

SENATE BILL No. 232

EXECUTIVE BUDGET BILL

March 7, 1989, Introduced by Senator GEAKE 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, 1990; 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; and to provide for the powers and duties of certain state departments, agencies, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. There is appropriated for the department of social services
2 and certain state purposes related to public welfare services for the fiscal
3 year ending September 30, 1990, from the following funds:

4 DEPARTMENT OF SOCIAL SERVICES

5 APPROPRIATIONS SUMMARY:

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1	Full-time equated unclassified positions.....	6.0	
2	Full-time equated classified positions.....	14,139.6	
3	GROSS APPROPRIATION.....	\$	4,494,717,500
4	Total interdepartmental grants.....		787,700
5	ADJUSTED GROSS APPROPRIATION.....	\$	4,493,929,800
6	Total federal revenues.....		2,067,833,900
7	Total local revenues.....		62,102,300
8	Total private revenues.....		167,337,200
9	Total other state restricted revenues.....		11,380,400
10	State general fund/general purpose.....	\$	2,185,276,000
11	EXECUTIVE OPERATIONS		
12	Full-time equated unclassified positions.....	6.0	
13	Full-time equated classified positions.....	1,200.5	
14	Director.....	\$	80,300
15	Unclassified salaries.....		299,200
16	Salaries and wages--1,173.2 FTE positions.....		40,953,300
17	Contractual services, supplies, and materials.....		6,046,300
18	Adult home help.....		88,040,000
19	Health and welfare data center equipment.....		9,304,100
20	Demonstration projects.....		2,900,000
21	Office automation expansion--27.3 FTE positions.....		1,000
22	Inspector general contracts.....		1,436,800
23	Senior citizens programs.....		1,000,000
24	Social services to the physically disabled.....		648,400
25	GROSS APPROPRIATION.....	\$	150,709,400
26	Appropriated from:		

1	IDG-ADP user fees.....	\$	371,900
2	Total federal.....		86,562,600
3	Private funds.....		796,300
4	State general fund/general purpose.....	\$	62,978,600
5	CENTRAL SUPPORT ACCOUNTS		
6	Worker's compensation.....	\$	2,663,100
7	Longevity and insurance.....		55,291,600
8	Retirement and FICA.....		58,655,900
9	Equipment.....		2,445,200
10	Travel.....		5,201,000
11	Rent.....		34,307,700
12	Advisory commissions.....		19,900
13	Separation cost.....		3,523,200
14	GROSS APPROPRIATION.....	\$	162,107,600
15	Appropriated from:		
16	Total federal.....		80,550,400
17	State general fund/general purpose.....	\$	81,557,200
18	MEDICAL SERVICES ADMINISTRATION		
19	Full-time equated classified positions.....		557.5
20	Salaries and wages--549.5 FTE positions.....	\$	17,739,000
21	Contractual services, supplies, and materials.....		3,266,300
22	Data processing contractual services.....		4,049,100
23	Medical review and nursing evaluations contract -		
24	department of public health.....		240,000
25	Wayne county PPSP staff--8.0 FTE positions.....		240,700
26	Facility inspection contract - department of state police....		132,800

1	GROSS APPROPRIATION.....	\$	25,667,900
2	Appropriated from:		
3	Total federal.....		15,406,300
4	State general fund/general purpose.....	\$	10,261,600
5	FIELD POLICY AND OPERATIONS ADMINISTRATION		
6	Full-time equated classified positions.....		319.0
7	Salaries and wages--300.0 FTE positions.....	\$	10,179,500
8	Contractual services, supplies, and materials.....		6,317,200
9	Child support incentive payments.....		27,220,000
10	Neighborhood corps program.....		100
11	Child support enforcement system--2.0 FTE positions.....		9,233,000
12	Job start.....		14,419,000
13	Food stamp issuance.....		5,096,100
14	High school completion project.....		3,800,000
15	Immigration legalization assistance program.....		2,000,000
16	Legal support contracts.....		37,539,500
17	Michigan opportunity and skills training.....		16,936,200
18	Refugee assistance program--17.0 FTE positions.....		6,463,900
19	State incentive payments.....		3,304,800
20	GROSS APPROPRIATION.....	\$	142,509,300
21	Appropriated from:		
22	Total federal.....		117,724,300
23	State general fund/general purpose.....	\$	24,785,000
24	OFFICE OF CHILDREN AND YOUTH SERVICES		
25	Full-time equated classified positions.....		1,826.2
26	Salaries and wages--68.1 FTE positions.....	\$	2,691,000

1	Contractual services, supplies, and materials.....\$	1,031,300
2	Intercountry adoptions.....	562,000
3	Adoption subsidies.....	30,924,500
4	Children's benefit fund donations.....	21,000
5	Coordinated child care council's purchased day care services.	756,300
6	Child care fund.....	32,093,700
7	Child abuse and neglect programming.....	6,720,500
8	Day care payments.....	15,394,500
9	Dependent care grant.....	100,000
10	Delinquency project improvement.....	538,500
11	Delinquency prevention and treatment projects.....	7,829,900
12	Domestic violence prevention and treatment.....	3,287,600
13	Family preservation services.....	4,612,400
14	Foster care payments billing system.....	600,000
15	Family and children's services, salaries and wages--	
16	1,698.1 FTE positions.....	51,432,400
17	Foster care payments.....	172,350,400
18	Interstate compact.....	132,200
19	Intensive community supervision--54.0 FTE positions.....	2,830,800
20	County juvenile officers.....	2,848,800
21	DSS-CMH pilot project--6.0 FTE positions.....	425,100
22	Privately funded activities.....	2,700,400
23	Rape prevention and services.....	150,000
24	Teenage parent counseling.....	2,317,300
25	GROSS APPROPRIATION.....\$	342,350,600

26 Appropriated from:

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1	IDG from department of education.....	\$ 25,000
2	Total federal.....	115,674,100
3	Local funds-county payback.....	14,381,600
4	Private-collections.....	2,112,500
5	Private-intercountry adoption agency contribution.....	562,000
6	Private-foundation funds.....	3,700,400
7	Private-children's benefit fund donations.....	21,000
8	State general fund/general purpose.....	\$ 205,874,000
9	FAMILY PRESERVATION AND DIVERSION SAVINGS	
10	Savings due to diversion.....	\$ (6,000,000)
11	GROSS APPROPRIATION.....	\$ (6,000,000)
12	Appropriated from:	
13	Local funds-county payback.....	(1,000,000)
14	State general fund/general purpose.....	\$ (5,000,000)
15	RESIDENTIAL CARE DIVISION	
16	Full-time equated classified positions.....	1,089.0
17	Salaries and wages--778.0 FTE positions.....	\$ 24,242,800
18	Longevity and insurance.....	3,312,100
19	Retirement and FICA.....	3,792,900
20	Contractual services, supplies, and materials.....	3,885,400
21	Equipment.....	183,800
22	Travel.....	275,600
23	Community residential care programs--128.0 FTE positions.....	6,227,900
24	Juvenile crime package operations.....	5,301,900
25	Regional detention services--13.0 FTE positions.....	1,063,200
26	Federally funded activities--20.0 FTE positions.....	1,024,700

