

# HOUSE BILL No. 5486

## EXECUTIVE BUDGET BILL

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

A bill to make appropriations for the department of mental health and certain state purposes related to mental hygiene for the fiscal year ending September 30, 1991; to provide for the expenditure of such appropriations; to create funds; to provide for reports; to prescribe the powers and duties of certain state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

### THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 101. There is appropriated for the department of mental health for  
2 the fiscal year ending September 30, 1991, from the funds identified hereunder:

#### 3 DEPARTMENT OF MENTAL HEALTH

#### 4 APPROPRIATIONS SUMMARY:

5       Full-time equated unclassified positions.....6.0

6       Full-time equated classified positions.....9,055.5

7       GROSS APPROPRIATION.....\$   1,301,633,600

1	Total interdepartmental grants.....	\$	829,500
2	ADJUSTED GROSS APPROPRIATION.....	\$	1,300,804,100
3	Total federal revenues.....		289,869,600
4	Total private revenues.....		3,750,000
5	Total local revenues.....		43,065,600
6	Total other state restricted revenues.....		48,653,000
7	State general fund/general purpose.....	\$	915,465,900
8	EXECUTIVE PROGRAM		
9	Full-time equated unclassified positions.....	6.0	
10	Full-time equated classified positions.....	747.0	
11	Director.....	\$	83,100
12	Deputy directors and executive		
13	assistants.....		231,600
14	Citizens' mental health advisory council		
15	(per diem cost, \$50.00 per member).....		39,100
16	Departmental administration and management,		
17	including facilities' salaries and		
18	fringe--747.0 FTE positions.....		37,408,300
19	Expansion of itemized billing		
20	implementation.....	\$	1,500,000
21	Central fund for acquiring additional		
22	federal funds.....		2,667,800
23	Central fund for acquiring additional		
24	private funds.....		1,000,000
25	GROSS APPROPRIATION.....	\$	42,929,900
26	Appropriated from:		

1	Federal-special education.....	\$	30,000
2	HHS-HCFA, title XIX.....		1,453,400
3	Federal planning funds (PL 99-660).....		82,200
4	Federal revenue, additional acquired.....		2,667,800
5	Private revenue, additional acquired.....		1,000,000
6	1st/3rd party revenues.....		1,000,000
7	State general fund/general purpose.....	\$	36,696,500
8	DATA PROCESSING-MENTAL HEALTH		
9	Full-time equated classified positions.....	60.0	
10	Salaries and wages--60.0 FTE positions.....	\$	2,101,000
11	Longevity and insurance.....		276,900
12	Retirement.....		390,200
13	Contractual services, supplies, and materials.....		556,300
14	Equipment.....		1,242,100
15	Travel.....		35,800
16	Community mental health-ADP services.....		278,900
17	GROSS APPROPRIATION.....	\$	4,881,200
18	Appropriated from:		
19	Local-community mental health-purchase		
20	of services.....		278,900
21	State general fund/general purpose.....	\$	4,602,300
22	DEVELOPMENT DISABILITIES		
23	Full-time equated classified positions.....	12.0	
24	Salaries and wages--12.0 FTE positions.....	\$	412,000
25	Longevity and insurance.....		41,800
26	Retirement.....	\$	89,700

1	Contractual services, supplies, and materials.....	55,500
2	Equipment.....	3,200
3	Travel.....	33,600
4	Rent.....	83,700
5	Developmental disabilities project grant.....	1,480,800
6	GROSS APPROPRIATION.....\$	2,200,300
7	Appropriated from:	
8	HHS-OHDS, developmental disabilities,	
9	basic support and advocacy grants.....	2,200,300
10	State general fund/general purpose.....\$	0
11	SPECIAL PROJECTS	
12	Full-time equated classified positions.....23.0	
13	Mentally ill protection and advocacy	
14	services.....\$	398,100
15	Mentally ill aftercare projects for	
16	impacted communities.....	247,900
17	Biochemical screening to detect genetic	
18	factors resulting in developmental	
19	disabilities.....	64,400
20	Consumer involvement program.....	341,200
21	Foster grandparent and senior companion program for	
22	developmentally disabled and mentally ill adults.....	1,448,300
23	Mentally ill/substance abuse hospital	
24	program—13.0 FTE positions.....	644,900
25	Mental health services through McKinney	
26	homeless assistance act—4.0 FTE positions.....	1,397,000

1	Mentally ill multicultural and special	
2	needs projects.....\$	1,763,500
3	Mental health initiatives for older	
4	persons.....	425,500
5	Pilot projects in prevention for mentally	
6	ill adults and children--2.0 FTE positions.....	2,551,800
7	Protection and advocacy services (pursuant to section	
8	93 of Act No. 258 of the Public Acts of 1974, being	
9	Section 330.1931 of the Michigan Compiled Laws.....	1,295,200
10	Professional staff education program	
11	--1.0 FTE positions.....	376,200
12	Mentally ill/substance abuse mental	
13	health services.....	266,200
14	Research project for the seriously	
15	mentally ill.....	146,200
16	Supported employment pilot project.....	1,039,400
17	Direct care staff training.....	625,000
18	Mental health services for youth project	
19	--3.0 FTE positions.....	750,000
20	GROSS APPROPRIATION.....\$	13,780,800
21	Appropriated from:	
22	Stuart B. McKinney homeless assistance	
23	act (title IV).....	1,397,000
24	Federal training funds.....	125,000
25	IDG department of public health/office	
26	of substance abuse.....	64,500

1	Robert Wood Johnson foundation grant.....\$	750,000
2	Tuition/stipend reimbursement.....	50,000
3	State general fund/general purpose.....\$	11,394,300
4	COMMUNITY MENTAL HEALTH PROGRAMS	
5	Full-time equated classified positions.....12.0	
6	Federal block grant.....\$	5,307,800
7	Community mental health programs.....	406,594,100
8	Family support subsidy.....	11,734,100
9	(Community mental health grant fund pursuant to	
10	sections 226a, 244, 300, 309, 310, 311 and	
11	313 of Act No. 258 of the Public Acts of 1974	
12	being sections 300.1226a, 330.1244, 330.1300,	
13	330.1309, 330.1310, 330.1311, and 330.1313 of the	
14	Michigan Compiled Laws).....	4,500,000
15	Inpatient care and alternative program	
16	pursuant to section 116 of Act No. 258 of the	
17	Public Acts of 1974, being section 330.1116 of	
18	the Michigan Compiled Laws.....	444,617,200
19	Omnibus reconciliation act	
20	implementation--12.0 FTE positions.....	68,360,100
21	CMH-community residential services for	
22	mentally ill adults.....	133,200
23	CMH-community residential services for	
24	mentally ill children.....	346,800
25	CMH-community residential services for	
26	the developmentally disabled.....	3,087,600

1	GROSS APPROPRIATION.....\$	944,680,900
2	Appropriated from:	
3	HHS-OASH.....	5,307,800
4	HHS-HCFA, title XIX, medicaid.....	65,692,900
5	Federal-omnibus reconciliation act title XIX.....	33,413,900
6	Department of public health/office of	
7	substance abuse ADAMHA block grant.....	580,400
8	Recipient fees and third-party reimbursements.....	4,500,000
9	State general fund/general purpose.....\$	835,185,900
10	COMMUNITY INPATIENT/RESIDENTIAL BEDS	
11	Clinton valley center reduction project.....\$	4,058,000
12	Developmentally disabled centers census	
13	reduction project.....	7,947,200
14	Community inpatient/residential beds for	
15	mentally ill children and adults.....	9,457,500
16	GROSS APPROPRIATION.....\$	21,462,700
17	Appropriated from:	
18	State general fund/general purpose.....\$	21,462,700
19	COMMUNITY RESIDENTIAL SERVICES	
20	Full-time equated classified positions.....5.0	
21	Alternative intermediate services/	
22	mentally retarded.....\$	238,400
23	Department of public health, ICF/MR	
24	certification reviews.....	114,800
25	Department of social services, SSI	
26	advocacy for mental health.....	372,700

