 (3) A locally constituted human services coordinating body consisting of
6 representatives of the department of social services, community mental health,
7 public health, education, and county government shall prepare a plan to reduce
8 out-of-home placement of children who have been abused or neglected or are
9 identified by the department of social services or the department of mental
10 health as being at risk of being abused or neglected.

11 (4) A plan prepared under subsection (3) shall be reviewed by the local
12 social services board and submitted to the central office of the office of
13 children and youth services for review and approval, with differences to be
14 negotiated.

15 (5) Priority shall be placed on those plans which identify gaps in
16 services and which attempt to fill those gaps and create a continuum of care
17 to strengthen family functioning and to enable families to remain intact to
18 the extent feasible.

19 (6) The balance of funding for the prevention set-aside accounts may be
20 carried forward as work projects into fiscal year 1991-92.

21 (7) The office of children and youth services shall pursue federal
22 funding flexibility in the use of title IV-E and title XIX funds for in-home
23 services.

24 (8) Local human services coordinating councils shall explore the ways in
25 which federal and third party funds may be maximized by use of title XIX
26 funding and third party liability including child support orders for health

1 care.

2 Sec. 521. Of the funds appropriated in section 101 for intensive
3 supervision/day treatment programs, the office of children and youth services
4 shall redirect the programs to intensive short-term day treatment programs
5 based upon a program model that emphasizes family involvement,
6 educational/vocational achievement, and literacy.

7 Sec. 522. The department shall report on a biannual basis, the monthly
8 number of substantiated children's protective services cases involving
9 congenital drug addiction or fetal alcohol syndrome. The department shall
10 also report on all of the following:

11 (a) The number of children by age category in such cases.

12 (b) The number of children by sex.

13 (c) The number of cases by county.

14 (d) The number of children in such cases which have been subject to
15 substantiated repeated instances of abuse or neglect.

16 (e) The number of children removed from their homes as a result of such
17 abuse or neglect.

18 (f) The number of children remaining in their homes and in which the
19 abusing adult is receiving treatment.

20 (g) The number of such children remaining in their homes in which no
21 treatment is ordered.

22 Sec. 523. The department shall seek notification from the local police
23 department whenever a raid has been conducted in which illicit drugs have been
24 found and children are present in the home. The department shall use
25 protective services workers to investigate all such cases to ascertain the
26 status of the child.

1 RESIDENTIAL CARE DIVISION

2 Sec. 601. Counties shall be subject to 50% charge back for the use of
3 alternative regional detention services if they do not fall under the basic
4 grant provisions of section 117e of the social welfare act, Act No. 280 of the
5 Public Acts of 1939, being section 400.117e of the Michigan Compiled Laws; or
6 if a county operates these programs primarily with professional rather than
7 volunteer staff.

8 Sec. 602. The amounts appropriated for utilities and that portion of
9 contractual services, supplies, and materials used to pay for utility service
10 to state facilities in section 101 may be expended in a manner consistent with
11 section 253 of the management and budget act, Act No. 431 of the Public Acts
12 of 1984, being section 18.1253 of the Michigan Compiled Laws.

13 Sec. 603. The appropriation in section 101 for the residential care
14 division for construction shall be subject to the capital outlay planning
15 process provided in the management and budget act, Act No. 431 of the Public
16 Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.
17 ASSISTANCE PAYMENTS, SERVICES AND CLERICAL FIELD STAFF

18 Sec. 701. From the funds appropriated in section 101 for contractual
19 services, supplies, and materials, the department of social services shall
20 continue to expend \$60,000.00 for the purpose of training adult foster care
21 personnel.

22 AID TO FAMILIES WITH DEPENDENT CHILDREN

23 Sec. 801. (1) When a recipient or landlord requests that the department
24 of social services make a vendor payment for shelter, that payment shall be
25 withheld from the landlord and payment continued to the recipient if the
26 rental unit is not in compliance with applicable local housing codes.

1 Compliance shall be considered to be met if the department of social services
2 receives from the landlord proof of compliance that the rental unit is in
3 compliance with local housing codes, and that statement is not contradicted by
4 the recipient and the local unit. The landlord also shall provide to the
5 department a signed statement indicating who currently owns the property and
6 whether any delinquent taxes are owed.

7 (2) Whenever a client agrees to the release of his or her name and
8 address to the local housing authority, the department shall request from the
9 local housing authority information regarding whether the housing unit for
10 which vendoring has been requested meets applicable local housing codes.
11 Vendoring shall be terminated for those units which the local authority
12 indicates in writing do not meet local housing codes, until such time as the
13 local authority indicates in writing that local housing codes have been met.