1	Family involvement project--5.0 FTE positions.....	\$ 371,000
2	Fuel and utilities.....	1,336,000
3	Genesee county detention facility--145.0 FTE positions.....	10,294,100
4	W.J. Maxey memorial fund.....	45,000
5	Maintenance operating projects.....	757,800
6	GROSS APPROPRIATION.....	\$ 62,114,200
7	Appropriated from:	
8	Total federal.....	2,013,700
9	Local county payback.....	29,370,700
10	Private funds.....	45,000
11	State general fund/general purpose.....	\$ 30,684,800
12	ASSISTANCE PAYMENTS, SERVICES, & CLERICAL FIELD STAFF	
13	Full-time equated classified positions.....	9,147.4
14	Contractual services, supplies, and materials.....	\$ 22,057,900
15	Assistance payments, salaries and wages--4,351.1	
16	FTE positions.....	123,021,300
17	Adult services, salaries and wages--1,125.5	
18	FTE positions.....	35,184,800
19	County clerical support, salaries and wages--2,923.8	
20	FTE positions.....	69,991,800
21	Donated funds projects.....	1,892,000
22	Donated funds staffing--41.0 FTE positions.....	1,167,800
23	Error and fraud reduction project--350.0 FTE positions.....	12,778,800
24	Field services, salaries and wages--183.0 FTE positions.....	9,781,200
25	SSI advocacy for department of mental health--39.0	
26	FTE positions.....	1,770,200

1	Training and staff development—53.0 FTE positions.....\$	2,824,600
2	Volunteer services—81.0 FTE positions.....	2,683,100
3	Volunteer reimbursement.....	1,878,200
4	GROSS APPROPRIATION.....\$	285,031,700
5	Appropriated from:	
6	IDG from mental health.....	390,800
7	Total federal.....	135,962,900
8	Local donated revenues.....	216,700
9	State general fund/general purpose.....\$	148,461,300
10	AID TO FAMILIES WITH DEPENDENT CHILDREN	
11	Aid to families with dependent children payments.....\$	1,259,046,300
12	GROSS APPROPRIATION.....\$	1,259,046,300
13	Appropriated from:	
14	Total federal.....	578,873,100
15	Private-child support collections.....	155,000,000
16	State general fund/general purpose.....\$	525,173,200
17	GENERAL ASSISTANCE	
18	General assistance grants and payments.....\$	222,384,200
19	GROSS APPROPRIATION.....\$	222,384,200
20	Appropriated from:	
21	Total federal.....	185,000
22	Private - SSI recoveries.....	4,800,000
23	State general fund/general purpose.....\$	217,399,200
24	SUPPLEMENTAL SECURITY INCOME	
25	Personal care services.....\$	16,908,300
26	State supplementation.....	71,753,800

1	GROSS APPROPRIATION.....	\$ 88,662,100
2	Appropriated from:	
3	Total federal.....	8,911,500
4	State general fund/general purpose.....	\$ 79,750,600
5	LOW INCOME ENERGY ASSISTANCE PROGRAM	
6	LIEAP/energy assistance program.....	\$ 70,000,000
7	Emergency needs program.....	46,307,400
8	GROSS APPROPRIATION.....	\$ 116,307,400
9	Appropriated from:	
10	Total federal.....	80,434,400
11	State general fund/general purpose.....	\$ 35,873,000
12	MEDICAL SERVICES	
13	Auxiliary medical services.....	\$ 41,164,200
14	Home health services.....	9,083,600
15	Health maintenance organizations.....	89,028,200
16	Hospital services and therapy.....	626,843,500
17	Medicare premium payments.....	37,958,600
18	Nursing home services.....	384,689,000
19	Pharmaceutical services.....	177,257,000
20	Early periodic screening, diagnosis and treatment -	
21	department of public health.....	6,696,300
22	Physician services.....	188,716,800
23	Early periodic screening, diagnosis and treatment -	
24	department of social services.....	509,200
25	Transportation.....	5,519,200
26	GROSS APPROPRIATION.....	\$ 1,567,465,600

1 Appropriated from:

2	Total federal.....	\$	845,431,400
3	Local county payback.....		9,464,300
4	Special purpose-public act 219 of 1987.....		11,380,400
5	State general fund/general purpose.....	\$	701,189,500

6 GENERAL ASSISTANCE MEDICAL

7	General assistance medical.....	\$	23,910,800
8	General assistance medical - hospitalization.....		9,950,400
9	Wayne county patient care management system.....		42,500,000
10	GROSS APPROPRIATION.....	\$	76,361,200

11 Appropriated from:

12	Total federal.....		104,200
13	Local county payback.....		9,669,000
14	Private contributions.....		300,000
15	State general fund/general purpose.....	\$	66,288,000

16 GENERAL SECTIONS

17 Sec. 201. (1) In accordance with the provisions of section 30 of
 18 article IX of the state constitution of 1963, total state spending in this act
 19 is \$2,196,656,400.00 and state spending to be paid to local units of government
 20 is as follows:

21 DEPARTMENT OF SOCIAL SERVICES

22 OFFICE OF CHILDREN AND YOUTH SERVICES

23	Child care fund.....	\$	32,093,700
24	County juvenile officers.....		2,830,700
25	Adoption subsidies.....		19,391,900

26 GENERAL ASSISTANCE

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1	General assistance--grants and payments.....	\$ 13,326,600
2	SUPPLEMENTARY SECURITY INCOME	
3	Supplementary security income to CMH clients.....	11,474,200
4	MEDICAL SERVICES	
5	Medicaid to CMH clients.....	14,746,300
6	Michigan opportunity and skills training program.....	3,399,100
7	GENERAL ASSISTANCE MEDICAL.....	43,693,900
8	TOTAL.....	\$ 127,629,800

9 (2) When it appears to the principal executive officer of each
 10 department that state spending to local units of government will be less than
 11 the amount that was projected to be expended for any quarter, the principal
 12 executive officer shall immediately give notice of the approximate shortfall to
 13 the department of management and budget, the senate and house appropriations
 14 committees, and the senate and house fiscal agencies.

15 Sec. 202. The department shall not expend any money appropriated in
 16 section 101 for individual employee memberships in organizations except as
 17 determined by the office of state employer.

18 Sec. 203. Money appropriated in section 101 shall not be expended for per
 19 diem payments for department of social services boards and commissions.
 20 Members of those boards and commissions shall be entitled only to reimbursement
 21 for expenses.

22 Sec. 204. The department may receive and expend advances or
 23 reimbursements from the department of state police for the administration of
 24 the individual and family grant disaster assistance program. An account shall
 25 be established in the department for this purpose when a disaster is declared.
 26 The authorization and allotment for the account shall be in the amount advanced

1 or reimbursed from the department of state police.

2 Sec. 205. There is hereby created a contingency fund from unexpended
3 appropriations authorizations for the department of social services for the
4 fiscal year ending September 30, 1990. The fund shall be available as needed
5 for the aid to families with dependent children program and the general
6 assistance program for caseloads or average payments which exceed the levels
7 used to develop the appropriation for these programs, and for the medical
8 assistance program for costs which exceed the appropriated levels. The fund
9 shall be used only after the director of the department of management and
10 budget projects and reports the projections in writing to the senate and house
11 appropriations committees that overexpenditures will not result in the
12 department of social services accounts used for this purpose. The report shall
13 include the reason for use of the fund, the amount needed, and the accounts
14 from which the funds will be taken.

15 Sec. 206. In addition to funds appropriated in section 101 for all
16 programs and services, there is appropriated \$18,000,000.00 for write-offs of
17 accounts receivable, deferrals, and disallowances to be expended from an
18 appropriation of \$18,000,000.00 in prior year revenues. The department shall
19 report annually, immediately following book closing, to the house and senate
20 appropriations committees on social services on the amounts and reasons for the
21 write-offs.