1	Community residential services for	
2	mentally ill adults.....\$	6,240,000
3	Community residential services for	
4	mentally ill children.....	8,223,000
5	Community residential services for the	
6	developmentally disabled.....	219,813,200
7	Private nursing homes and alternative	
8	services program--5.0 FTE positions.....	18,697,400
9	State police, fire marshall reviews.....	520,300
10	GROSS APPROPRIATION.....\$	254,219,800
11	Appropriated from:	
12	HHS-HCFA, title XIX.....	8,732,800
13	State general fund/general purpose.....\$	245,487,000
14	COMMUNITY RESIDENTIAL SERVICES SUPPORT FOR	
15	MENTALLY ILL ADULTS	
16	Full-time equated classified positions.....60.0	
17	Salaries and wages--60.0 FTE positions.....\$	2,257,900
18	Longevity and insurance.....	257,300
19	Retirement and FICA.....	375,500
20	Contractual services, supplies,	
21	and materials.....	24,400
22	Travel.....	45,700
23	Rent.....	18,700
24	GROSS APPROPRIATION.....\$	2,979,500
25	Appropriated from:	
26	State general fund/general purpose.....\$	2,979,500



1	COMMUNITY RESIDENTIAL SERVICES SUPPORT FOR	
2	MENTALLY ILL CHILDREN	
3	Full-time equated classified positions.....	15.0
4	Salaries and wages--15.0 FTE positions.....	\$ 519,700
5	Longevity and insurance.....	87,300
6	Retirement.....	93,500
7	Contractual services, supplies, and materials.....	15,000
8	Travel.....	68,100
9	GROSS APPROPRIATION.....	\$ 783,600
10	Appropriated from:	
11	State general fund/general purpose.....	\$ 783,600
12	COMMUNITY RESIDENTIAL SERVICES SUPPORT FOR	
13	DEVELOPMENTALLY DISABLED	
14	Full-time equated classified positions.....	379.0
15	Salaries and wages--374.0 FTE positions.....	\$ 14,291,300
16	Longevity and insurance.....	1,826,900
17	Retirement.....	2,442,800
18	Contractual services, supplies, and materials.....	651,800
19	Travel.....	674,200
20	Rent.....	37,500
21	Alternative residential	
22	services coordination and information--5.0 FTE position	321,600
23	GROSS APPROPRIATION.....	\$ 20,246,100
24	Appropriated from:	
25	State general fund/general purpose.....	\$ 20,246,100
26	WORKER'S COMPENSATION	

1	Full-time equated classified positions.....	3.0	
2	Worker's compensation and staff		
3	--3.0 FTE positions.....	\$	10,826,600
4	GROSS APPROPRIATION.....	\$	10,826,600
5	Appropriated from:		
6	State general fund/general purpose.....	\$	10,826,600
7	INSTITUTIONAL SERVICES		
8	Full-time equated classified positions.....	(106.5)	
9	Longevity and insurance.....	\$	43,749,400
10	Retirement.....		48,055,600
11	Equipment.....		2,572,400
12	Travel.....		1,035,700
13	Food.....		10,936,300
14	Drugs.....		5,924,900
15	Facility closure/consolidation--(135.0) FTE positions.		(3,557,600)
16	Gifts and bequests.....		2,000,000
17	Fuel and utilities.....		12,624,700
18	Jobs retraining fund.....		195,000
19	Improvement of lease/rental property at		
20	state mental health institutions.....		150,000
21	Purchase of medical services for state		
22	mental health facility residents.....		4,104,400
23	DED-OESE, ECIA - title I--8.5 FTE positions.....		588,300
24	Psychiatric residency program.....		4,705,100
25	CMH or state agency purchase of services.....		1,000,000
26	Compensation for institution residents		

1	who are performing productive labor.....\$	630,500
2	Severance pay.....	1,185,900
3	Special maintenance.....	613,100
4	Special education program--20.0 FTE positions.....	1,121,800
5	GROSS APPROPRIATION.....\$	137,635,500
6	Appropriated from:	
7	DED-OESE, educationally deprived children	
8	state administration - title I.....	588,300
9	Local-special education revenue.....	1,796,800
10	Private-gifts and bequests revenues.....	2,000,000
11	Lease/rental revenue.....	815,000
12	CMH or state agency purchase of services.....	1,000,000
13	State general fund/general purpose.....\$	131,435,400
14	CARO REGIONAL MENTAL HEALTH CENTER-PSYCHIATRIC	
15	SERVICES UNIT	
16	Full-time equated classified positions.....197.0	
17	Salaries and wages--197.0 FTE positions.....\$	6,579,700
18	Contractual services, supplies, and materials.....	242,300
19	GROSS APPROPRIATION.....\$	6,822,000
20	Appropriated from:	
21	State general fund/general purpose.....\$	6,822,000
22	CLINTON VALLEY CENTER	
23	Full-time equated classified positions.....584.0	
24	Salaries and wages--604.0 FTE positions.....\$	21,560,200
25	Contractual services, supplies, and materials.....	1,509,000
26	Census reduction savings--(20.0)FTE positions.....	(1,537,500)

1	GROSS APPROPRIATION.....	\$	21,531,700
2	Appropriated from:		
3	State general fund/general purpose.....	\$	21,531,700
4	COLDWATER MENTAL HEALTH CENTER		
5	Full-time equated classified positions.....	385.0	
6	Salaries and wages--385.0 FTE positions.....	\$	12,774,200
7	Contractual services, supplies, and materials.....		770,500
8	GROSS APPROPRIATION.....	\$	13,544,700
9	Appropriated from:		
10	State general fund/general purpose.....	\$	13,544,700
11	DETROIT PSYCHIATRIC INSTITUTE		
12	Full-time equated classified positions.....	288.0	
13	Salaries and wages--284.0 FTE positions.....	\$	10,541,400
14	Contractual services, supplies, and materials.....		981,900
15	Rent.....		1,255,800
16	Community-oriented staff--4.0 FTE positions.....		224,700
17	GROSS APPROPRIATION.....	\$	13,003,800
18	Appropriated from:		
19	State general fund/general purpose.....	\$	13,003,800
20	KALAMAZOO REGIONAL PSYCHIATRIC HOSPITAL		
21	Full-time equated classified positions.....	738.0	
22	Salaries and wages--738.0 FTE positions.....	\$	24,983,700
23	Contractual services, supplies, and materials.....		1,572,000
24	GROSS APPROPRIATION.....	\$	26,555,700
25	Appropriated from:		
26	State general fund/general purpose.....	\$	26,555,700

## 1 NEWBERRY REGIONAL MENTAL HEALTH CENTER - PSYCHIATRIC

## 2 UNIT

3 Full-time equated classified positions.....167.0

4 Salaries and wages—167.0 FTE positions.....\$ 5,864,300

5 Contractual services, supplies, and materials..... 360,200

6 GROSS APPROPRIATION.....\$ 6,224,500

7 Appropriated from:

8 State general fund/general purpose.....\$ 6,224,500

## 9 NORTHVILLE REGIONAL PSYCHIATRIC HOSPITAL

10 Full-time equated classified positions.....1,179.0

11 Salaries and wages—1,152.0 FTE positions.....\$ 39,943,800

12 Contractual services, supplies, and materials..... 3,704,200

13 Special project for the hearing impaired

14 —27.0 FTE positions..... 1,208,100

15 GROSS APPROPRIATION.....\$ 44,856,100

16 Appropriated from:

17 State general fund/general purpose.....\$ 44,856,100

## 18 REUTHER FACILITY-WAYNE COUNTY

19 Full-time equated classified positions.....442.0

20 Salaries and wages—442.0 FTE positions.....\$ 15,246,400

21 Contractual services, supplies, and materials..... 1,306,900

22 GROSS APPROPRIATION.....\$ 16,553,300

23 Appropriated from:

24 State general fund/general purpose.....\$ 16,553,300

## 25 YPSILANTI REGIONAL PSYCHIATRIC HOSPITAL

26 Full-time equated classified positions.....596.0

1	Salaries and wages—596.0 FTE positions.....	\$	21,018,700
2	Contractual services, supplies, and materials.....		1,707,400
3	GROSS APPROPRIATION.....	\$	22,726,100
4	Appropriated from:		
5	State general fund/general purpose.....	\$	22,726,100
6	ARNELL ENGSTROM SCHOOL AT TRAVERSE CITY		
7	Full-time equated classified positions.....	120.0	
8	Salaries and wages—120.0 FTE positions.....	\$	4,413,000
9	Contractual services, supplies, and materials.....		242,100
10	GROSS APPROPRIATION.....	\$	4,655,100
11	Appropriated from:		
12	State general fund/general purpose.....	\$	4,655,100
13	DETROIT PSYCHIATRIC INSTITUTE—CHILDREN'S PROGRAM		
14	Full-time equated classified positions.....	20.0	
15	Salaries and wages—20.0 FTE positions.....	\$	734,300
16	GROSS APPROPRIATION.....	\$	734,300
17	Appropriated from:		
18	State general fund/general purpose.....	\$	734,300
19	FAIRLAWN CENTER AT CLINTON VALLEY CENTER		
20	Full-time equated classified positions.....	325.0	
21	Salaries and wages—321.0 FTE positions.....	\$	11,899,600
22	Contractual services, supplies, and materials.....		379,600
23	Community-oriented staff—4.0 FTE positions.....		177,100
24	GROSS APPROPRIATION.....	\$	12,456,300
25	Appropriated from:		
26	State general fund/general purpose.....	\$	12,456,300