14 (3) In order to participate in the rent vendoring programs of the
15 department, a landlord shall cooperate in weatherization and conservation
16 efforts directed by an energy provider participating in an agreement with the
17 department pursuant to section 808, the department, or the department of labor
18 when the landlord's property has been identified as needing services.

19 Sec. 802. From the funds appropriated in section 101 for aid to families
20 with dependent children payments and medical services, the mother of an unborn
21 child shall be eligible to receive aid to families with dependent children and
22 medical services benefits for herself and her child if all other eligibility
23 factors are met. To be eligible for these benefits, the applicant shall
24 provide medical evidence of her pregnancy. If she is unable to provide the
25 documentation, payment for the examination may be at state expense. The
26 department of social services shall undertake such measures as may be

1 necessary to ensure that necessary prenatal care is provided to
2 medicaid-eligible recipients.

3 Sec. 803. The funds appropriated in section 101 include a special heat
4 allowance for heating fuel, a special needs allowance for heating fuel and
5 electricity, and a winter increment in the basic heating fuel allowance in the
6 aid to families with dependent children and general assistance programs. To
7 the extent allowed by federal law, these payments are not to be counted as
8 income for purposes of computing food stamp benefits.

9 Sec. 804. The department shall expend funds as part of an aid to
10 families with dependent children recipient grant or general assistance
11 recipient grant as part of an energy program in addition to basic heating
12 allowances, special heating allowances, and electric portion of utility
13 allowances to prevent loss of energy service. The money expended under this
14 section shall be in place of any emergency needs program payments and shall be
15 subject to payment limits developed by the department in consultation with the
16 legislature.

17 Sec. 805. (1) The department shall implement an energy program to be
18 funded from the funds appropriated in section 101 for the purposes of energy
19 cost assistance. It is the intent of the legislature that the policies and
20 funding to implement this energy program shall expire October 1, 1991.

21 (2) The energy program shall consist of the provisions set forth in the
22 positive billing proposal for fiscal years 1989-90 and 1990-91 of the interim
23 report of the energy assistance task force established under section 1208(a)
24 of Act No. 322 of the Public Acts of 1988.

25 (3) The department shall continue its pilot program to provide positive
26 incentives to reduce energy consumption.

1 (4) The department shall continue the task force created under section
2 1208(a) of Act No. 322 of the Public Acts of 1988 in order to develop a low
3 income energy assistance program for public assistance recipients that will
4 begin in fiscal year 1991-92 and complete its charge to develop a
5 comprehensive energy assistance program for Michigan's low-income citizens.

6 Sec. 806. The department shall implement an energy program to be funded
7 from funds appropriated in section 101 for the purposes of energy cost
8 assistance. Notwithstanding any other provision of this act, the funds
9 described in this section shall not be expended in a manner, nor shall
10 policies be implemented under this act, which increase the standard of need
11 for aid to families with dependent children recipients or general assistance
12 recipients or the personal needs allowances.

13 Sec. 807. The department shall expend funds as part of an aid to
14 families with dependent children recipient grant or general assistance
15 recipient grant as part of an energy program in addition to basic heating
16 allowances, special heating allowances, and electric portion of utility
17 allowances to prevent loss of energy service. The money expended under this
18 section shall be in place of any emergency needs program payments and shall
19 include payment limits for heat service, electric service, and electric heat
20 service that will be developed by the department and energy providers in
21 consultation with the legislature.

22 Sec. 808. The department, as it determines is appropriate, shall enter
23 into agreements with energy providers by which aid to families with dependent
24 children and general assistance recipients and the energy providers agree to
25 permit the department to make direct payments to the energy providers on
26 behalf of the recipient of basic heating allowances, special heating

1 allowances, electric portion of utility allowances, and payments in excess of
2 those allowances to the extent that the actual energy bill exceeds the
3 allowances for the appropriate service, up to the limits established in
4 subdivision (c) or up to limits negotiated between the department and an
5 individual energy provider. Such agreements with energy providers receiving
6 payments via the department's positive billing system shall additionally
7 include the following provisions:

8 (a) Shutoff protection for the recipient during the recipient's
9 participation under the agreement.

10 (b) That the department shall not be responsible for payment of an amount
11 owed by a recipient prior to inclusion under an agreement established under
12 this section.

13 (c) The department shall make payments in excess of recipient allowances
14 when the actual energy bill exceeds the allowances for the associated service,
15 up to \$260.00 for natural gas heat service, \$430.00 for electric service, and
16 \$690.00 for all-electric living.

17 (d) A recipient must agree to vendor both the heating allowance and the
18 electric portion of the utility allowance, if eligible to receive both such
19 benefits.