22 Sec. 207. The amounts appropriated in section 101 for utilities and that
23 portion of contractual services, supplies, and materials used to pay for
24 utility service to state facilities may be expended in a manner consistent with
25 section 253 of the management and budget act, Act No. 431 of the Public Acts of
26 1984, being section 18.1253 of the Michigan Compiled Laws.

1 EXECUTIVE OPERATIONS

2 Sec. 301. Funds appropriated in section 101 for senior citizen programs
3 shall be allocated by the office of services to the aging. Priority for
4 distribution of the funds shall be given to services and programs which help
5 reduce institutionalization among seniors and enable seniors to maintain their
6 ability to function in the least restrictive setting. Funds shall not supplant
7 existing funding for services and programs, but may be used to augment existing
8 funding for services and programs.

9 FIELD POLICY AND OPERATION ADMINISTRATION

10 Sec. 401. The amounts for any remaining unencumbered fund balances for
11 the multidisciplinary pilot project, the MOST program, office automation,
12 teenage parent counseling program, the high school completion project, the wage
13 reporting work project, and the neighborhood corps program appropriated for the
14 fiscal year ending September 30, 1989 shall be authorized for expenditure in
15 the fiscal year ending September 30, 1990.

16 Sec. 402. The funds appropriated in section 101 for the MOST program
17 shall be expended in accordance with sections 403 to 420.

18 Sec. 403. As used in sections 404 to 420:

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

24 (b) "Employment and training worker" means an employee of the department
25 who assesses the skills, education, and job experience of applicants and
26 recipients, determines the most appropriate placement of recipients as

1 described in the MOST program, and develops contacts with employers and
2 providers of services under the MOST program through whom recipients may be
3 placed.

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

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

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

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

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

16 (v) An approved plan for permanent rehabilitation or self-support is
17 currently in process, and compliance would interrupt these services or
18 activities.

19 (vi) Employment, education, or job training is not available within 1-hour
20 travel time or is inaccessible by available transportation at a reasonable cost.

21 (vii) Employment involves unreasonable requirements such as excessive work
22 hours, dangerous or unlawful working conditions, or is not within the person's
23 physical or mental capabilities.

24 (viii) The person alleges discrimination on the basis of religion, race,
25 color, national origin, age, sex, height, weight, or marital status as
26 prohibited under the Elliott-Larsen civil rights act, Act No. 453 of the Public

1 Acts of 1976, being sections 37.2101 to 37.2804 of the Michigan Compiled Laws,
2 and is taking legal action to redress his or her grievance.

3 (d) "Job club" means a formal gathering of recipients for the purpose of
4 acquiring job-seeking skills and securing employment through direct personal
5 contact with prospective employers.

6 (e) "Recipient" means a person receiving general assistance, AFDC, food
7 stamps, or refugee assistance.

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

14 (g) "Recipient who is not required to participate" means an applicant for
15 general assistance, AFDC, or food stamps, or a recipient who, under section
16 404, is exempted from participation in programs under the MOST program.

17 Sec. 404. (1) A recipient shall not be required to participate in, but
18 may volunteer for, the MOST program, if he or she is any of the following:

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

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

21 (c) A care-giver parent of a child less than 6 months of age who
22 personally provides care for the child.

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

25 (e) An adult who is a parent of minor children in a 2-parent household if
26 the other parent is participating in the MOST program.

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

3 (g) Sixty years of age or older.

4 (h) Participating in a program of job training or education approved by
5 the department.

6 (i) Employed or self-employed, 30 or more hours per week, and is receiving
7 income at not less than the current minimum wage for the kind of work being
8 performed.

9 (j) Has a medically verifiable illness that prevents full or part-time
10 work. This condition must be verified in writing by a physician and approved
11 by him or her as a condition that prevents employment.

12 (k) Is currently undergoing treatment for substance abuse. This condition
13 shall only apply for 1 year in the lifetime of each recipient.

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

22 (m) An applicant for general assistance, AFDC, or food stamps who would
23 not be required to participate if he or she was a recipient in 1 of the
24 categories in this section.

25 (2) Any recipient may volunteer to participate and shall be given priority
26 in placement as will recipients who are required to participate.

1 (3) Notwithstanding other requirements to register and participate in the
2 MOST program, no primary care-giver parent who personally provides care to a
3 child under 6 years of age shall be required to participate in any program
4 other than:

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

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

12 Sec. 405. (1) Upon certification of eligibility for AFDC, general
13 assistance, food stamps, or refugee assistance, the employment and training
14 worker shall assess the education and job skills for each applicant whose
15 eligibility has been certified and all recipients who are required to
16 participate and shall determine a program of available education or job
17 training that will allow a recipient to secure employment most rapidly. The
18 department shall develop screening procedures that will assist the worker in
19 referring the client to the most appropriate educational or employment and
20 training program.

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

23 (3) The county director, upon the recommendation and approval of the
24 county social services board, shall negotiate contracts with employers in
25 the public, private, and nonprofit sectors regarding employment, educational,
26 and job training programs for recipients who are required to participate and

1 for volunteers.

2 (4) The county director, upon the recommendation and approval of the
3 county social services board, shall negotiate contracts to create job clubs to
4 assist recipients who are required to participate and to assist volunteers in
5 acquiring job-seeking skills necessary to secure employment. In geographic
6 locations where appropriate, counties may join together to establish job clubs
7 to perform these services if a contract with an outside agency cannot be made.

8 (5) The county director, with the recommendation and approval of the
9 county social services board, shall negotiate contracts with public or private
10 institutions of higher education or vocational education or the school boards
11 of school districts operating vocational skills centers to provide education or
12 job training for recipients who are required to participate and volunteer. If
13 other forms of student financial assistance are not available, the county
14 director with the recommendation and approval of the county social services
15 board shall negotiate for reimbursement for the cost of tuition, books, fees,
16 and other expenditures required by the institution of recipients placed
17 pursuant to section 408.

18 (6) The department shall coordinate programs of education and job training
19 to assist recipients in becoming self-supporting.

20 (7) The county director with the recommendation and approval of the county
21 social services board may coordinate and develop programs which provide day
22 care to the minor children of participants under this program for families who
23 require day care. The department shall make every effort to assign recipients,
24 pursuant to section 408, who shall provide staff service in day care centers
25 under this section.

26 (8) The director shall grant approval of county plan proposals if all of

1 the following provisions are complied with:

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

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

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

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

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

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

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

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

23 (10) Any denial of a county plan by the director shall be submitted to the
24 joint legislative committee on oversight for a hearing if requested by the
25 county. In addition, all denials shall be reported to the oversight committee
26 by the director on a quarterly basis.

1 (11) A job club shall report quarterly to the department which shall in
2 turn report to the house and senate appropriations subcommittees on social
3 services on the number of unsubsidized placements it has achieved for
4 participants and on other services and benefits it provides its participants.
5 The department shall negotiate performance based contracts for job clubs in
6 order to assure that payment shall only be made based upon successful
7 placements of clients in unsubsidized employment. The department may determine
8 the amount payments for successful placements with such payments paid to
9 providers in equal increments after 30 days, 60 days, and 90 days of retention
10 in full-time employment.

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

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

18 (14) That the configuration of local private industry councils include the
19 county DSS director or designee.

20 Sec. 406. (1) All recipients who are required to participate shall
21 participate in the employment, educational, or job training programs described
22 in the MOST program unless the recipient shows good cause why he or she should
23 not participate.

