



Senate Fiscal Agency  
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## BILL ANALYSIS



Telephone: (517) 373-5383  
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Senate Bill 962 (as reported without amendment)  
Sponsor: Senator Wayne Schmidt  
Committee: Health Policy

Date Completed: 8-9-18

### **RATIONALE**

Adult foster care homes are State-licensed residential facilities that provide 24-hour personal care, protection, and supervision for individuals who are mentally ill, developmentally disabled, physically handicapped, or aged, and who cannot live alone, but do not require continuous nursing care. Substance use disorder programs are State-licensed programs that offer substance use disorder prevention services or treatment and rehabilitation services, or both, to individuals dealing with alcohol or drug addiction.

Evidently, individuals seeking treatment for substance use disorder often have co-occurring mental health issues. The Adult Foster Care Facility Licensing Act specifies that the term "adult foster care facility" does not include a facility that provides treatment of alcohol or substance use disorder. Reportedly, this means that individuals must be treated for a substance use disorder at one facility, and for mental health issues at another. It has been suggested that facilities be allowed to be dually licensed as adult foster care facilities and substance use disorder programs so that an individual seeking treatment for a substance use disorder and mental health issues could be treated at a single facility.

### **CONTENT**

**The bill would amend the Adult Foster Care Facility Licensing Act to include in the Act's definition of "adult foster care facility" an alcohol or substance use disorder rehabilitation center that was licensed as both a substance use disorder program and as an adult foster care facility, and was approved as a co-occurring enhanced crisis residential program.**

The Act defines "adult foster care facility" as a governmental or nongovernmental establishment that provides foster care to adults. Subject to certain exceptions, the term includes facilities and foster care family homes for adults who are aged, mentally ill, developmentally disabled, or physically disabled who require supervision on an ongoing basis but do not require continuous nursing care. The term does not include certain types of institutions listed in the Act, including an establishment commonly described as an alcohol or substance use disorder rehabilitation center.

Under the bill, "adult foster care facility" would not include such an establishment, unless it was licensed as both a substance use disorder program and an adult foster care facility, and approved as a co-occurring enhanced crisis residential program. ("Co-occurring enhanced crisis residential program" would mean a program approved by the Department of Health and Human Services for providing short-term intensive mental health and substance use disorder services that is able to address the mental health needs, substance use disorder needs, or both of an individual through enhanced programming and staffing patterns that are reviewed and approved by the Department.)

Additionally, the bill specifies that a resident of an adult foster care facility that also was licensed as a substance use disorder program and was approved as a co-occurring crisis residential program

would not be considered to require continuous nursing care for the purpose of the definition of "adult foster care facility".

The bill would take effect 90 days after its enactment.

MCL 400.703 et al.

## **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

### **Supporting Argument**

Currently, the Adult Foster Care Facilities Act specifies that an adult foster care facility is facility or home where individuals do not require continuous nursing care, and does not include an alcohol or substance use disorder rehabilitation center. People who are treated for mental health needs often have co-occurring substance abuse issues. However, because the Act specifies that an adult foster care facility cannot provide continuous nursing care, which is required in substance use disorder programs, people who need treatment for both mental health and substance use disorder must be transferred between two different facilities for care, or they are referred for inpatient psychiatric care. Allowing a facility to become dually licensed as a substance use disorder program and an adult foster care facility would allow it to treat individuals for both mental health and substance use issues at one location.

Although many providers would pursue dual licensure once it was available, the bill would not compel a facility to transition to a co-occurring enhanced crisis residential program. A program would have the option to add dual licensure as part of its services depending on the level of service it wished to provide and the resources available to it.

Legislative Analyst: Stephen Jackson

## **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Raczkowski

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.