## 1 HAWTHORN CENTER

2	Full-time equated classified positions.....	292.0	
3	Salaries and wages--281.0 FTE positions.....	\$	9,633,200
4	Contractual services, supplies, and materials.....		683,200
5	Community-oriented staff--11.0 FTE positions.....		653,300
6	GROSS APPROPRIATION.....	\$	10,969,700
7	Appropriated from:		
8	State general fund/general purpose.....	\$	10,969,700

## 9 PHEASANT RIDGE CHILDREN'S CENTER AT KALAMAZOO

10	Full-time equated classified positions.....	102.0	
11	Salaries and wages--102.0 FTE positions.....	\$	3,817,700
12	Contractual services, supplies, and materials.....		204,700
13	GROSS APPROPRIATION.....	\$	4,022,400
14	Appropriated from:		
15	State general fund/general purpose.....	\$	4,022,400

## 16 YORKWOODS CENTER AT YPSILANTI PSYCHIATRIC HOSPITAL

17	Full-time equated classified positions.....	119.0	
18	Salaries and wages--119.0 FTE positions.....	\$	4,621,200
19	Contractual services, supplies, and materials.....		197,300
20	GROSS APPROPRIATION.....	\$	4,818,500
21	Appropriated from:		
22	State general fund/general purpose.....	\$	4,818,500

## 23 STATE FACILITY REDUCTION FOR MENTALLY ILL

## 24 ADULTS/CHILDREN

25	Full-time equated classified positions.....	(171.0)	
26	State facility bed reduction for mentally		

1	ill adults and children--(171.0) FTE positions .....	\$	(9,457,500)
2	GROSS APPROPRIATION.....	\$	(9,457,500)
3	Appropriated from:		
4	State general fund/general purpose.....	\$	(9,457,500)
5	CENTER FOR FORENSIC PSYCHIATRY		
6	Full-time equated classified positions.....	425.0	
7	Salaries and wages--425.0 FTE positions.....	\$	15,618,500
8	Contractual services, supplies, and materials.....		710,500
9	GROSS APPROPRIATION.....	\$	16,329,000
10	Appropriated from:		
11	State general fund/general purpose.....	\$	16,329,000
12	LAFAYETTE CLINIC		
13	Full-time equated classified positions.....	276.0	
14	Salaries and wages--262.0 FTE positions.....	\$	9,457,900
15	Contractual services, supplies, and materials.....		881,900
16	Psychology training program.....		137,800
17	Research at Lafayette Clinic, including		
18	equipment--14.0 FTE positions.....		1,047,500
19	GROSS APPROPRIATION.....	\$	11,525,100
20	Appropriated from:		
21	State general fund/general purpose.....	\$	11,525,100
22	CARO REGIONAL MENTAL HEALTH CENTER - DEVELOPMENTAL		
23	SERVICES UNIT		
24	Full-time equated classified positions.....	358.0	
25	Salaries and wages--439.0 FTE positions.....	\$	13,134,200
26	Contractual services, supplies, and materials.....		644,400



1	Census reduction savings--(81.0) FTE positions.....\$	(1,544,900)
2	GROSS APPROPRIATION.....\$	12,233,700
3	Appropriated from:	
4	State general fund/general purpose.....\$	12,233,700
5	JOSEPH M SNYDER MACOMB-OAKLAND REGIONAL CENTER	
6	Full-time equated classified positions.....17.0	
7	Salaries and wages--17.0 FTE positions.....\$	508,200
8	Contractual services, supplies, and materials.....	434,300
9	GROSS APPROPRIATION.....\$	942,500
10	Appropriated from:	
11	State general fund/general purpose.....\$	942,500
12	MOUNT PLEASANT CENTER FOR DEVELOPMENTALLY DISABLED	
13	Full-time equated classified positions.....424.0	
14	Salaries and wages--424.0 FTE positions.....\$	13,111,400
15	Contractual services, supplies, and materials.....	1,127,500
16	GROSS APPROPRIATION.....\$	14,238,900
17	Appropriated from:	
18	State general fund/general purpose.....\$	14,238,900
19	MUSKEGON REGIONAL CENTER FOR DEVELOPMENTALLY	
20	DISABLED	
21	Full-time equated classified positions.....209.0	
22	Salaries and wages--298.0 FTE positions.....\$	9,714,300
23	Contractual services, supplies, and materials.....	948,500
24	Census reduction savings--(89.0)FTE positions.....	(1,815,400)
25	GROSS APPROPRIATION.....\$	8,847,400
26	Appropriated from:	

1	State general fund/general purpose.....	\$	8,847,400
2	NEWBERRY REGIONAL MENTAL HEALTH CENTER -		
3	DEVELOPMENTAL SERVICES		
4	Full-time equated classified positions.....	100.0	
5	Salaries and wages--118.0 FTE positions.....	\$	3,659,400
6	Contractual services, supplies, and materials.....		231,400
7	Census reduction savings--(18.0)FTE positions.....		(380,800)
8	GROSS APPROPRIATION.....	\$	3,510,000
9	Appropriated from:		
10	State general fund/general purpose.....	\$	3,510,000
11	OAKDALE REGIONAL CENTER FOR DEVELOPMENTALLY DISABLED		
12	Full-time equated classified positions.....	135.0	
13	Salaries and wages--183.0 FTE positions.....	\$	6,960,100
14	Contractual services, supplies, and materials.....		803,500
15	Census reduction savings--(48.0)FTE positions.....		(4,206,000)
16	GROSS APPROPRIATION.....	\$	3,557,600
17	Appropriated from:		
18	State general fund/general purpose.....	\$	3,557,600
19	SOUTHGATE REGIONAL CENTER FOR DEVELOPMENTAL DISABILITIES		
20	Full-time equated classified positions.....	316.0	
21	Salaries and wages--306.0 FTE positions.....	\$	9,273,000
22	Contractual services, supplies, and materials.....		915,200
23	Adult activity center--10.0 FTE positions.....		787,700
24	GROSS APPROPRIATION.....	\$	10,975,900
25	Appropriated from:		
26	State general fund/general purpose.....	\$	10,975,900

## 1 WAYNE COMMUNITY LIVING SERVICES

2 Full-time equated classified positions.....203.0

3 Salaries and wages--203.0 FTE positions.....\$ 7,107,200

4 Contractual services, supplies, and materials..... 340,000

5 GROSS APPROPRIATION.....\$ 7,447,200

6 Appropriated from:

7 State general fund/general purpose.....\$ 7,447,200

## 8 SECTION 116 INPATIENT CARE AND ALTERNATIVE PROGRAM

9 Inpatient care and alternative programs

10 (pursuant to section 116 of Act. No. 258 of the

11 Public Acts of 1974, being section 330.1116 of the

12 Michigan Compiled Laws).....\$ (444,617,200)

13 GROSS APPROPRIATION.....\$ (444,617,200)

14 Appropriated from:

15 State general fund/general purpose.....\$ (444,617,200)

## 16 REVENUE AND EXPENDITURE ADJUSTMENT

17 Appropriated from:

18 DAG-FNS, national school lunch program.....\$ 737,300

19 HHS-HCFA, title XIX..... 166,860,500

20 IDG-Department of corrections..... 765,000

21 Local county match revenues..... 40,989,900

22 Audit exception/cost settlement revenue..... 1,150,000

23 1st/3rd party revenues..... 39,938,000

24 Miscellaneous revenues..... 200,000

25 State general fund/general purpose.....\$ (250,640,700)

## 26 GENERAL SECTIONS

1       Sec. 201. (1) In accordance with the provisions of section 30 of  
 2 article IX of the state constitution of 1963, total state spending in  
 3 this bill is \$964,118,900.00 and state spending to units of local  
 4 government is as follows:

5 DEPARTMENT OF MENTAL HEALTH

6	Community mental health programs.....	\$	343,888,400
7	Community mental health grant fund.....		4,500,000
8	Family support subsidies.....		11,734,100
9	Inpatient/residential care alternatives.....		9,457,500
10	Foster grandparents and senior companions.....		1,448,300
11	Prevention projects.....		2,551,800
12	Aftercare impact projects for the mentally ill.....		247,900
13	Mentally ill multicultural special needs program.....		1,763,500
14	Consumer involvement program.....		341,200
15	Omnibus reconciliation act implementation.....		34,946,200
16	Supported employment.....		1,039,400
17	Section 116 - Mental health code.....		444,617,200
18	Total.....	\$	854,235,500

19       (2) When it appears to the director of the department that state spending  
 20 to local units of government will be less than the amount that was projected  
 21 to be expended for any quarter, the director shall immediately give notice of  
 22 the approximate shortfall to the department of management and budget, the  
 23 senate and house appropriations committees, and the senate and house fiscal  
 24 agencies.