24 (2) A recipient who is required to participate but who refuses to
25 participate without good cause shall have his or her needs removed from the
26 general assistance or AFDC grant for 1 month or until he or she elects to

1 participate, whichever is longer. If a recipient refuses to participate a
2 second time without good cause after an earlier refusal to participate without
3 good cause, the recipient's needs will be removed from the AFDC or general
4 assistance grants for 3 months or until the recipient agrees to participate,
5 whichever is longer. All further refusals to participate without good cause
6 will result in the removal of a recipient's needs from the AFDC or general
7 assistance grants for 6 months or until the recipient agrees to participate,
8 whichever is longer.

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

17 Sec. 408. (1) If a recipient who is required to participate has a recent
18 connection with the work force or has readily marketable job skills, he or she
19 shall be immediately assigned to a job-seeking component as described in
20 section 405(4).

21 (2) Recipients who are required to participate who lack recent connection
22 with the work force or readily marketable skills shall, if possible, be placed
23 in a program of job training. A participant in a program of job training may
24 also be required to participate in a job-seeking component.

25 (3) If a job training program is not appropriate for or available to a
26 recipient who is required to participate, the employable recipient shall be

1 required to participate in an educational or rehabilitation program, if
2 possible, as a condition for continued eligibility for general assistance or
3 AFDC.

4 (4) If an employable recipient has earned a high school diploma or
5 completed a GED program, that recipient may be required to participate in a
6 program of vocational training or higher education that potentially will give
7 the participant qualifications for a specific type of employment, excluding
8 programs for degrees beyond the baccalaureate level.

9 (5) If a recipient who is required to participate has not earned a high
10 school diploma or GED equivalent, that recipient may be required to participate
11 in such a program.

12 (6) If a recipient who is required to participate lacks the educational
13 skills necessary for participation in other educational programs, that
14 recipient shall be required to participate in courses of remedial education, if
15 available.

16 (7) A participant in an educational program described in this section
17 shall not be required to pay his or her own tuition, mass transportation costs,
18 or other approved expenses directly related to the requirements of this section.

19 (8) If, for any reason, a recipient cannot be placed in 1 of the above
20 programs, the recipient shall be required to participate in a community work
21 experience program. A participant in community work experience may also be
22 required to participate in a job club or educational activity.

23 (9) This section establishes a continuum of services and the priority of
24 services under the MOST program. All counties shall follow this continuum of
25 services in providing programming for participants in the MOST program and
26 shall make every effort to seek appropriate services under this continuum

1 before assigning a participant to the next level of services or programming.

2 Sec. 408a. The department, with the approval of the house and senate
3 appropriations subcommittees on social services, shall establish an evaluation
4 and reporting requirement for all contracts funded under the MOST program. The
5 evaluation shall include specific performance standards for each of the
6 components of the MOST program, the number of recipients who completed each
7 program, and the cost per recipient in each component of the MOST program. A
8 contract may be canceled if the contractor does not meet the performance
9 standards established by the department. The evaluation system shall be
10 developed in conjunction with recipient advocate organizations. Evaluation
11 reports shall be provided to the house and senate appropriations subcommittees
12 on social services on a quarterly basis.

13 Sec. 409. (1) A recipient who is required to participate shall not be
14 required under the MOST program to participate in a job training or community
15 work experience program more hours per month than is derived by dividing his or
16 her total assistance grant by the current minimum wage. A participant may be
17 required to participate in education or job-seeking component up to 40 hours
18 per week.

19 (2) A recipient shall not be placed at a training site if an employer has
20 discharged or laid off a regular employee or reduced his or her work force with
21 the intention of filling the vacancy created by hiring a recipient under the
22 MOST program.

23 Sec. 410. (1) An employment and training worker shall, on a quarterly
24 basis, contact educational institutions to determine the level of progress
25 being made by recipients assigned to educational activities under the MOST
26 program. Failure to participate without good cause by the recipient shall be

1 subject to sanction pursuant to section 406.

2 (2) The employment and training worker shall at least monthly review and
3 assess the progress of participants under the MOST program.

4 (3) The employment and training worker may develop employer, job training
5 and community work experience contacts for placement of participants within the
6 jurisdiction of the office of the department to which the employment and
7 training worker is assigned.

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

12 Sec. 411. The department shall report to the house and senate
13 appropriations subcommittees on social services on the employment status of
14 MOST program participants at 3-month intervals for a full year following their
15 completion of the program.

16 Sec. 412. Persons assigned to educational programs who are in continuous
17 program studies shall not be required to participate in job-seeking components
18 or job referrals during their school breaks or vacations.

19 Sec. 413. (1) From the MOST funds appropriated in section 101 for county
20 departments of social services for the fiscal year ending September 30, 1989:

21 (a) Fifty-five percent of the amount and related carryforward funding
22 shall be allocated to the county departments, with each county receiving that
23 portion as derived by multiplying 55% by the county's total population in the
24 1980 federal decennial census divided by the population of the state in the
25 1980 federal decennial census.

26 (b) Forty-five percent of the amount and related carryforward funding

1 shall be allocated to the county departments based upon the receipt, and
2 approval by the director or his designee of locally based proposals that
3 describe specific services to be targeted at the hard-to-serve population
4 sub-groups identified in the JOBS legislation.

5 (2) Of the funds allocated to counties under this section, the department
6 may reallocate money that is not committed by counties for contracts or county
7 set-asides to other counties under subsection (1)(b) before April 1, 1989.

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

10 (4) For counties with more than 1 department office, the county social
11 services board may allocate funds appropriated under this section to department
12 offices.

13 Sec. 414. From funds allocated in section 413, the department shall make
14 available to recipients funds for transportation. The department may also make
15 available funds for car repair, tool purchases, clothing, medical and dental
16 care, child care, and other supportive services if these funds will assist
17 recipients in obtaining unsubsidized employment.

18 Sec. 415. Notwithstanding section 413, up to 5% of the total of the funds
19 described in section 413 may be used by the department to develop statewide
20 contracts, pilot projects, and demonstration projects, or special contracts
21 requested by counties. The department shall report on these contracts and
22 pilots to the house and senate appropriations subcommittees on social services.

23 Sec. 416. Notwithstanding other provisions of this act, if a person who
24 is employable provides day care in the home for MOST program participants, then
25 the provision of those services shall be deemed to meet the MOST program
26 participation requirements for that provider.

1 Sec. 417. Of MOST funds appropriated in section 101, the department,
2 together with other agencies, may establish special projects to provide
3 employment training, placement programs, and community service programs for
4 persons leaving prison and who are on parole. By April 1, 1990, the department
5 shall report to the department of management and budget and house and senate
6 appropriation subcommittees on social services on the expenditures, numbers of
7 persons served and the types of services provided through the special projects
8 established under this subsection. The department shall assess the
9 effectiveness of the special projects in reducing recidivism.

10 Sec. 418. The department shall offer subsidies from the funds
11 appropriated in section 101 to nongovernmental employers for the work training
12 programs for the on-the-job training, hiring, and employment of AFDC recipients
13 and general assistance recipients. An AFDC recipient or general assistance
14 recipient employed by a nongovernmental employer receiving a subsidy under this
15 section shall continue to be eligible for medical assistance or for the general
16 assistance medical program for the length of that employment subsidy. A
17 nongovernmental employer shall be eligible to receive a payment under this
18 section only if all AFDC recipients and general assistance recipients employed
19 by the employer receive the same salaries and wages as the employer pays all
20 other employees in the same or equivalent positions. If an AFDC recipient or
21 general assistance recipient is terminated, without good cause, from employment
22 described in this subsection, the department shall reinstate the person's full
23 assistance benefits with a minimum of delay, if the AFDC recipient or general
24 assistance recipient meets the appropriate eligibility standards.