20 (e) A recipient who owes an amount to an energy provider which was due
21 prior to inclusion under an agreement shall agree to have an amount comparable
22 to 1% of the recipient's monthly summer grant paid by the department directly
23 to the provider until 1/3 of the amount owing is paid or the recipient is no
24 longer included under an agreement. Payments of the 1% comparable amount
25 toward amounts outstanding at the time of inclusion under an agreement shall
26 commence after the recipient has discharged any responsibility for payment of

1 required energy allowances.

2 (f) A recipient who owes an amount to an energy provider because the
3 recipient's actual bill while participating under an agreement exceeds
4 allowances and additional department payment of \$260.00 for heat, \$430.00 for
5 electricity, or \$690.00 for all-electric shall agree to have an amount
6 comparable to a percentage of the recipient's monthly summer grant level paid
7 by the department directly to the provider. Recipients whose usage pattern
8 indicates that their annual usage will exceed 300,000 cubic feet for natural
9 gas, 13,800 kilowatt-hours for electricity, or 27,600 kilowatt-hours for
10 all-electric shall have an amount comparable to 3% of their monthly summer
11 grant directed to the appropriate provider when actual bills exceed allowances
12 and additional department payment of \$260.00 for heat, \$430.00 for
13 electricity, or \$690.00 for all-electric. All other recipients shall have an
14 amount comparable to 2% of their monthly summer grant directed to the provider
15 when the actual bill exceeds allowances and additional department payment of
16 \$260.00 for heat, \$430.00 for electricity, or \$690.00 for all-electric.
17 Recipients with a 3% comparable payment requirement shall be responsible for
18 continuing such payments until 1/4 of the amount by which the actual bill
19 exceeds allowances and additional department payment of \$260.00 for heat,
20 \$430.00 for electricity, or \$690.00 for all-electric is paid or until the
21 recipient is no longer included under an agreement. Recipients with a 2%
22 comparable requirement shall be responsible for continuing such payments until
23 1/3 of the amount by which the actual bill exceeds allowances and department
24 payment is paid or until the recipient is no longer included under an
25 agreement. Required 2% or 3% comparable payments shall not begin until the
26 recipient has discharged any responsibility for payments of required energy

1 allowances for the billed service.

2 (g) For a recipient participating under an agreement, the energy provider
3 shall, for the purpose of retiring that recipient's debt, match amounts paid
4 as follows:

5 (i) For a recipient with a 1% comparable payment because of an
6 outstanding amount owed at the time of inclusion under an agreement, the
7 energy provider shall match \$2.00 for each required payment dollar received
8 from the department on behalf of the recipient.

9 (ii) For a recipient with a 2% comparable payment because actual bills
10 exceed allowances and additional department payment, the energy provider shall
11 match \$2.00 for each required payment dollar received from the department on
12 behalf of the recipient.

13 (iii) For a recipient with a 3% comparable payment because actual bills
14 exceed allowances and additional department payment and the recipient has a
15 usage pattern indicating that annual usage will exceed 300,000 cubic feet for
16 natural gas, 13,800 kilowatt-hours for electricity, or 27,600 kilowatt-hours
17 for all-electric, the energy provider shall match \$3.00 for each required
18 payment dollar received from the department on behalf of the recipient for
19 current usage.

20 (h) The recipient shall upon termination of participation under an
21 agreement, be responsible for payment of an outstanding amount owed by the
22 recipient prior to inclusion under an agreement or an amount owed as a result
23 of the actual bill exceeding allowances and additional department payment,
24 less any debt retired by the energy provider in accordance with subdivision
25 (g).

26 (i) The recipient shall, upon termination of participation under this

1 agreement, receive a refund of that portion of the combined withheld heating
2 allowance and electric portion of the utilities allowance that exceeds the
3 total of the heat and electric bills paid by the department. If the recipient
4 is responsible for an outstanding amount owed to the company, the refund is to
5 be paid to the energy provider and the energy provider will match \$2.00 for
6 every \$1.00 received from such a refund.

7 (j) The energy provider shall, upon a recipient's termination of
8 participation under an agreement, offer that recipient a reasonable repayment
9 agreement over an extended time period for any outstanding obligation of the
10 recipient. The repayment agreement shall not require an initial lump sum
11 payment from the recipient.

12 (k) The energy provider, upon consultation with the department and the
13 Michigan public service commission, shall develop energy conservation programs
14 to assist recipients participating under agreements to reduce consumption.

15 (l) The energy provider shall identify participating recipients who are
16 high energy users and shall, in cooperation with the department or its
17 designee, schedule assessment visits to install low-cost conservation items as
18 appropriate, evaluate for referral to provider or government sponsored
19 weatherization programs, evaluate for referral to the department for
20 relocation services, assess for referral to the department's energy
21 intervention unit, and determine need for mandatory installation of a
22 thermostat limiter or electric service limiter in cases where prior
23 weatherization or conservation efforts have not reduced usage as expected. If
24 a recipient refuses to take part in appropriate energy reduction services,
25 without good cause, the recipient shall be terminated from participation under
26 an agreement and shall lose shutoff protection.