25       Sec. 202. The appropriations made and the expenditures authorized under  
 26 this act and the departments, agencies, commissions, boards, offices, and

1 programs for which an appropriation is made under this act are subject to the  
 2 management and budget act, Act No. 431 of the Public Acts of 1984, being  
 3 sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

4       Sec. 203. The amounts appropriated for utilities and that portion of  
 5 contractual services, supplies, and materials used to pay for utility service  
 6 to state facilities in section 101 may be expended in a manner consistent with  
 7 the provisions of section 253 of the management and budget act, Act No. 431 of  
 8 the Public Acts of 1984, being section 18.1253 of the Michigan Compiled Laws.

9       Sec. 204. As used in this act:

10       (a) "ADAMHA" means the United States department of health and human  
 11 services, alcohol, drug abuse, and mental health administration.

12       (b) "ADP" means automated data processing.

13       (c) "CMH" means community mental health.

14       (d) "DAG-FNS" means the United States department of agriculture, food  
 15 and nutrition services.

16       (e) "DED-OESE" means the United States department of education, office  
 17 of elementary and secondary education.

18       (f) "DED-OESE (ECIA)" means the education consolidation and improvement  
 19 act.

20       (g) "Department" means the department of mental health.

21       (h) "FTE" means full-time equated.

22       (i) "HHS" means the United States department of health and human  
 23 services.

24       (j) "HHS-HCFA" means the health care financing administration.

25       (k) "HHS-OASH" means the office of the assistant secretary for health.

26       (l) "HHS-OHDS" means the office of human development services.

(m) "ICF/MR" means intermediate care facility for the mentally retarded.

(n) "IDG" means interdepartmental grant.

(o) "IDT" means intradepartmental transfer.

(p) "SSI" means supplemental security income.

(q) "Title XIX" means title XIX of the social security act, 42 U.S.C. 1396 to 1396d, 1396f to 1396s.

(r) "Title XX" means title XX of the social security act, 42 U.S.C. 1397 to 1397s.

Sec. 205. (1) On an annual basis, the department shall provide a report outlining the implementation of this act to the department of management and budget, chairpersons of the senate and house appropriations committees and the legislative auditor general. The report required by February 1, 1991 shall contain, but not be limited to:

(a) The allocation of funds to each community mental health board by administration and general services and client group including program element detail, specifying program reductions or expansions, or both.

(b) The acquisition of specific federal funds from the central fund for acquiring additional federal funds.

(c) The revenue recapture project revenues and expenditure report.

(d) Information regarding the amount and type of services provided by community mental health boards, specified by board, program element and disability, including but not limited to children, elderly and family support services.

(e) The allocation of funds from residential services for basic care where clients are ineligible or unable to obtain social security insurance benefits and are incapable of self-support, for post-institutional care and to

1 prevent admissions to state facilities.

2 (f) Funds received from the state from community mental health boards as  
3 a result of audit exceptions, on a board-by-board basis.

4 (g) The use of funds for plenary or partial guardianships.

5 (h) The findings and recommendations of the advisory council for services  
6 to the deaf and hearing impaired.

7 (i) Implementation of a plan for a centralized system of monitoring the  
8 release and placement of patients and residents from state institutions into  
9 community or other institutional settings, including returns to the patients'  
10 and residents' homes, and encompassing all aftercare and follow-up services.

11 (j) Progress on development of referral and placement planning for all  
12 persons less than 18 years of age who are residing in or have been referred  
13 for admission to skilled, basic, or pediatric nursing homes.

14 (k) Implementation of a policy that written plans for residential  
15 placement and aftercare services must precede expenditures of funds for  
16 residential services.

17 (l) Analysis of its working patient program. The report shall describe  
18 the existing program, including who participates and the benefits of the  
19 program, and present a plan for expanding the program to other facilities.

20 (m) Payments made in lieu of worker's compensation payments for  
21 wage/salary and related fringe benefits for employees who return to work under  
22 a limited duty assignment. The report shall include an identification of FTE  
23 position implications.

24 (2) The department shall provide a report on contractual services to the  
25 department of management and budget and to the chairpersons of the senate and  
26 house appropriations committees each month. The report shall be based on the

1 monthly civil service statewide contracted services report required by section  
2 281 of the management and budget act, Act No. 431 of the Public Acts of 1984,  
3 being section 18.1281 of the Michigan Compiled Laws. The report shall provide  
4 the name of the contractor, the dollar value of the contract, description and  
5 location of the service to be provided, and justification for the contract.

6 (3) On or before January 31, 1991, and within 30 days before the end of  
7 each succeeding quarter, the department shall report to the department of  
8 management and budget, the senate and house appropriations subcommittees on  
9 mental health, and the senate and house fiscal agencies on the estimated and  
10 actual number of medicaid eligible clients served and the estimated and actual  
11 amount of title XIX revenues claimed for each program, activity, or facility  
12 under the jurisdiction of the department of mental health.

13 Sec. 206. Agencies contracting with county community mental health  
14 boards or the department of mental health shall provide 3 days' notice to the  
15 community mental health board or the department of mental health of all  
16 committee and full board meetings and shall conduct all portions of meetings  
17 pertaining to community mental health board or department funded programs in  
18 the same manner as required for meetings of public bodies under the open  
19 meetings act, Act No. 267 of the Public Acts of 1976, being sections 15.261 to  
20 15.275 of the Michigan Compiled Laws.

21 EXECUTIVE OFFICE

22 Sec. 301. Funds appropriated in section 101 from the central fund for  
23 acquiring additional federal grant funds and from the central fund for  
24 acquiring private funds shall not be expended until the grant money is  
25 actually authorized by the grantor. Funds accepted under this section shall  
26 not be authorized if the receipt of the funds mandates a commitment for state



1 funding at a future date.

2       Sec. 302. (1) In funding of staff in the financial support division,  
3 reimbursement, and billing and collection sections, priority shall be given to  
4 obtaining third party payments for services. Collection from individual  
5 recipients of services and their families shall be handled in a sensitive and  
6 nonharassing manner.

7       (2) The department shall continue a revenue recapture project to generate  
8 additional revenues from third parties related to cases which have been closed  
9 or are inactive. Revenues collected through project efforts are appropriated  
10 to the department for departmental costs and contractual fees associated with  
11 these retroactive collections and to improve ongoing departmental  
12 reimbursement management functions so that the need for retroactive  
13 collections will be reduced or eliminated.

14       Sec. 303. The department's ability to satisfy appropriation deductions  
15 in section 101 shall not be limited to collections and accruals pertaining to  
16 services provided in fiscal year 1990-91, but shall also include  
17 reimbursements, refunds, adjustments, and settlements from the prior 2 years.

18       Sec. 304. (1) With the approval of the senate and house appropriations  
19 subcommittees on mental health, the director of the department may establish a  
20 discretionary fund not to exceed 5% of the sum of the amounts of funds  
21 appropriated in section 101 for the operation and support of executive  
22 programs, community mental health, institutional operations, residential  
23 services, revenue and expenditure reduction adjustments, and community mental  
24 health medicaid revenues, or, up to a maximum of \$30,000,000.

25       (2) The director of the department may allocate expenditure authorization  
26 amounts from the discretionary fund to departmental institutions, community

1 mental health boards, or for family support subsidy payments. These funds may  
2 be used to achieve or maintain certification for federal title XIX benefits,  
3 to equalize and maximize staffing needs assessment project ratios, to expedite  
4 the transition of responsibility for services to community mental health  
5 boards, and to minimize the utilization of state inpatient services.

6 (3) The director of the department may also allocate revenue amounts from  
7 the discretionary fund for the revenue and expenditure adjustment section  
8 including HHS-HFCA, Title XIX, DAG-FNS, national school lunch program,  
9 first/third party revenues, miscellaneous revenues, and local county match  
10 revenues into another revenue account listed in this section, and into  
11 community mental health medicaid revenue accounts.