25 Sec. 419. The department shall report to the house and senate
26 appropriation subcommittees on social services and the department of social

1 services by April 1, 1990 on the number of early childhood development classes
2 provided to welfare clients and the number of welfare clients who attended
3 these classes.

4 Sec. 420. (1) From the funds appropriated in section 101 for the MOST
5 program, the department of social services shall develop a public service
6 employee program. Under this program, local department of social services
7 offices will hire AFDC and general assistance recipients for entry level public
8 service aide I positions. These positions shall be time-limited employment and
9 training slots and shall not supplant existing department of social services
10 employees. Expenditures for this purpose shall not exceed net \$2,800,000 of
11 state general fund/general purpose money.

12 (2) It is the intent of the legislature that the appropriate federal
13 funds, such as JTPA, AFDC, or federal match be utilized to the extent possible.

14 (3) In order to partially fund the public service employee program, the
15 department may transfer federal and general fund authorization from the AFDC,
16 general assistance, medicaid, and general assistance medical accounts to the
17 MOST account on a quarterly basis. These transfers shall be in recognition of
18 the AFDC and general assistance grant expenditures and medicaid and general
19 assistance medical expenditures that would have been paid to the public service
20 employees as normal grants or medical expenditures.

21 Sec. 421. From the federal money received for child support incentive
22 payments, up to \$6,954,900.00 shall be retained by the state and expended in:
23 legal support contracts; state incentive payments; and salaries and wages for
24 office of child support staff in the income and supportive services
25 administration.

26 Sec. 422. (1) The department, in cooperation with the Michigan state

1 housing development authority, shall establish a Michigan neighborhood corps
2 program which will provide employment opportunities for persons receiving or
3 eligible to receive general assistance. The Michigan state housing development
4 authority shall administer the program pursuant to an interagency agreement
5 with the department.

6 (2) Any general assistance applicant or recipient may volunteer for the
7 Michigan neighborhood corps unless he or she has dependent children living with
8 him or her, is enrolled in school, or is less than 18 years of age. Priority
9 shall be given to applicants or recipients who are 18, 19, or 20 years of age.
10 Disabled recipients may volunteer for appropriate placements.

11 (3) Participation in the neighborhood corps is subject to all of the
12 following:

13 (a) Michigan neighborhood corps participants shall make a 1-year
14 commitment to the corps program.

15 (b) If a participant is unemployable or there are other good cause reasons
16 why he or she is unable to participate, he or she shall be referred back to
17 general assistance and the position shall be filled by a new applicant.

18 (c) If there is a dispute regarding whether there is good cause for
19 failure or refusal to participate, the participant may request an
20 administrative hearing to be conducted by the department at the time the
21 participant applies for general assistance.

22 (d) If the participant does not have a good cause for refusing to
23 participate, he or she shall not be eligible to apply for general assistance
24 for 90 days.

25 (4) The department and the Michigan state housing development authority
26 shall have the authority to establish policies and procedures to support the

1 goals of the Michigan neighborhood corps which shall include, but not be
2 limited to:

3 (a) Participants shall be eligible for medical coverage through department
4 programs.

5 (b) Participants shall not be eligible to receive general assistance cash
6 benefits.

7 (c) Earnings from the corps are to be excluded in determining general
8 assistance eligibility or benefit levels for other individuals living in the
9 home with a participant.

10 (d) To the extent allowed by federal regulations, earnings from the corps
11 are not to be considered in determining eligibility or benefit levels for AFDC
12 families.

13 (e) Participants shall not be eligible to receive unemployment insurance
14 benefits from this state.

15 (f) Participants shall be compensated at a wage not more than 50 cents
16 above the minimum wage.

17 (5) Legislative oversight shall be established, which shall maintain
18 ongoing oversight of the program, approve or disapprove any major changes in
19 the design of the program, and design questions for and receive reports from
20 the evaluators of the program. The oversight committee shall consist of
21 members of the house and senate appropriations subcommittees on regulatory and
22 social services.

23 Sec. 423. (1) The department of social services shall administer a school
24 completion program to provide incentives for low-income Michigan residents to
25 graduate from high school.

26 (2) The program shall provide payment for tuition for up to 80 credits at

1 any community college in this state. The payment shall be provided for any
2 person who meets the following criteria:

3 (a) The person's family income is currently below the poverty level and
4 for the calendar year prior to application.

5 (b) The person graduates from high school or completes the GED before 20
6 years of age. The payment shall only be made for courses taken during the 4
7 years immediately following graduation from high school or completion of the
8 GED.

9 (3) Medical coverage shall be provided to former AFDC recipients who are
10 eligible for this program and who agree to identify any health or medical
11 insurance or any other third party health insurance resources for the purpose
12 of third party liability claims by the state.

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

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

19 (6) Any person participating in the school completion program who
20 completes 60 credits at a community college within 4 years immediately
21 following graduation from high school or completion of a GED shall be eligible
22 for a voucher valued at not more than \$2,000.00 for tuition at any Michigan
23 4-year college or university. The voucher shall only be valid during the 2-1/2
24 years immediately following completion of 60 credits at a community college in
25 this state.

26 (7) Participants in the school completion program shall not be eligible

1 for payments made to current or former AFDC recipients under the employment
2 incentive program.

3 (8) The department shall ensure that the school completion program is well
4 publicized and that potentially eligible low-income persons are provided
5 information on the program. All information on the school completion program
6 shall include an explanation of medical services benefits that are available to
7 former AFDC recipients through the department of social services.

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

12 (10) Payments made through the school completion program shall not be used
13 by any recipient for theology or divinity programs.

14 (11) Not later than March 1, 1989 and each year thereafter, the department
15 shall submit a report on the school completion program to the senate and house
16 appropriations committees. The report shall provide specific details on the
17 progress of implementation of the program, the number of persons potentially
18 eligible for the program, the number of persons actually determined eligible
19 for the program, total payments in the immediately preceding fiscal year, and
20 total payments to date. The report shall also identify and recommend solutions
21 to any problems experienced in administering the program.

22 (12) Tuition payments may be made to Northern Michigan university, Lake
23 Superior state university, Ferris state university, Bay Mills community
24 college, and Lewis business college as they provide courses and services
25 similar to those provided by community colleges.

26 (13) Applications for the program may be taken any time after a student

1 completes the sixth grade. A determination of financial eligibility will be
2 valid as long as the student meets other requirements of the program.

3 Sec. 424. The funds appropriated in section 101 for the immigration
4 legalization assistance program shall be for the use of the departments of
5 social services, education, and public health. The distribution of funds among
6 the 3 departments shall be determined under the terms of an interdepartmental
7 agreement, consistent with the requirements of federal regulations. The
8 department of social services shall be the single point of contact with the
9 department of health and human services regarding the program and shall claim
10 and receive all applicable federal funds. The departments of public health and
11 education shall receive their shares based on presentation of an interaccount
12 bill which states the services provided and the cost to the state of those
13 services.

14 Sec. 425. From the funds appropriated in section 101, the department
15 shall continue funding the wage reporting project.

16 Sec. 426. (1) The state department may operate a job start program for
17 unemployed, able-bodied persons, 18 through 25 years of age. The program shall
18 involve high school completion, intensive job seeking activities, employment
19 training and community work components to be defined by the department.
20 Financial eligibility shall be the same as for general assistance. Able-bodied
21 18 through 25 year old persons shall not be eligible for general assistance.