1 (m) The department and the energy provider shall take part in developing
2 a systemwide conservation incentive whereby estimated annual liability for
3 arrearages created by participation under the positive billing system
4 agreements is compared to actual liability and any savings attributable to
5 conservation will provide a direct financial benefit to recipients. Savings
6 shall be the result of subtracting actual arrearages from estimated
7 arrearages. The financial benefit to recipients shall be the crediting of 1/2
8 of the savings to accounts of those participating under positive billing
9 system agreements.

10 (n) If an energy provider that participated in such an agreement in
11 fiscal year 1989-90 refuses to participate in such an agreement with the
12 department in fiscal year 1990-91, the department may elect not to offer any
13 type of direct payments to such an energy provider, on behalf of the
14 recipients, of basic heating allowances, special heating allowances, or
15 electric portion of the utility allowance. Payment in excess of those
16 allowances, up to the payment caps specified in subdivision (c), may be
17 authorized only if the recipient demonstrates need for the payment through a
18 shutoff notice and the payment will maintain or restore service.

19 Sec. 809. Notwithstanding section 808(g), the department may enter into
20 a positive billing agreement that provides shut-off protection but that
21 provides for less than the specified matching amounts for client payments if
22 the utility, through a settlement agreement, is prohibited from cost recovery
23 through general rate application or limited purpose rate proceedings before
24 the public service commission.

25 Sec. 810. As part of the energy program funded under this act, the
26 department may make payments in excess of the limits established in section

1 808 to public assistance recipients if all of the following conditions are
2 satisfied:

3 (a) The public assistance recipient to whom, or on whose behalf, the
4 payment is to be made is, at the time of requesting the additional payment,
5 paying an energy provider or is permitting or has agreed to permit the
6 department to directly pay an energy provider, the monthly basic heating
7 allowance, special heating allowance, or electric portion of the utility
8 allowance as appropriate and is not eligible for inclusion under an agreement
9 as established under section 808 or not served by a provider that refuses to
10 participate under section 808(n).

11 (b) The public assistance recipient has agreed to participate in the
12 weatherization/conservation related service offered by the state or a
13 participating utility and to accept weatherization/conservation when
14 designated by the department to receive that service.

15 (c) If weatherization/conservation has been determined to be
16 inappropriate for the residence of the public assistance recipient, the public
17 assistance recipient has agreed to relocate to alternative housing, if it is
18 available.

19 Sec. 811. (1) As part of the energy program funded under this act, an
20 aid to families with dependent children recipient or general assistance
21 recipient who, at the time the person is requesting to be included under an
22 agreement established under section 808, is not under such an agreement, who
23 has not paid both the monthly heating allowance and electric portion of the
24 utility allowance, as appropriate, directly to a heating fuel provider, and
25 who has previously received an energy payment under a departmental program
26 shall be eligible to participate in such an agreement only if the person

1 agrees to permit up to 5% of the person's monthly summer grant, or a
2 comparable amount, to be paid directly to a energy provider to cover
3 nonpayment of required energy allowances.

4 (2) As part of the energy program funded under this act, an aid to
5 families with dependent children recipient or general assistance recipient
6 who, at the time the person is requesting to be included under an agreement
7 established under section 808, is not included under such an agreement and has
8 paid the appropriate monthly allowances directly to an energy provider shall
9 be eligible to participate in such an agreement without agreeing to permit up
10 to 5% of the person's monthly summer grant to be paid directly to an energy
11 provider.

12 (3) Notwithstanding any other provision of this section, an aid to
13 families with dependent children recipient or general assistance recipient who
14 is not under an agreement of the type described in section 808 shall be
15 eligible for an energy assistance payment, as under current department
16 emergency needs program policy, only if it is a first request for energy
17 assistance.

18 Sec. 812. A provider utility shall be entitled to recover in its rates
19 all qualifying costs incurred pursuant to an agreement between the provider
20 utility and the department for the payment of all or part of assisted
21 households' heating and electric service bills and for costs incurred for
22 energy conservation programs as prescribed in section 808(k). Qualifying
23 costs shall include amounts forgiven for assisted households, prudently
24 incurred energy conservation program costs, the conservation incentive credits
25 and the cost of capital incurred for preenrollment arrearages and energy
26 conservation programs for program years October 1, 1990 through September 30,

1 1991. For provider utilities who are not covered by the provisions of section
2 808 recovery of costs incurred for amounts matched in any subsequent agreement
3 shall not exceed the levels described in section 808(g). For those provider
4 utilities regulated by the Michigan public service commission, the cost of
5 capital shall be determined by the overall cost of capital authorized by the
6 commission in the provider utility's most recent general rate case applied to
7 the unrecovered balance of all preenrollment arrearages and energy
8 conservation costs. All such qualifying costs incurred for program years
9 beginning after October 1, 1990 and ending September 30, 1991 shall be subject
10 to deferred accounting and recovery through a general rate case application or
11 shall be subject to timely recovery through separate limited purpose rate
12 proceedings.