12 Sec. 305. Funds appropriated in section 101 for the mental health  
13 advisory council may be used for member per diems of \$50.00 and other council  
14 expenditures with approval of the council and the director of the department  
15 of mental health. Funds may also be used for the expenses of the state mental  
16 health advisory council on deafness.

17 Sec. 306. Unexpended and unencumbered amounts and accompanying  
18 expenditure authorizations remaining on September 30, 1991 from the amounts  
19 appropriated in section 101 for federal block grants in community mental  
20 health programs, gifts, and bequests in the institutional services program,  
21 special maintenance program, and the developmental disabilities programs shall  
22 carry forward for 1 fiscal year after which they will lapse. Unexpended and  
23 unencumbered amounts remaining on September 30, 1991 from the amounts  
24 appropriated in section 101 for staff to the council for developmental  
25 disabilities shall transfer to and be carried forward in the developmental  
26 disabilities projects grants at accounting line 110-39-2422.

1       Sec. 307. Funds appropriated in section 101 may be used for provision of  
2 plenary or partial guardianships of the person by way of contract with 1 or  
3 more nonprofit agencies. Expenditures and allocations may be authorized for  
4 community mental health boards, state facilities, or both, for the purposes  
5 described in this section.

6       Sec. 308. (1) From funds appropriated in section 101 for departmental  
7 administration and management, the department shall develop by September 30,  
8 1991 a long-range public mental health service delivery plan that addresses  
9 the responsibilities of the public mental health system as follows:

10       (a) An analysis and reexamination of the unification of the public mental  
11 health single entry and single exit community-based service delivery system.

12       (b) An analysis of service delivery expectations and responsibilities,  
13 and service capacity priorities.

14       (c) An analysis of the impact of other human services systems on public  
15 mental health system clients.

16       (d) An identification and prioritization of the need for mental health  
17 services and the cost of meeting that need.

18       (e) An analysis of the training requirements for public mental health  
19 system employees and a plan for addressing those requirements.

20       (f) An identification of the public mental health system work force needs  
21 including employment projections and plans to assist employees in programs  
22 that are projected to downsize.

23       (g) A facility utilization plan including projections for planned  
24 utilization and associated capital outlay requirements.

25       (2) The long-range public mental health service delivery plan and interim  
26 progress reports shall be submitted to the senate and house appropriations

1 subcommittees on mental health and shall be reflected in the department's  
2 annual management plan submission.

3       Sec. 309. Revenues appropriated in section 101 as audit exception/cost  
4 settlement revenues are revenues recovered by all methods from department  
5 contract audit settlements and contract cost settlements of prior fiscal years.

6       Sec. 310. The department of mental health shall provide periodic reports  
7 concerning the department's revenue and expenditure status to the auditor  
8 general, the senate fiscal agency, the house fiscal agency, and the department  
9 of management and budget.

#### 10 SPECIAL PROJECTS

11       Sec. 401. Funds appropriated in section 101 for protection and advocacy  
12 services for developmentally disabled persons shall be used as specified in  
13 section 931 of the mental health code, Act No. 258 of the Public Acts of 1974,  
14 being section 330.1931 of the Michigan Compiled Laws. The department shall  
15 provide a reasonable amount of office space within state institutional  
16 facilities without charge.

17       Sec. 402. Funds appropriated in section 101 for the consumer involvement  
18 program may include mileage and telephone expenses incurred when assisting the  
19 department and the legislature, and shall be utilized in part to replicate the  
20 concept of "project stay" and other successful services projects operated by  
21 consumers.

22       Sec. 403. Funds appropriated in section 101 for the foster grandparent  
23 and senior companion program contract with the office of services to the aging  
24 shall be used to maintain and expand foster grandparents' and senior  
25 companions' services for developmentally disabled persons in state facilities  
26 and community residential settings. Funds shall also be used to provide

1 senior companion services for developmentally disabled persons and the elderly  
2 chronically mentally ill.

3       Sec. 404. Funds appropriated in section 101 for pilot projects in  
4 prevention for mentally ill adults and mentally ill children shall include  
5 \$100,000.00 for projects to provide mental health services in communities  
6 where job loss due to plant closings is anticipated.

7       Sec. 405. Funds appropriated to the department of mental health for the  
8 fiscal year ending September 30, 1991 for mental health staff training include  
9 up to \$75,000.00 to provide training or education funds, or both, to enable  
10 resident care aides to qualify for licensed practical nurse or other civil  
11 service classifications as required by provisions of the American federation  
12 of state, county, and municipal employees contract.

13       Sec. 406. Funds appropriated in section 101 for special projects for  
14 Alzheimer's and related disorders training and referral projects may include  
15 training for nursing home personnel, home health care providers, nurses, nurse  
16 aides, and family caregivers in the nature and progression of the disease,  
17 with the goal of reducing stress, teaching behavior management techniques, and  
18 making referrals for appropriate services. Funds may also be used to  
19 establish adult day care, respite care, and crisis intervention pilot projects  
20 pursuant to sections 950 to 953 of the mental health code, Act No. 258 of the  
21 Public Acts of 1974, being sections 330.1950 to 330.1953 of the Michigan  
22 Compiled Laws.

23       Sec. 407. The Michigan protection and advocacy service, inc. shall file  
24 for attorney's fees in applicable cases from litigants. Any awards made for  
25 this purpose shall be deposited in a special fund account and allocated for  
26 services to the developmentally disabled or mentally ill upon recommendation

1 of the director and approval of the senate and house appropriations committees.

2       Sec. 408. The funds appropriated for the mental health initiatives for  
3 older persons in the special projects appropriation unit are to be allocated  
4 with the participation of the office of services to the aging and the network  
5 of area agencies on aging. In coordinating departmental projects with the  
6 office of services to the aging for care management projects, the department  
7 is authorized to pass through funds to the office of services to the aging for  
8 augmentation of these care management projects when they are focused on  
9 supporting elderly individuals with mental illness or Alzheimer's or related  
10 types of mental functioning problems subject to the joint approval of the  
11 directors of the department and the office of services to the aging.

12       Sec. 409. Unexpended and unencumbered amounts and accompanying  
13 expenditure authorizations remaining on September 30, 1990 from the amounts  
14 appropriated in section 101 for the Stuart B. McKinney homeless assistance act  
15 shall carry forward until the project is completed.

16       Sec. 410. Funds appropriated in section 101 for supported employment may  
17 be used for supported employment or transitional employment programs for state  
18 hospital residents as part of a discharge and aftercare plan.

19       Sec. 411. From the funds appropriated in section 101 for mentally  
20 ill/substance abuse mental health services, up to \$100,000.00 is intended to  
21 be used to establish a pilot project for persons who are mentally ill and  
22 substance abusers. Use of these funds is subject to development of a program  
23 plan approved by the department, local substance abuse agency, and the county  
24 community mental health board and subject to additional funding through the  
25 board's use of full management trade-off funding and substance abuse agency  
26 funding. The pilot program is intended to serve persons who would otherwise

1 be admitted to state psychiatric hospitals.

2 COMMUNITY MENTAL HEALTH

3 Sec. 501. (1) The community mental health services appropriations, in  
4 addition to funds appropriated for inpatient care and alternative programs  
5 pursuant to section 116 of the mental health code, Act No. 258 of the Public  
6 Acts of 1974, being section 330.1116 of the Michigan Compiled Laws, are based  
7 on the following estimates:

8 (a) Adjusted appropriation during the fiscal year

9 beginning October 1, 1990.....\$ 366,946,800

10 CMH services for mentally ill

11 adults.....\$ 176,466,200

12 CMH services for mentally ill

13 children..... 46,340,000

14 CMH services for the develop-

15 mentally disabled..... 120,207,300

16 CMH administration and gen-

17 eral services..... 23,933,300

18 (b) Base program adjustments.....\$ 25,447,300

19 CMH services for mentally ill

20 adults.....\$ 15,189,300

21 CMH services for mentally ill

22 children..... 1,669,800

23 CMH services for the

24 developmentally disabled... 8,201,200

25 CMH administration and

26 general services..... 387,000

1	(c) Full management contract boards trade-off		
2	earnings.....	\$	14,200,000
3	COMMUNITY MENTAL HEALTH PROGRAMS LINE ITEM TOTAL.....	\$	406,594,100
4	(e) Community mental health services:		
5	CMH services for mentally ill		
6	adults.....	\$	200,702,700
7	CMH services for mentally ill		
8	children.....		48,802,600
9	CMH services for the develop-		
10	mentally disabled.....		132,768,500
11	CMH administration and gen-		
12	eral services.....		24,320,300
13	(f) Family support subsidies:		
14	Fiscal year 1990 base.....	\$	10,914,200
15	Base adjustments.....		819,900
16	Family support subsidies total.....	\$	11,734,100
17	(g) Federal block grant.....		5,307,800
18	(h) Community mental health grant fund.....		4,500,000
19	(i) Community residential services.....		3,567,600
20	Fiscal year 1990 base.....		6,203,600
21	Base changes.....		(2,636,000)
22	(j) Omnibus reconciliation act implementation.....		68,360,100
23	Total community mental health services.....	\$	500,063,700
24	(k) Source of financing:		
25	Title XIX federal financing:		
26	Fiscal year 1989-90 base		