22 (2) Each participant in the program shall be eligible to receive general
23 assistance medical coverage or coverage through the Wayne county patient
24 management care system, and a monthly stipend of \$200, provided that
25 participants in the community work component shall be paid the minimum wage for
26 30 hours work per week instead of the monthly stipend.

1 (3) Any eligible individual who refuses to participate in the program
2 shall be ineligible for job start and general assistance.

3 (4) In determining eligibility the department shall:

4 (a) Require each applicant entitled to alimony or separate maintenance to
5 seek the assistance of the friend of the court.

6 (b) Contact appropriate legal authorities in the case of an applicant who
7 is deserted by his or her spouse to determine the advisability of legal action
8 to obtain support.

9 (c) If it is indicated that eligibility for benefits from other programs
10 such as unemployment compensation, old-age and survivors insurance benefits,
11 federal veterans' benefits, aid to families with dependent children, or
12 supplemental security income exists, secure a clearance in writing with each
13 appropriate agency.

14 (d) Determine that each employable applicant, mentally and physically able
15 to work, is not currently refusing to accept available employment for which
16 wages not less than the usual rate paid by that employer for the particular
17 kind of employment are being offered.

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 at least quarterly or as otherwise required by the office of
22 children and youth services. The reports shall be submitted on forms provided
23 by the director of the office of children and youth services and shall include
24 the number of children receiving foster care services and the number of days of
25 care that were provided. Each county receiving state matching funds for
26 in-home or out-of-home care of children shall provide to the department, at the

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

5 Sec. 502. In accordance with section 471(a)(14) of title IV, 42 U.S.C.
6 671, the following goal is established by state law. During the fiscal year
7 ending September 30, 1990, not more than 3,000 children supervised by the
8 department shall remain in foster care longer than 24 months. The department
9 shall continue to report to the senate and house appropriations subcommittees
10 on social services on the number of children supervised by the department who
11 remain in foster care in excess of 12 months and in excess of 24 months.

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

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

22 Sec. 504. From the funds appropriated in section 101 for foster care
23 payments, the department shall provide 50% reimbursement to Indian tribal
24 governments for foster care expenditures for children who are under the
25 jurisdiction of Indian tribal courts and who are not otherwise eligible for
26 foster care cost sharing.

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

9 (2) Criteria for team programs shall include but not be limited to all of
10 the following:

11 (a) An agreement between the team and the local department for department
12 case referral and case consultation.

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

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

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

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

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

24 Sec. 506. The department shall also provide programs which focus on the
25 special education, training, employment, and social needs of teen-age parents
26 and teen-age expectant parents. These programs shall, wherever available, be

1 coordinated with alternative education programs for school age expectant
2 parents and school age parents and their children as funded under section 93 of
3 the state school aid act of 1979, Act No. 94 of the Public Acts of 1979, being
4 section 388.1693 of the Michigan Compiled Laws.

5 Sec. 507. The department shall continue a medical or support subsidy
6 until an adoptee reaches the age of 19, if the office of children and youth
7 services determines that the adoptee is a student regularly attending a high
8 school, college, university, or a course of vocational training in pursuance of
9 a course of study leading to a high school diploma, college degree, or gainful
10 employment.

11 Sec. 508. The department shall charge or cause to be charged a fee for
12 intercountry adoption services. These fees shall be based on the cost of
13 providing the services, with reduced fees for low-income families. These fees
14 shall be used to pay for or contract for personnel and related activities. If
15 it becomes apparent that the fees will not generate sufficient income to
16 support the program, the director of social services shall adjust or cause an
17 adjustment of the fees to permit the program to be self-supporting.

18 Sec. 509. To achieve the reduction of costs in the adoption subsidy
19 program, the office of children and youth services shall do all of the
20 following:

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

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

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

4 (d) In cooperation with the department of mental health, develop a model
5 for post-placement adoption services, including the screening and monitoring of
6 placements in child caring institutions and psychiatric hospitals.

7 (e) Limit payment for out-of-home in child caring institutions and
8 psychiatric hospitals to short-term crisis placements unless the local
9 community mental health board has determined that a long-term placement is
10 needed. Payments for long-term placements shall be limited to a maximum of six
11 months.

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

16 Sec. 511. After the end of each fiscal year, the department shall report
17 to the house and senate appropriations subcommittees on social services the
18 total amount of expenditures for child abuse and neglect programming, which
19 shall include expenditures from the day care payment line item and other
20 related appropriations line items to child abuse and neglect.

21 Sec. 512. The department's ability to satisfy appropriation deductions in
22 section 101 for foster care private collections shall not be limited to
23 collections and accruals pertaining to services provided in fiscal year 1989-90
24 as specified in section 101 but shall include revenues collected in excess of
25 the amount specified in section 101.

26 Sec. 513. The office of children and youth services shall compile

1 information on the status of the implementation of section 18(2) of chapter
2 XIIA of Act No. 288 of the Public Acts of 1939, being section 712A.18 of the
3 Michigan Compiled Laws, by counties. The information shall include at a
4 minimum, the amount of money collected from parents by each county for the care
5 of their children and efforts by the office to encourage full compliance with
6 the act, including any adjustments made, if any, to a county's child care fund
7 allocation based on that county's failure to fully implement the act.

8 Sec. 514. (1) From the funds appropriated in section 101, it is the
9 intent of the legislature that private child care organizations shall be
10 assigned rates at their previous year's audited costs, for program components
11 under contract, plus any economic increase established by the legislature.

12 (2) Further, it is the intent of the legislature that the department of
13 social services may consider the reasonableness of the individual organization
14 cost increases in relationship to the costs of all reporting organizations when
15 setting individual child care organization rates.

16 Sec. 515. The office of children and youth services shall not be required
17 to put up for bids contracts with service providers if currently only 1
18 provider in the service area exists.

19 Sec. 516. The department shall report to the house and senate
20 appropriations subcommittees on social services and the house committee on
21 social services and youth, on a quarterly basis, the following information:

22 (a) The percentage and numbers of children and families served by the
23 family reunification funds

24 (b) The number of families served who are still intact 6 months later or
25 who have one or more children returned within six months of the reunification
26 fund expenditures.

1 (c) The type and amount of assistance provided and number of cases by
2 county.

3 Sec. 517. Notwithstanding section 117a or 117c of the social welfare act,
4 Act No. 280 of the Public Acts of 1939, being sections 400.117a and 400.117c of
5 the Michigan Compiled Laws, the distribution of collections made to counties by
6 child, parent, guardian, or custodian, on behalf of children in foster care who
7 are wards of the county, shall be made pursuant to section 18(2) of chapter
8 XIIIA of Act No. 288 of the Public Acts of 1939, being section 712A.18 of the
9 Michigan Compiled Laws.

10 RESIDENTIAL CARE DIVISION

11 Sec. 601. Counties shall be subject to 50% chargeback for the use of
12 alternative regional detention services if they do not fall under the basic
13 grant provisions of section 117e of the social welfare act, Act No. 280 of the
14 Public Acts of 1939, being section 400.117e of the Michigan Compiled Laws; or
15 if a county operates these programs primarily with professional rather than
16 volunteer staff.

17 Sec. 602. The amounts appropriated for utilities and that portion of
18 contractual services, supplies, and materials used to pay for utility service
19 to state facilities in section 101 may be expended in a manner consistent with
20 the provisions of section 253 of the management and budget act, Act. No. 431 of
21 the Public Acts of 1984, as amended, being section 18.1253 of the Michigan
22 Compiled Laws.