13 Sec. 813. (1) Notwithstanding sections 808, 809, and 810, the
14 department, as it determines appropriate, shall enter into agreements with
15 energy providers with less than 100,000 Michigan residential customers by
16 which aid to families with dependent children and general assistance
17 recipients and the energy providers agree to permit the department to make
18 direct payments to the energy providers on behalf of the recipient of basic
19 heating allowances, the electric portion of utility allowances, and payments
20 in excess of those allowances to the appropriate service, up to the limits
21 negotiated between the department and an individual energy provider.

22 (2) Agreements with energy providers pursuant to subsection (1) shall
23 include all of the following:

24 (a) Shutoff protection for the recipient during the recipient's
25 participation under the agreement.

26 (b) A provision stating participating recipients shall, upon termination

1 of participation under the agreement, be responsible for payment of all
2 outstanding debts to the energy provider.

3 (c) A repayment plan for participating recipients that provides, upon
4 termination by the participating recipient, a reasonable repayment agreement
5 over an extended time period for any outstanding debts of the recipient to the
6 energy provider.

7 (3) An agreement entered into pursuant to subsection (1) may contain
8 requirements and provisions, including those contained in section 808(k), no
9 less favorable to energy providers in general and other provisions as the
10 department and the energy provider may negotiate and agree to.

11 (4) An energy provider entering into an agreement pursuant to subsection
12 (1) shall be entitled to recover in its rates all qualifying costs incurred in
13 the same manner and no less favorable to energy providers in general as
14 provided in section 812.

15 GENERAL ASSISTANCE

16 Sec. 901. General assistance recipients living in the household of
17 another shall be presumed by the department of social services to have no
18 shelter costs and shall therefore be eligible for a personal needs allowance
19 only. Recipients shall be allowed the opportunity to rebut this presumption
20 before any reduction in benefits takes place. All related persons living in a
21 common dwelling unit shall be considered a single household for purposes of
22 eligibility for general assistance.

23 Sec. 902. The department of social services shall implement a shelter
24 exception policy for homeowners under the general assistance program. To
25 protect equity in a homestead, general assistance homeowners may receive up to
26 \$100.00 per month above the regular general assistance shelter maximum, but

1 not to exceed the aid to families with dependent children shelter maximum for
2 a family of 6.

3 Sec. 903. The department of social services shall reimburse all
4 substance abuse programs which are licensed by the office of substance abuse
5 services and which have a contract with a local substance abuse coordinating
6 agency at a rate equivalent to that paid by the department to adult foster
7 care providers. Joint commission accredited programs shall be reimbursed at
8 the personal care rate, while all other eligible programs shall be reimbursed
9 at the domiciliary care rate.

10 Sec. 904. The level of reimbursement provided to general assistance
11 recipients in licensed adult foster care facilities shall be the same as the
12 prevailing supplemental security income rate under the personal care category.

13 Sec. 905. County departments of social services shall require each
14 recipient of general assistance who has applied with the social security
15 administration for supplemental security income to sign a contract to repay
16 any assistance rendered through the general assistance program upon receipt of
17 retroactive supplemental security income benefits.

18 Sec. 906. The nonexempt resource limitation for both general assistance
19 applicants and recipients shall be \$250.00.

20 Sec. 907. The department of social services' ability to satisfy
21 appropriation deductions in section 101 for general assistance/supplemental
22 security income recoveries shall not be limited to recoveries and accruals
23 pertaining to general assistance grant payments provided in fiscal year
24 1990-91, but shall include all net general assistance/supplemental security
25 income recoveries during fiscal year 1990-91 regardless of the year.

26 Sec. 908. All applicants for general assistance shall be informed of the

1 requirements of the employment and training program to which they will be
2 subject once determined eligible.

3 SUPPLEMENTAL SECURITY INCOME

4 Sec. 1001. Adult foster care facilities providing domiciliary care or
5 personal care to residents receiving supplemental security income or homes for
6 the aged serving residents receiving supplemental security income shall not
7 require those residents to reimburse the home or facility for care at rates in
8 excess of those legislatively authorized.

9 Sec. 1002. The personal care services payment for eligible supplemental
10 security income recipients shall be \$110.70 effective October 1, 1990.