1	revenues.....	66,646,600	
2	Omnibus reconciliation act		
3	implementation.....	17,847,200	
4	Federal match change.....	(387,000)	
5	Client category expansion....	15,000,000	
6	Subtotal Title XIX offsetting revenues and expansions \$		99,106,800
7	Department of public health/office of substance		
8	abuse ADAMHA block grant.....		580,400
9	HHS-OASH, alcohol, drug abuse, mental health block		
10	grant.....		5,307,800
11	Recipient fees and third-party reimbursement.....		4,500,000
12	Net estimated general fund/general purpose for commu-		
13	nity mental health services..... \$		390,568,700

14 (2) Funds allocated in section 101 for community mental health include  
 15 the continuation of transportation services, funded 100% with state funds and  
 16 include Title XX transitional grants.

17 (3) In addition to the funds appropriated in section 101 for community  
 18 mental health services, there is appropriated \$8,000,000.00 in additional  
 19 federal clinic services program funding sources. It is intended that the  
 20 community mental health boards maximize federal funding sources. CMH boards  
 21 shall retain, contingent upon actual earnings, the amount of increased federal  
 22 funds above the amounts authorized in the billable services fiscal year ending  
 23 September 30, 1990 contracts. State funding provided in each CMH board's  
 24 contract shall not be altered as a result of implementation of this section.

25 (4) If anticipated title XIX federal revenue for CMH services is not  
 26 sufficient to fund CMH programs, the department shall request either a

1 discretionary or legislative transfer of funds up to the amount of the  
2 deficiency or request a supplemental appropriation of funds up to the amount  
3 of the deficiency for the purpose of maintaining these CMH services.

4       Sec. 502. (1) The department shall ensure that county CMH boards which  
5 have been designated as having full management authority and responsibility  
6 and state facilities enter into contracts which establish the county CMH board  
7 as the single point of entry and exit for residents of the board's service  
8 area. Each contract between a full management board and a state facility  
9 shall specify, at a minimum, the board's authority and responsibility for all  
10 of the following:

11       (a) Evaluating the appropriateness of an individual for admission and the  
12 preparation of an alternative treatment report.

13       (b) Serving as the single point of entry to a state facility for  
14 residents of the board's service area.

15       (c) The participation of the board's designees in providing treatment.

16       (d) The discharge of residents from the board's service area at the  
17 time and in the manner determined by the board.

18       (2) The department shall contract with community mental health boards for  
19 the purpose of coordinating community mental health board services with state  
20 inpatient psychiatric care. The contract provisions shall include, but are  
21 not limited to, all of the following:

22       (a) Screening of admissions.

23       (b) Criteria for admission.

24       (c) Development of a plan for service.

25       (d) Coordination of services during inpatient care.

26       (e) Discharge planning.

1 (f) Aftercare services.

2 (g) Prevention.

3 (h) Provision of MI adult activity therapy services.

4 Sec. 503. (1) The funds appropriated in section 101 for contract  
5 community mental health boards are for the purchase of state facility  
6 inpatient services or for approved community-based programs which reduce  
7 utilization of state provided inpatient services below this appropriated  
8 level. These funds shall be allocated to contract community mental health  
9 boards based on estimates approved by the department as part of the negotiated  
10 contract.

11 (2) Funds which are allocated to these contract community mental health  
12 boards, when used to purchase state facility inpatient services, shall be  
13 provided to state facilities based on the per diem and billing arrangements  
14 approved by the department in the negotiated contract.

15 (3) The department shall have administrative authority to transfer funds  
16 that are allocated for state inpatient care, but not expended due to the  
17 utilization of state inpatient services below planned levels. Transferred  
18 funds shall be placed in a shared management fund account.

19 The department may distribute money in the shared management fund account to  
20 eligible community mental health boards with shared management contracts with  
21 the department for departmentally approved community-based programs if the  
22 actual utilization of state inpatient services is lower than the planned  
23 utilization as defined by contract provisions. The shared management fund  
24 account balance shall carry forward at the end of the fiscal year.

25 Sec. 504. (1) From funds appropriated in section 101, final allocations  
26 to community mental health boards shall be made upon the execution of a

1 contract between the department and each community mental health board. The  
2 contract shall contain an approved plan and budget as well as the policies and  
3 procedures governing the obligations and responsibilities of both parties to  
4 the contract.

5 (2) The department may make preliminary allotments to individual  
6 community mental health boards which have indicated in writing to the director  
7 of the department their intent to negotiate a contract for the fiscal year  
8 ending September 30, 1991.

9 (3) The director shall provide a community mental health board with an  
10 opportunity for a hearing if the individual community mental health board and  
11 the department fail to negotiate and execute a contract by March 1 of the  
12 fiscal year ending September 30, 1991.

13 (4) The funds appropriated in this act for community mental health  
14 programs shall not be used to replace funds no longer available because the  
15 local government or community mental health board reduced its base of support  
16 for state and local mental health services, as defined in chapter 2 of the  
17 mental health code, Act No. 258 of the Public Acts of 1974, being sections  
18 330.1200 to 330.1246 of the Michigan Compiled Laws, below that of the previous  
19 year.

20 (5) If a specific community mental health board cannot utilize its state  
21 allotment, the director of the department may adjust the allotment and  
22 transfer those funds to other community mental health boards which have  
23 demonstrated a need for additional fiscal resources.

24 Sec. 505. (1) The funds appropriated in section 101 for inpatient care  
25 and alternative programs shall be allocated to community mental health boards  
26 under a formal contract with the department. The spending plans,

1 authorizations, and allocations for each community mental health board shall  
2 be determined by the department central office staff, in cooperation with  
3 community mental health boards.

4 (2) If a community mental health board has not indicated the willingness  
5 or capacity to accept the shift of responsibility as provided in subsection  
6 (1), the community mental health board may enter into a contract with the  
7 department which provides that clients of the community mental health board in  
8 a state facility shall continue to be served by the department, which shall  
9 retain full allocation authority on behalf of the community mental health  
10 board for state facility services.

11 (3) Within the provisions of this section, the department may enter into  
12 a formal contract with a community mental health board for shared management  
13 of the provision of state facility services to a client who is a resident of  
14 the county served by the community mental health board.

15 (4) Current billing and collection procedures for the net cost of state  
16 provided services shall continue as specified in chapter 3 of the mental  
17 health code, Act No. 258 of the Public Acts of 1974, being sections 330.1300  
18 to 330.1320 of the Michigan Compiled Laws.

19 (5) With the exception of funds allocated to community mental health  
20 boards, the department shall have administrative authority to transfer funds  
21 from the appropriation authorized in section 101 to satisfy but not exceed  
22 state facility deduct amounts.

23 (6) The department may access funds from this appropriation directly for  
24 patients who have no county affiliation or for whom county charges are  
25 exempted.

26 (7) The shift of funds to the counties shall not result in increased

1 costs to counties in excess of the local match required under section 302 of  
2 the mental health code, Act No. 258 of the Public Acts of 1974, being section  
3 330.1302 of the Michigan Compiled Laws.

4       Sec. 506. Funds appropriated in section 101 for federal block grants  
5 shall provide continuation funding for community mental health board programs  
6 and do not assume any reductions in federal funding. If reductions in the  
7 department of mental health allotment of federal ADAMHA block grant funds  
8 occur, it is the intent of the legislature that the amount of the reduction be  
9 implemented through a pro rata reduction applied to all community mental  
10 health board contracts and departmental operations in the amount of the block  
11 grant reduction.

12       Sec. 507. Subject to guidelines issued by the department, funds  
13 appropriated in section 101 for community mental health operations for  
14 developmentally disabled family support services may be used for family friend  
15 respite care services in which the community mental health board provides  
16 respite care funds directly to the family for their purchase of respite care  
17 services from individuals other than family members.