23 ASSISTANCE PAYMENTS, SERVICES AND CLERICAL FIELD STAFF

24 Sec. 701. From the funds appropriated in section 101 for contractual
25 services, supplies, and materials, the department shall continue to expend
26 \$60,000.00 for the purpose of training adult foster care personnel.

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1 AID TO FAMILIES WITH DEPENDENT CHILDREN

2 Sec. 801. When a recipient of assistance funded under this act is paid
3 more than the amount to which the recipient is legally entitled, the department
4 shall institute procedures to recover the overpayment. The department may
5 reduce subsequent grants in an amount that will ensure repayment of the
6 overpayment. The director of social services shall establish reasonable limits
7 on the proportion of the payments that may be deducted, so as not to cause
8 undue hardship on recipients.

9 Sec. 802. (1) When a recipient or landlord requests that the department
10 make a vendor payment for shelter, that payment shall be withheld from the
11 landlord and payment continued to the recipient if the rental unit is not in
12 compliance with applicable local housing codes. Compliance shall be considered
13 to be met if the department receives from the landlord a signed statement
14 stating that the rental unit is in compliance with local housing codes, and
15 that statement is not contradicted by the recipient and the local unit. The
16 landlord also shall provide to the department a signed statement indicating who
17 currently owns the property and whether any delinquent taxes are owed.

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

25 Sec. 803. From the funds appropriated in section 101 for AFDC payments
26 and medical services, the mother of an unborn child shall be eligible to

1 receive AFDC and medical services benefits for herself and her child if all
2 other eligibility factors are met. To be eligible for these benefits the
3 applicant shall provide medical evidence of her pregnancy. If she is unable to
4 provide the documentation, payment for the examination may be at state
5 expense. The department shall undertake such measures as may be necessary to
6 ensure that necessary prenatal care is provided to medicaid-eligible recipients.

7 GENERAL ASSISTANCE

8 Sec. 901. When a recipient of assistance funded under this act is paid
9 more than the amount to which the recipient is legally entitled, whether by
10 client error or administrative error, the department shall institute procedures
11 to recover the overpayment. The department may reduce subsequent grants in an
12 amount that will ensure repayment of the overpayment. The director of social
13 services shall establish reasonable limits on the proportion of the payments
14 that may be deducted, so as not to cause undue hardship on clients.

15 Sec. 902. General assistance recipients living in the household of
16 another shall be presumed by the department of social services to have no
17 shelter costs and shall therefore be eligible for a personal needs allowance
18 only. Recipients shall be allowed the opportunity to rebut this presumption
19 before any reduction in benefits takes place. All related persons living in a
20 common dwelling unit shall be considered a single household for purposes of
21 eligibility for general assistance.

22 Sec. 903. The department shall implement a shelter exception policy for
23 homeowners under the general assistance program. To protect equity in a
24 homestead, general assistance homeowners may receive up to \$100.00 per month
25 above the regular general assistance shelter maximum, but not to exceed the
26 AFDC shelter maximum for a family of six.

1 Sec. 904. Of the funds appropriated in section 101 for general assistance
2 payments, the maximum rate per day for the room and board of general assistance
3 recipients in substance abuse treatment centers not accredited by the joint
4 commission on the accreditation of hospitals (JCAH) shall be \$9.62.

5 Sec. 905. The department shall reimburse all residential substance abuse
6 programs licensed by the department of public health, office of substance abuse
7 services and which have obtained accreditation under the standards of the joint
8 commission on the accreditation of hospitals (JCAH) at the minimum rate of
9 \$12.00 per day for all general assistance recipients.

10 Sec. 906. 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. 907. 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 any
16 assistance rendered through the general assistance program upon receipt of
17 retroactive supplemental security income benefits.

18 Sec. 908. The nonexempt resource limitation for both general assistance
19 applicants and recipients shall be \$250.00.

20 Sec. 909. The department's ability to satisfy appropriation deductions in
21 section 101 for general assistance/supplemental security income recoveries
22 shall not be limited to recoveries and accruals pertaining to general
23 assistance grant payments provided in fiscal year 1989-90, but shall include
24 all net general assistance/supplemental security income recoveries during
25 fiscal year 1989-90 regardless of their year.

26 Sec. 910. 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 SSI recipients
10 shall be \$105.45.

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. The division of adult foster care licensing shall maintain these
16 records and make the statistics available on request.

17 LOW INCOME ENERGY ASSISTANCE PROGRAM

18 Sec. 1101. From the funds appropriated for the emergency needs program in
19 section 101, a recipient of emergency needs for home repairs shall be required
20 to sign a repayment agreement for emergency needs payments exceeding \$500.00
21 for the repair or replacement of a roof, furnace, septic system, water supply
22 system, electrical system, or any other repair or replacement. The repayment
23 shall be due upon sale, transfer or other conveyance of the home. The
24 department may waive repayment in cases of hardship. This requirement shall
25 not apply to the repair or replacement of a furnace, a roof, or other
26 energy-related repairs or replacements which are paid in whole or in part

1 through low-income energy assistance block grant funds.

2 Sec. 1102. In-person interviews for emergency needs applicants may be
3 waived by the department where local offices have sufficient current
4 information to determine eligibility.

5 Sec. 1103. When necessary to resolve an emergency situation, local office
6 directors are authorized to grant exceptions to the emergency needs payment
7 limits according to criteria established by the department.

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

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

21 Sec. 1106. Spending for heat or utilities shall not be authorized under
22 the emergency needs program if the cause of need is failure to pay the grant
23 allotment toward that item, unless the recipient agrees to the vendor plan for
24 the item whenever such a plan is available.

25 Sec. 1107. Emergency needs program applications shall always be available
26 to applicants and shall be taken by a county office up to 5 p.m. on the day

1 that they are submitted.

2 MEDICAL SERVICES

3 Sec. 1201. A provider of medical services who fails to submit a bill for
4 medical care related to title XIX, or for institutional services and medical
5 care facilities related to public assistance within 12 months after the date of
6 the services shall forfeit the provider's right to payment and shall not seek
7 reimbursement from the recipient of the services. When a bill is rejected for
8 payment by the department, the provider must resubmit a bill for those services
9 within 1 year of the date the claim is rejected or forfeit the provider's right
10 to payment and shall not seek reimbursement from the recipient of the services.

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

14 Sec. 1203. The department of social services shall require a non-enrolled
15 provider to accept medicaid payment as payment in full, when payment is
16 approved for emergency services.

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

20 Sec. 1205. The maximum limits on payments under the medicaid program,
21 established in conformance with title XIX, shall be disclosed only to persons
22 directly responsible for the administration of the medicaid program, except
23 that persons responsible for establishing individual prices on prior authorized
24 items are allowed to release approved prices to the prospective provider.

25 Sec. 1206. Determined pursuant to section 106(1)(b)(iii) of the social
26 welfare act, Act No. 280 of the Public Acts of 1939, being section 400.106 of

1 the Michigan Compiled Laws, the protected income level for medicaid coverage
2 shall be 100% of the related public assistance standard for the fiscal year
3 ending September 30, 1989.

4 Sec. 1207. The cost of remedial services incurred by residents of
5 licensed adult foster care homes and licensed homes for the aged shall be used
6 in determining financial eligibility for the medically needy.

7 Remedial services means those services which produce the maximum reduction of
8 physical and mental limitations and restoration of an individual to his or her
9 best possible functional level. At a minimum, remedial services include basic
10 self-care and rehabilitation training for a resident.