11 Sec. 1003. Any adult foster care facility regulated by the department of
12 social services division of adult foster care licensing shall report any
13 incident where a resident of an adult foster care home is arrested or found
14 guilty of an index category offense as defined by Act No. 319 of the Public
15 Acts of 1968, being sections 28.251 to 28.258 of the Michigan Compiled Laws.
16 The division of adult foster care licensing shall maintain these records and
17 make the statistics available on request.

18 Sec. 1004. The personal needs allowance for supplemental security income
19 recipients living in adult foster care homes or homes for the aged shall be
20 \$40.00 effective October 1, 1990.

21 LOW INCOME ENERGY ASSISTANCE PROGRAM

22 Sec. 1101. From the funds appropriated for the emergency needs program
23 in section 101, a recipient of emergency needs for home repairs shall be
24 required to sign a repayment agreement for emergency needs payments exceeding
25 \$500.00 for the repair or replacement of a roof, furnace, septic system, water
26 supply system, electrical system, or any other repair or replacement. The

1 repayment shall be due upon sale, transfer, or other conveyance of the home.
2 The department of social services may waive repayment in cases of hardship.
3 This requirement shall not apply to the repair or replacement of a furnace, a
4 roof, or other energy-related repairs or replacements which are paid in whole
5 or in part through low-income energy assistance block grant funds.

6 Sec. 1102. In-person interviews for emergency needs applicants may be
7 waived by the department of social services where local offices have
8 sufficient current information to determine eligibility.

9 Sec. 1103. When necessary to resolve an emergency situation, local
10 office directors are authorized to grant exceptions to the emergency needs
11 payment limits according to criteria established by the department of social
12 services.

13 Sec. 1104. A warrant shall not be issued for emergency relief under the
14 emergency needs program unless the warrant is signed by both the client and
15 the provider of services, or, if necessary, is issued in the form of direct
16 vendor payments to a provider of services.

17 Sec. 1105. (1) The department of social services shall authorize up to 3
18 months shelter payment to prevent eviction upon presentation of a notice to
19 quit issued in accordance with section 5716 of the revised judicature act of
20 1961, Act No. 236 of the Public Acts of 1961, being section 600.5716 of the
21 Michigan Compiled Laws, if the client is otherwise eligible for the emergency
22 needs program and the delinquency is not the result of an unresolved
23 landlord-tenant dispute or other action by the landlord that would preclude
24 entry of a judgment under section 5720 of Act No. 236 of the Public Acts of
25 1961, being section 600.5720 of the Michigan Compiled Laws.

26 (2) Emergency needs program funds shall be utilized to pay security

1 deposits for applicants for public assistance and individuals or families
2 referred by emergency shelters, domestic violence emergency shelters, or
3 displaced homemaker programs, who cannot obtain housing without a security
4 deposit.

5 Sec. 1106. Spending for heat or utilities shall not be authorized under
6 the emergency needs program if the cause of need is failure to pay required
7 payment amounts of both the heating allowances and electric portion of the
8 utility allowance, unless the recipient agrees to the vendor plan for the item
9 whenever such a plan is available.

10 Sec. 1107. Emergency needs program applications shall always be
11 available to applicants and shall be taken by a county office up to 5 p.m. on
12 the day that they are submitted.

13 Sec. 1108. From funds appropriated in section 101, the department,
14 together with other agencies, may establish special projects to provide for
15 emergency shelter payment levels that will provide for the development and
16 long-term availability of quality low-income housing.

17 MEDICAL SERVICES

18 Sec. 1201. A provider of medical services who fails to submit a bill for
19 medical care related to title XIX of the social security act, chapter 531, 49
20 Stat. 620, 42 U.S.C. 1396 to 1396d, 1396f to 1396g, and 1396i to 1396s, or for
21 institutional services and medical care facilities related to public
22 assistance within 12 months after the date of the services shall forfeit the
23 provider's right to payment and shall not seek reimbursement from the
24 recipient of the services. When a bill is rejected for payment by the
25 department of social services, the provider must resubmit a bill for those
26 services within 1 year of the date the claim is rejected or forfeit the

1 provider's right to payment and shall not seek reimbursement from the
2 recipient of the services.

3 Sec. 1202. The department of social services shall provide an
4 administrative procedure for the review of grievances by medical assistance
5 providers with regard to reimbursement under the medical assistance program.

6 Sec. 1203. The department of social services shall require a nonenrolled
7 provider to accept medicaid payment as payment in full, when payment is
8 approved for emergency services.

9 Sec. 1204. An institutional provider that is required to submit a cost
10 report under the medicaid program shall submit cost reports completed in full
11 within 90 days after the end of its fiscal year.