18       Sec. 508. The department of mental health shall develop a coordinated  
19 approach to recruitment of qualified mental health professionals to serve  
20 within the county community mental health system. Objectives of the project  
21 shall include all of the following:

22       (a) Provision of information to state colleges and universities on public  
23 mental health services for inclusion in curriculum development, development of  
24 field placement and practicum experiences, and recruitment of new graduates  
25 into the CMH system.

26       (b) Development of a centralized listing of professional staff vacancies

1 which exist within the system and a coordinated approach to recruit  
2 professional staff to fill those vacancies.

3       Sec. 509. The department shall establish a process for the design and  
4 implementation of mechanisms and arrangements to assure the long-term  
5 viability of a single entry and single exit locally controlled comprehensive  
6 CMH system. The department shall ensure the involvement of representatives  
7 from the CMH system, the legislature, and the executive department in this  
8 process. The department, in collaboration with representatives of the CMH  
9 system, shall propose to the legislature and the governor changes in the law,  
10 administrative rules, accounting and budgeting mechanisms, and appropriations  
11 which appear to be necessary and desirable in achieving the goal of a stable,  
12 viable, and comprehensive CMH system vested with authority and responsibility  
13 for managing and providing a full array of public mental health services.

14       Sec. 510. CMH boards may, consistent with generally accepted accounting  
15 principles, establish accounts payable to finance known costs such as  
16 anticipated court judgments and settlements, audit exceptions, and other  
17 one-time costs.

18       Sec. 511. (1) The department shall prepare a report of the per capita  
19 expenditures of each CMH board for services to both of the following groups:

20       (a) Mentally ill adults and children.

21       (b) Developmentally disabled adults and children.

22       (2) The report shall review such expenditures for the 1985, 1986, 1987,  
23 1988, 1989 and 1990 fiscal years, and include recommendations for equalizing  
24 the distribution of funds appropriated to CMH boards for CMH services.

25       (3) The report shall be provided to the department of management and  
26 budget and to the house and senate subcommittees on mental health prior to

1 April 1, 1991.

2       Sec. 512. Funds appropriated in section 101 for community mental health  
3 programs may be used to provide technical assistance, training, and support  
4 aimed at development of a comprehensive range of community-based services for  
5 the seriously mentally ill. These funds shall promote availability of and  
6 access to a comprehensive range of alternative services provided in integrated  
7 community settings which enable the client to function in those settings as  
8 independently as possible. The range of alternative community services would  
9 be available based on the changing needs and treatment goals of the client and  
10 would include services such as assertive community treatment programs,  
11 supported independence programs, crisis housing services, and work  
12 opportunities for persons with serious mental illness. The program shall do  
13 all of the following:

14       (a) Identify the elements of a continuum of community-based services for  
15 the seriously mentally ill which are alternatives to state psychiatric  
16 hospital programs and assess the presence of these elements across the state,  
17 and promote model alternative community treatment systems.

18       (b) Reduce length of stay at state psychiatric hospitals through  
19 increased use of alternative and combined orders and expansion of private  
20 psychiatric hospital contracts. The program shall train community mental  
21 health state facility liaison staff in the full use of combined and  
22 alternative treatment orders and in developing successful and functional  
23 liaison arrangement with courts, state facilities, and local law enforcement  
24 entities.

25       (c) Provide technical assistance to county community mental health boards  
26 in expanding community-based services for the seriously mentally ill through



1 redirected funding and exploration of alternative sources of revenue.

2 (d) Promote networking among community mental health boards to enhance  
3 service delivery, provide information and training to community mental health  
4 staff on services to the seriously mentally ill, develop an organized means of  
5 sharing of information among service providers regarding model programs, and  
6 improve community understanding of mental illness and availability of  
7 appropriated services. The department shall report by March 31, 1991 to the  
8 house and senate appropriations committees and to the department of management  
9 and budget on progress in implementing this section.

10 Sec. 513. (1) Funds appropriated in section 101 for community mental  
11 health services may be reserved and carried forward into the subsequent fiscal  
12 year by county community mental health boards as part of a planned strategy to  
13 assist in dealing with base reductions and unfunded economic increases.

14 (2) Funding reserved for base program reductions and unfunded economic  
15 increases shall be limited to the difference between the cost of continuing  
16 existing community mental health services in the subsequent fiscal year and  
17 the level of funding available, and shall be reserved as part of a plan  
18 submitted and approved by the department by the end of the third quarter.

19 (3) Conditions under which funding may be reserved include all of the  
20 following:

21 (a) The plan shall not alter or amend provisions of the contract between  
22 the department and county community mental health boards regarding protection  
23 of categorical funding.

24 (b) An expenditure made from a reserve account does not change a board's  
25 base allocation or create a full year cost obligation for the department.

26 (c) County community mental health boards shall report on the amount and

1 source of the carry forward and the amount and purpose of expenditures from  
2 reserve accounts to the department.

3 (d) Funding carried forward and not used for the stated purpose shall  
4 lapse to the state general fund.

5 (4) Utilization of this capacity shall be assessed and reported to the  
6 house and senate appropriations committees and the department of management  
7 and budget by July 1, 1991.

#### 8 COMMUNITY RESIDENTIAL SERVICES

9 Sec. 601. Funds appropriated in section 101 for residential services  
10 support staff may be used to provide resource assistance for community  
11 placement and home development activities, through allocation to or by  
12 contract with county community mental health boards, or through state  
13 facilities, or other placement entities established by the department.

14 Sec. 602. The funds appropriated in section 101 for community  
15 residential services programs may be used for basic care in cases where  
16 individuals are not eligible to receive social security benefits and are not  
17 otherwise capable of supporting themselves out of their own resources. Funds  
18 may be used for purposes of aftercare or to prevent admissions to state  
19 facilities through residential and support services. Expenditures and  
20 allocations may be authorized for community mental health board or state  
21 facilities, or both.

22 Sec. 603. (1) The department shall establish community advisory  
23 committees for alternatives to institutional care and for community living  
24 facilities funded under section 101.

25 (2) The department shall develop uniform standards and policies regarding  
26 the financing and procurement of furnishings and equipment for residential

1 programs. Any furnishings and equipment purchased with state funds shall be  
2 inventoried as state property. If the full amount of the funds advanced for  
3 purchase of the furnishings and equipment are not used for that purpose, the  
4 excess funds shall be returned to the department.

5 (3) Funds appropriated in section 101 shall be used to provide  
6 alternative residential services, coordination, and information for management  
7 oversight of home development and residential services activities conducted by  
8 the department and by community mental health boards. The department shall  
9 oversee the development and implementation of policies and procedures to be  
10 used by the department and community mental health boards as part of the  
11 process of development of community based specialized residential facilities.

12 (4) The department shall monitor group home lease agreements to ensure  
13 that state payment is reasonable. It is the intent of the legislature that  
14 after October 1, 1989, the rate of return to an investor (lessor) shall not  
15 exceed 9% of cash equity based on a fair market appraisal for community living  
16 facility (CLF), existing structure, new/never before negotiated state leases.  
17 In no event shall the amount of return exceed \$3,000.00 per year, exclusive of  
18 operating and maintenance expenses. Structural, warranties, and mechanical  
19 items shall be the responsibility of the lessor. The alternative intermediate  
20 services (AIS) program will continue to operate under current guidelines.

21 (5) Funds appropriated in section 101 for residential services shall not  
22 be used for a new placement unless the department has obtained, before the  
23 placement, a written plan for residential placement and aftercare services  
24 which is sufficient to meet the needs of the individual. The development of a  
25 plan shall involve the department of social services, appropriate state mental  
26 health institutional staff, and appropriate community mental health boards'

1 staff in prerelease planning and approval of the plan.

2 (6) Placement of a developmentally disabled person from a state center  
3 for the developmentally disabled shall not occur unless the care to be  
4 received in the community setting will be at least as good as the care being  
5 received in the institution. The need of an individual for close supervision  
6 for medical reasons and for readily available medical backup 24 hours per day  
7 shall be considered in determining the quality of care. In the case of an  
8 individual with close family relationships, the placement shall not diminish  
9 family access to the individual.

10 (7) Funds appropriated in section 101 for the executive program shall be  
11 used for the development of a centralized system for monitoring the release  
12 and the placement of patients and residents from state institutions into  
13 community or other institutional settings, including returns to the patients'  
14 or residents' homes, and monitoring the provision of all aftercare and  
15 follow-up services by an agency providing those services in accordance with  
16 standards of the department for a period of not less than 1 year.