11 Sec. 1208. The department shall continue to implement the physician
12 primary sponsor plan and shall require AFDC recipients residing in counties
13 offering managed care options to choose the particular managed care plan in
14 which they wish to be enrolled. Persons not expressing a preference shall be
15 randomly assigned to a managed care program.

16 Sec. 1209. The department shall contract for the provision of selected
17 supplies and services for medicaid clients.

18 Sec. 1210. The department shall implement a time specific schedule for
19 cost audits and cost audit review and hearing processes and procedures to
20 ensure more timely issuance of prospective rates to providers of long-term
21 nursing care. To this end, the department shall amend the appeals section of
22 the state plan for reimbursement of long-term care facilities under title XIX,
23 and for this purpose only, provisions of the amendment shall supersede
24 provisions for the preliminary conference and the bureau conference contained
25 in administrative rules of the department at R 400.3402 and R 400.3403,
26 respectively.

1 Sec. 1211. The funds appropriated in section 101 shall not be used to
2 reimburse long-term care facilities for hospital leave days.

3 Sec. 1212. (1) The inpatient indigent care volume price adjuster shall be
4 calculated as 39% of the difference between the ratio of inpatient indigent
5 care charges to total inpatient care charges and 10%. For purposes of this
6 section, indigent care shall include medicaid, resident county hospitalization,
7 the crippled children's program, and uncompensated care.

8 (2) There shall be an additional inpatient indigent volume DRG price
9 adjuster which is focused on the highest indigent share facilities. This
10 additional adjuster shall be set to generate an expected reimbursement
11 enhancement of \$25,150,000.00 per year. A portion of the adjuster may be used
12 for outpatient hospital services for hospitals with a high volume of indigent
13 charges.

14 Sec. 1213. Medicaid reimbursement for medicaid services shall not exceed,
15 solely or in combination with other resources, including medicare, those
16 amounts established for medicaid-only patients. The medicaid payment rate
17 shall be accepted as payment in full. Other than an approved medicaid
18 copayment, no portion of a provider's charge may be billed to the recipient or
19 any person acting on behalf of the recipient. Nothing in this section shall be
20 deemed to affect the level of payment from a third party source other than
21 medicaid.

22 Sec. 1214. From the funds appropriated in section 101 for the medical
23 services payments, the department of social services shall provide for
24 inpatient hospital prior authorization and on-site review system and fund a
25 program to appeal medicare denials of nursing home coverage.

26 Sec. 1215. The department shall contract for the mental health field

1 audit, the nursing home field audit, and inpatient hospital utilization review.

2 Sec. 1216. From the funds appropriated in section 101, the department
3 shall allocate not more than \$300,000.00 to contract with dental schools for
4 the provision of dental care to uninsured indigent persons.

5 Sec. 1217. (1) The pharmaceutical dispensing fee shall be a maximum of
6 \$3.15. If a recipient is 21 years of age or older, and is not in adult foster
7 care, a home for the aged, or an institutional setting, or is not enrolled in
8 the physician primary sponsor plan, the department of social services shall
9 require a 50 cent per prescription client copayment, except for products on the
10 maximum allowable cost limit list or pregnancy-related products.

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

14 (3) The copayments in subsections (1) and (2) may be waived for recipients
15 who participate in a program of medical case management such as enrollment in a
16 health maintenance organization or the primary physician sponsor plan program.

17 (4) Before new copayments are implemented or existing copayments are
18 changed, the department of social services shall submit the plan to the
19 chairpersons of the senate and house appropriations subcommittees on social
20 services for approval.

21 Sec. 1218. From the funds appropriated in section 101, the department
22 shall continue to conduct demonstration pilot projects on preadmission
23 screening for nursing homes.

24 Sec. 1219. Selected routine diagnostic related group prices other than
25 those related to obstetrical services shall be reimbursed at a standard rate.

26 Sec. 1220. The department of social services shall establish an

1 all-inclusive facility rate reimbursement for selected surgeries performed in
2 the outpatient hospital setting. Reimbursement for such procedures shall be
3 the lesser of the all-inclusive facility rate or charges.

4 Sec. 1221. The department of social services also shall review
5 periodically the need for continued inpatient psychiatric stays and place
6 greater emphasis on outpatient services and partial hospitalization programs.

7 Sec. 1222. The department of social services shall use a formula in
8 reimbursing outpatient hospitalization services which provides each hospital an
9 increase of 0.4% in the hospital's outpatient price for each 1% of indigent
10 volume for that hospital.

11 Sec. 1223. Before placement in a long-term care facility, the department,
12 when practical, shall inform medicaid-eligible recipients that they are
13 eligible for adult home help services.

14 Sec. 1224. The medicaid program shall eliminate from its program
15 coverages of all services provided by licensed podiatrists and chiropractors,
16 including elimination of X-ray services provided by a chiropractor.

17 Sec. 1225. The medicaid program shall contract with pharmacies to provide
18 pharmaceutical products to the medicaid-eligible populations.

19 Sec. 1226. The medicaid program shall eliminate high cost drugs within
20 selected therapeutic classes.

21 Sec. 1227. For hospital dates of service on or after October 1, 1989,
22 capital expenses shall be reimbursed by medicaid at 85% of cost based on a 50
23 percent occupancy level. Sole community providers shall be exempt from the
24 occupancy floor.

25 (2) Reimbursement to inpatient and outpatient hospitals for direct medical
26 education shall be eliminated.

1 Sec. 1228. (1) The operating DRG price for each hospital shall be limited
2 to the 82.5th percentile of operating prices for all hospitals in that class of
3 hospitals. There shall be two classes of hospitals: hospitals with 60 or more
4 interns and residents, and hospitals with fewer than 60 interns or residents.

5 Sec. 1229. (1) For long term care provider fiscal years beginning on or
6 after July 1, 1989, the "grandfather clause" related to capital reimbursement
7 is eliminated and all providers will be reimbursed under the new tenure factor
8 methodology.

9 (2) For long term care provider fiscal years beginning on or after July 1,
10 1989, the tenure factor shall be reduced.

11 (3) For a long term care provider fiscal years beginning July 1, 1989, the
12 support/base ratio limit shall be reduced from the 80th percentile to the 70th
13 percentile.

14 Sec. 1230. The department shall institute utilization controls and
15 financial incentives to assure appropriate admissions and lengths of stay for
16 inpatient psychiatric care.

17 Sec. 1231. The department shall contract with a mail order pharmacy for
18 maintenance drugs for medicaid recipients. Participation in the program shall
19 be voluntary.

20 GENERAL ASSISTANCE MEDICAL

21 Sec. 1301. (1) The department shall determine the amount of county
22 liability for resident county hospitalization based upon the initial
23 determination of payment amount for approved services.

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

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

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

7 Sec. 1303. The department may agree to provide certain administrative or
8 payment functions, or both, on behalf of the Wayne county patient care
9 management system (PCMS) as agreed to by the county and the department. If
10 such an agreement is reached, the department shall withhold from the state
11 share of the county PCMS funds appropriated in section 101, an amount equal to
12 the estimated cost to be incurred by the department, including accrued
13 liability for services provided but not yet paid. These funds will be
14 available to the department of social services and will be appropriated and
15 allotted to the department as they are received. A final reconciliation of
16 costs shall be completed by October, 1990. The county shall remain liable for
17 any costs in excess of the amount withheld and will be entitled to receive any
18 funds remaining after a final expenditure reconciliation is completed.