12 Sec. 1205. Determined pursuant to section 106(1)(b)(iii) of the social
13 welfare act, Act No. 280 of the Public Acts of 1939, being section 400.106 of
14 the Michigan Compiled Laws, the protected income level for medicaid coverage
15 shall be 100% of the related public assistance standard for the fiscal year
16 ending September 30, 1991.

17 Sec. 1206. The cost of remedial services incurred by residents of
18 licensed adult foster care homes and licensed homes for the aged shall be used
19 in determining financial eligibility for the medically needy. Remedial
20 services means those services which produce the maximum reduction of physical
21 and mental limitations and restoration of an individual to his or her best
22 possible functional level. At a minimum, remedial services include basic
23 self-care and rehabilitation training for a resident.

24 Sec. 1207. The department of social services shall continue to implement
25 the physician primary sponsor plan and shall require aid to families with
26 dependent children recipients residing in counties offering managed care

1 options to choose the particular managed care plan in which they wish to be
2 enrolled. Persons not expressing a preference shall be randomly assigned to a
3 managed care program.

4 Sec. 1208. The department of social services shall contract for the
5 provision of selected supplies and services for medicaid clients.

6 Sec. 1209. The department of social services shall implement a time
7 specific schedule for cost audits and cost audit review and hearing processes
8 and procedures to ensure more timely issuance of prospective rates to
9 providers of long-term nursing care. To this end, the department shall amend
10 the appeals section of the state plan for reimbursement of long-term care
11 facilities under title XIX of the social security act, chapter 531, 49 Stat.
12 620, 42 U.S.C. 1396 to 1396d, 1396f to 1396g, and 1396i to 1396s, and for this
13 purpose only, provisions of the amendment shall supersede provisions for the
14 preliminary conference and the bureau conference contained in administrative
15 rules of the department at R 400.3402 and R 400.3403, respectively.

16 Sec. 1210. No funds are appropriated in section 101 to reimburse
17 long-term care facilities for hospital leave days.

18 Sec. 1211. The inpatient indigent care volume price adjuster shall not
19 distribute more than the minimum reimbursement required by Section 109b of Act
20 No. 266 of the Public Acts of 1987. The department shall develop policies and
21 procedures to implement this section.

22 Sec. 1212. Medicaid reimbursement for medicaid services shall not
23 exceed, solely or in combination with other resources, including medicare,
24 those amounts established for medicaid-only patients. The medicaid payment
25 rate shall be accepted as payment in full. Other than an approved medicaid
26 copayment, no portion of a provider's charge may be billed to the recipient or

1 any person acting on behalf of the recipient. Nothing in this section shall be
2 deemed to affect the level of payment from a third party source other than
3 medicaid.

4 Sec. 1213. From the funds appropriated in section 101 for the medical
5 services payments, the department of social services shall provide for an
6 expanded inpatient hospital prior authorization and on-site review system.

7 Sec. 1214. The department of social services shall fund a program to
8 appeal medicare denials of nursing home coverage.

9 Sec. 1215. The department of social services shall cover selected cost
10 effective over-the-counter products at maximum allowable cost limits for
11 ambulatory clients, and allow selected over-the-counter reimbursement to a
12 pharmacy for over-the-counter products not designated minimum floor stock for
13 nursing homes.

14 Sec. 1216. The department of social services shall contract for the
15 mental health field audit, the nursing home field audit, and inpatient
16 hospital utilization review.

17 Sec. 1217. (1) The pharmaceutical dispensing fee shall be a maximum of
18 \$3.15, effective October 1, 1990. If a recipient is 21 years of age or older,
19 and is not in an institutional setting, or is not enrolled in the physician
20 primary sponsor plan, the department of social services shall require a 50
21 cent per prescription client copayment, except for products on the maximum
22 allowable cost limit list or pregnancy-related products.

23 (2) The department of social services shall require copayments on dental,
24 podiatric, vision, chiropractic, and hearing aid services provided to
25 recipients of medical assistance except as excluded by law.

26 (3) The copayments in subsections (1) and (2) may be waived for

1 recipients who participate in a program of medical case management such as
2 enrollment in a health maintenance organization or the primary physician
3 sponsor plan program.

4 Sec. 1218. From the funds appropriated in section 101, the department of
5 social services may continue to conduct demonstration pilot projects on
6 preadmission screening for nursing homes.

7 Sec. 1219. The department of social services shall establish an
8 all-inclusive facility rate reimbursement for selected surgeries performed in
9 the outpatient hospital setting. Reimbursement for such procedures shall be
10 the lesser of the all-inclusive facility rate or charges.

11 Sec. 1220. From the funds appropriated in section 101, the department of
12 social services shall reimburse chiropractors for X-rays taken in their
13 offices on recipients who are eligible for medical assistance.