17 (8) The funds appropriated in section 101 for residential services  
18 programs may be used to maintain and improve residential and support services,  
19 aftercare programs, and residential and support services designed to prevent  
20 admissions to state facilities. Expenditures and allocations may be  
21 authorized for CMH boards, state facilities, or both, for the purposes  
22 described in this section.

23 Sec. 604. Funds appropriated in section 101 for private nursing home  
24 and alternative services programs for the mentally retarded support service  
25 may be used to finance case management services, ancillary medical services  
26 equipment not covered by medicaid, vacant bed penalty payments, conversion

1 costs, and departmental administrative staff not to exceed 5 FTE positions.

2       Sec. 605. The department shall not enter into new contracts with private  
3 attorneys for legal services for the purposes of gaining and maintaining  
4 occupancy to a specialized residential facility. The department may enter  
5 into a contract with the protection and advocacy service, authorized under  
6 section 931 of the mental health code, Act No. 258 of the Public Acts of 1974,  
7 being section 330.1931 of the Michigan Compiled Laws, or a similar  
8 organization to provide legal services for purposes of gaining and maintaining  
9 occupancy in a specialized residential facility which is under lease or  
10 contract with the department or a community mental health board to provide  
11 services to developmentally disabled persons or mental health recipients.  
12 State funds shall not be used for legal services to represent private  
13 investors purchasing homes for these purposes.

14       Sec. 606. Funds appropriated in section 101 for residential services may  
15 be used to make payments to the state housing development authority for  
16 in-home support services assumed by the state housing development authority  
17 through agreement with the department.

18       Sec. 607. (1) The department shall maintain in cooperation with the  
19 department of social services and the department of public health a mechanism  
20 to refer all persons less than 18 years of age who meet the criteria in  
21 section 500(h) of the mental health code, Act No. 258 of the Public Acts of  
22 1974, being section 330.1500 of the Michigan Compiled Laws, and who are  
23 residing in or have been referred for admission to skilled, basic, or  
24 pediatric nursing homes.

25       (2) Upon determination of appropriateness for services, the department  
26 shall provide client services management and develop alternative residential

1 services as appropriate. Funds allocated in section 101 for residential  
2 services and residential services support may be utilized for this purpose.

3       Sec. 608. The department of mental health shall pay the same rate for  
4 all department contracted child caring institutions and child placing agencies  
5 as established by the department of social services, office of children and  
6 youth services. If community residential services funding is insufficient for  
7 this purpose, then the department of management and budget in conjunction with  
8 the department of mental health shall report this information to the senate  
9 and house appropriations subcommittees on mental health along with  
10 recommendations for complying with this section.

#### 11 INSTITUTIONAL SERVICES AND FACILITIES

12       Sec. 701. The shift of funds to any county for inpatient care and  
13 alternative programs pursuant to section 116 of the mental health code, Act  
14 No. 258 of the Public Acts of 1974, being section 330.1116 of the Michigan  
15 Compiled Laws, shall not alter the relationship existing on the effective date  
16 of this act between Hawthorn center and services provided to residents of the  
17 state. The director of the department shall notify the legislature of any  
18 violations of this section.

19       Sec. 702. (1) The department may charge rent to state or other tenants  
20 occupying space in any of its facilities. The rental rates and all leasing  
21 arrangements shall be subject to the approval of the department of management  
22 and budget and the state administrative board. Revenues received under this  
23 section shall be available for expenditure by the department for maintenance  
24 renovation, administrative expense associated with the leased space and for  
25 other departmental expenditures. Unexpended and unencumbered amounts  
26 remaining on September 30, 1991 from the amounts appropriated in section 10

1 for the lease/rental program shall carry forward for 1 fiscal year after which  
2 time they shall lapse.

3 (2) In order to assist with the implementation of Act No. 117 of the  
4 Public Acts of 1986 and to assure that county community mental health boards  
5 are able to provide the proper liaison and client services management  
6 assistance to county residents of state facilities, the department shall  
7 ensure that adequate office space is made available on the grounds of state  
8 facilities at no cost to counties whose residents are cared for at those  
9 facilities.

10 Sec. 703. Funds appropriated in section 101 for facilities for the  
11 mentally ill and developmentally disabled are intended to maintain direct care  
12 staffing levels phased toward staffing needs assessment project standards, for  
13 facilities for mentally ill adults, developmentally disabled persons, and  
14 mentally ill children.

15 Sec. 704. The operation of the power plant at the Kalamazoo state  
16 hospital shall be financed from charges to the appropriations to the Kalamazoo  
17 state hospital and western Michigan university, which charges shall be based  
18 upon the cost of the power plant and upon the usage of heat and electrical  
19 power by the hospital and the university.

20 Sec. 705. Funds appropriated in section 101 for state facility operating  
21 maintenance projects which have been approved by the department of management  
22 and budget shall carry forward for 1 fiscal year to enable completion.

23 Sec. 706. Transfer of the Wayne community living services agency to the  
24 Detroit-Wayne community mental health board is contingent upon the following:

25 (a) Completion of a transition, service, and funding plan by the  
26 Detroit-Wayne community mental health board which addresses all aspects of the

1 services, administration, and staffing, and submission of the plan to the  
2 department.

3 (b) Approval of the plan by the department.

4 (c) Legislative appropriation of funds sufficient for state assumption of  
5 the additional state costs of the specialized residential services as a result  
6 of the transfer of Wayne community living services to the Detroit-Wayne  
7 community mental health board pursuant to section 309 of the mental health  
8 code, Act No. 258 of the Public Acts of 1974, being section 330.1309 of the  
9 Michigan Compiled Laws.

10 (d) It is the intent of the legislature that this transfer take effect  
11 when all program, employee, and fiscal issues have been resolved and approved  
12 by the house and senate appropriations subcommittees on mental health.

13 Sec. 707. In addition to the amounts appropriated in section 101,  
14 revenues from the sale of sheltered workshop services and products are  
15 appropriated to be expended for supplies, equipment, and other costs  
16 associated with the maintenance of the sheltered workshop program, excluding  
17 costs of compensating state classified employees. The unspent balance on the  
18 last day of the fiscal year ending September 30, 1991 shall be carried forward  
19 into the subsequent fiscal year.

20 Sec. 708. Funds appropriated in section 101 for gifts and bequests  
21 include patient trust fund revenues and pay telephone revenues to be allocated  
22 for patient living unit furnishings, recreational, and vocational materials  
23 and supplies.

#### 24 WORKER'S COMPENSATION

25 Sec. 801. (1) The worker's compensation appropriation to the departmen  
26 of mental health for the fiscal year ending September 30, 1991 is based on th



1 following estimates:

2	(a) Central office.....	\$ 179,571
3	(b) Clinton valley center.....	635,863
4	(c) Coldwater mental health center.....	440,016
5	(d) Detroit psychiatric institute.....	231,830
6	(e) Kalamazoo regional psychiatric hospital.....	601,750
7	(f) Northville regional psychiatric hospital.....	1,623,093
8	(g) Reuther facility.....	338,920
9	(h) Ypsilanti regional psychiatric hospital.....	1,082,958
10	(i) Fairlawn center at Clinton valley.....	145,580
11	(j) Hawthorn center.....	125,789
12	(k) Pheasant ridge children's center at Kalamazoo....	49,393
13	(l) Arnell Engstrom school at Traverse City.....	10,255
14	(m) Yorkwoods center at Ypsilanti psychiatric	
15	hospital.....	97,446
16	(n) Center for forensic psychiatry.....	408,279
17	(o) Lafayette clinic.....	182,841
18	(p) Caro regional mental health center.....	385,409
19	(q) Joseph M. Snyder Macomb-Oakland regional center.	257,689
20	(r) Mt. Pleasant center.....	883,870
21	(s) Muskegon regional center.....	280,766
22	(t) Newberry regional mental health center.....	1,080,331
23	(u) Oakdale regional center.....	728,156
24	(v) Southgate regional center.....	375,758
25	(w) Wayne community living services.....	4,030
26	(x) Closed mental health facilities.....	677,007

1 Total state general fund/general purpose for unem-  
2 ployment worker's compensation..... \$ 10,826,600  
3 (2) From funds appropriated for worker's compensation, the department of  
4 mental health may make payments in lieu of worker's compensation payments for  
5 wage/salary and related fringe benefits for employees who return to work under  
6 limited duty assignments. Employees returning to work under limited duty  
7 assignments and who are funded under this subsection will be in addition to  
8 the facility's existing staffing authorization.