14 Sec. 1221. The department shall establish health maintenance
15 organization rates to be effective on January 1 for each calendar year. The
16 rate setting methodology shall be actuarially approved and based on the
17 medicaid fee-for-service equivalent costs projected for the rate year. The
18 health maintenance organization rates shall be set at not less than 90% of the
19 fee-for-service equivalent medicaid costs.

20 Sec. 1222. The medicaid program shall reimburse 100 percent of its share
21 of a hospital's capital costs if it has an occupancy rate of at least 75
22 percent and a portion of capital costs for all other hospitals. The
23 department shall develop policies and procedures to implement this section.

24 Sec. 1223. The medicaid program shall contract with pharmacies to
25 provide pharmaceutical products to medicaid eligible populations. The
26 department shall develop policies and procedures to implement this section.

1 Sec. 1224. The medicaid program shall eliminate high cost drugs within
2 selected classes. The department shall develop policies and procedures to
3 implement this section.

4 Sec. 1225. The medicaid program shall contract with a mail order
5 pharmacy for maintenance drugs for medicaid recipients. Participation in the
6 program shall be voluntary. The department shall develop policies and
7 procedures to implement this section.

8 Sec. 1226. The medicaid program shall eliminate the
9 "dispense-as-written" option for prescribed drugs. The department shall
10 develop policies and procedures to implement this section.

11 Sec. 1227. Any special rate increases given to physicians, home health
12 providers, or auxiliary medical providers from April 1, 1990 through September
13 30, 1990 are-revoked effective October 1, 1990.

14 Sec. 1228. The medicaid program shall establish percentile limits for
15 graduate medical education reimbursements calibrated to generate \$4,400,000 in
16 spending reductions. The department shall develop policies and procedures to
17 implement this section.

18 Sec. 1229. The medicaid program shall competitively bid hospital
19 prices. The department shall develop policies and procedures to implement
20 this section.

21 Sec. 1230. The medicaid program shall reimburse private hospital long
22 term care units at nursing home rates. The department shall develop policies
23 and procedures to implement this section.

24 Sec. 1231. The medicaid program shall establish a psychiatric hospital
25 admission prior approval process. The department shall develop policies and
26 procedures to implement this section.

1 Sec. 1232. The medicaid program shall set psychiatric hospital per diem
2 payments at an average level. The department shall develop policies and
3 procedures to implement this section.

4 Sec. 1233. Section 1406 of Act. No. 160 of the Public Acts of 1989 is
5 repealed.

6 GENERAL ASSISTANCE MEDICAL

7 Sec. 1301. (1) The department of social services shall determine the
8 amount of county liability for resident county hospitalization based upon the
9 initial determination of payment amount for approved services.

10 (2) Subsection (1) shall not apply to payments made to Wayne county
11 patient case management system contracted hospitals.

12 Sec. 1302. (1) The payment to each hospital by the state for resident
13 county hospitalization shall be a hospital specific percent of charge with no
14 subsequent cost settlement. The percent of charge shall be 90% of the most
15 recent available inpatient cost to charge ratio for that hospital. No payment
16 to a hospital shall exceed its charge.

17 (2) Subsection (1) shall not apply to payments made for the Wayne county
18 patient care management system.

19 Sec. 1303. The department of social services may agree to provide
20 certain administrative or payment functions, or both, on behalf of the Wayne
21 county patient care management system as agreed to by the county and the
22 department. If such an agreement is reached, the department shall withhold
23 from the state share of the county patient care management system funds
24 appropriated in section 101, an amount equal to the estimated cost to be
25 incurred by the department, including accrued liability for services provided
26 but not yet paid. These funds will be available to the department of social

1 services and will be appropriated and allotted to the department as they are
2 received. A final reconciliation of costs shall be completed by October,
3 1992. The county shall remain liable for any costs in excess of the amount
4 withheld and will be entitled to receive any funds remaining after a final
5 expenditure reconciliation is completed.

6 Sec. 1304. As part of the annual application for recertification of a
7 county patient care management system, as requirement by section 66j(2) of the
8 social welfare act, Act No. 280 of the Public Acts of 1939, being section
9 400.66j of the Michigan Compiled Laws, a county shall submit to the department
10 of social services data on the current and proposed operation of the patient
11 care management system. The data submitted shall include but not be limited
12 to identification of primary physician availability, pharmacy availability,
13 adequacy of medication formularies, adequacy of specialist referrals, adequacy
14 of services to persons with complicated medical regimens and catastrophic
15 illnesses such as AIDS and AIDS-related complex, transportation difficulties,
16 access to county problem-solving personnel, and any other related matters.
17 This information shall be reported to the house and senate appropriations
18 committees on an annual basis.