

FY 2021-22: HEALTH AND HUMAN SERVICES
Summary: As Reported by House Appropriations Committee
House Bill 4399 (H-2)



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| IDG/IDT | FY 2020-21 YTD as of 2/11/21 | FY 2021-22 Executive | FY 2021-22 House | FY 2021-22 Senate | FY 2021-22 Conference | Difference: House From FY 2020-21 YTD | |
|-------------------|---------------------------------|-------------------------|-------------------------|----------------------|--------------------------|--|--------------|
| | | | | | | Amount | % |
| | \$13,829,900 | \$13,791,400 | \$3,932,000 | | | (\$9,897,900) | (71.6) |
| Federal | 20,159,666,800 | 22,910,690,100 | 21,191,501,300 | | | 1,031,834,500 | 5.1 |
| Local | 161,422,800 | 162,680,200 | 138,423,100 | | | (22,999,700) | (14.2) |
| Private | 177,172,500 | 189,276,500 | 100,815,500 | | | (76,357,000) | (43.1) |
| Restricted | 2,989,480,100 | 3,094,113,000 | 2,991,883,000 | | | 2,402,900 | 0.1 |
| GF/GP | 5,224,838,900 | 5,276,683,000 | 4,273,543,200 | | | (951,295,700) | (18.2) |
| Gross | \$28,726,411,000 | \$31,647,234,200 | \$28,700,098,100 | | | (\$26,312,900) | (0.1) |
| FTEs | 15,487.0 | 15,589.5 | 15,545.5 | | | 58.5 | 0.4 |

Notes: (1) FY 2020-21 year-to-date figures include mid-year budget adjustments through February 11, 2021. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Health and Human Services (DHHS) includes programs and services to assist Michigan's most vulnerable families, including public assistance programs, protecting children and assisting families by administering foster care, adoption, and family preservation programs and by enforcing child support laws, and funding for behavioral health (mental health and substance use disorder), population health, aging, crime victim, and medical services programs, including Medicaid and the Healthy Michigan Plan.

Major Budget Changes from FY 2020-21 YTD Appropriations

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|--|--|
| FY 2020-21 Year-to-Date (as of 2/11/21) | FY 2021-22 House Change |
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Generally, the House Subcommittee Recommendation appropriates the equivalent of one quarter of the anticipated annual appropriation, except in areas such as statutorily required distributions, payments to locals, payments to individuals through entitlement programs, certain grants, and other non-personnel line items, which incorporate the full annual appropriation. For major budget changes listed below the quartered appropriations are annualized for comparison purposes.

MEDICAID AND BEHAVIORAL HEALTH – GENERAL

1. Traditional Medicaid Cost Adjustment

Executive includes \$369.8 million Gross (reduces \$68.6 million GF/GP) to recognize FY 2020-21 and FY 2021-22 caseload, utilization, and inflation adjustments, an additional 6.2 percentage point increase to the state FMAP provided under the federal Families First Coronavirus Response Act for 1 quarter (E-FMAP), traditional FMAP cost-sharing adjustments from 64.08% to 65.48%, and managed care risk corridor backout adjustments. Compared to FY 2019-20 expenditures, and including actuarial soundness adjustments in item #3, State Budget Office forecasts an average annual increase of 8.4%. House concurs with the Executive.

| | | |
|------------|-------------------------------|----------------------|
| | Gross \$15,578,755,100 | \$369,808,500 |
| Federal | 10,182,299,100 | 482,539,100 |
| Local | 53,347,500 | (2,684,800) |
| Private | 4,700,000 | 0 |
| Restricted | 2,209,920,900 | (41,417,600) |
| GF/GP | \$3,128,487,600 | (\$68,628,200) |

| | | FY 2020-21 Year-to-Date (as of 2/11/21) | FY 2021-22 House Change |
|---|--------------|---|-------------------------------|
| <u>Major Budget Changes from FY 2020-21 YTD Appropriations</u> | | | |
| 2. Healthy Michigan Plan Cost Adjustment | | | |
| <u>Executive</u> includes \$358.9 million Gross (\$35.9 million GF/GP) to recognize FY 2020-21 and FY 2021-22 caseload, utilization, and inflation adjustments, managed care risk corridor backout adjustments, and actuarial soundness adjustments for medical and behavioral health services in the Healthy Michigan Plan (HMP). Compared to FY 2019-20 expenditures, and including actuarial soundness adjustments in item #3, State Budget Office forecasts an average annual increase of 14.8%. <u>House</u> concurs with the Executive. | Gross | \$5,176,326,000 | \$358,919,200 |
| | Federal | 4,631,569,200 | 323,027,300 |
| | Local | 1,994,400 | 0 |
| | Restricted | 487,115,500 | 0 |
| | GF/GP | \$55,646,900 | \$35,891,900 |
| 3. Actuarial Soundness | | | |
| <u>Executive</u> includes \$299.6 million Gross (\$78.8 million GF/GP) to support an estimated 2.5% actuarial soundness adjustment for prepaid inpatient health plans (PIHPs), Medicaid Health plans, and Program of All-includes Care for the Elderly (PACE); 2.0% for home- and community-based services; 5.0% for Integrated Care Organizations (MI Health Link); 1.0% for Healthy Kids Dental, and 5.0% increase for PIHP autism services. <u>House</u> concurs with the Executive. | Gross | NA | \$299,600,000 |
| | Federal | NA | 220,805,900 |
| | GF/GP | NA | \$78,794,100 |
| 4. Direct Care Wage Increase | | | |
| <u>Executive</u> includes \$110.0 million Gross (\$54.7 million GF/GP), for an annual ongoing cost totaling \$360.0 million Gross (\$121.4 million GF/GP), to support a continuation of the temporary \$2 per hour wage increase for direct care workers. Current year funding is only for the first 5 months of FY 2020-21 and included on a one-time basis. <u>House</u> removes one-time funding and includes a \$100 placeholder. | Gross | \$250,000,000 | (\$249,999,900) |
| | Federal | 183,333,300 | (183,333,200) |
| | GF/GP | \$66,666,700 | (\$66,666,700) |
| DEPARTMENTAL ADMINISTRATION AND SUPPORT | | | |
| 5. CCWIS Module Development and Operations | | | |
| <u>Executive</u> includes a net reduction of \$622,300 Gross (and a net increase of \$203,300 GF/GP) ongoing funding to replace development funding with maintenance and operational funding for the Comprehensive Child Welfare Information System (CCWIS) licensing module. Also includes one-time funding of \$16.8 million Gross (\$8.7 million GF/GP) and authorizes 6.0 FTE positions for the development of the CCWIS intake, investigation, and case management modules. These are the next 3 modules of the 8 remaining cloud-based modules to be implemented over the course of the next 4 to 5 years. <u>House</u> concurs with the Executive. | FTE | 6.0 | 6.0 |
| | Gross | \$4,389,400 | \$16,201,900 |
| | Federal | 1,789,400 | 7,250,000 |
| | GF/GP | \$2,600,000 | \$8,951,900 |
| 6. MMIS – Home Help Payments | | | |
| <u>Executive</u> includes \$21.0 million Gross (\$2.1 million GF/GP) to provide for changes to the Michigan Medicaid Information System (MMIS) to support Home Help payment changes. Changes would allow payments to be processed through CHAMPS rather than the Adult Service Authorized Payment System (ASAP). <u>House</u> includes on a one-time basis. | FTE | 3.0 | 0.0 |
| | Gross | \$116,936,000 | \$21,000,000 |
| | Federal | 75,787,400 | 18,900,000 |
| | Private | 25,000,000 | 0 |
| | GF/GP | \$16,148,600 | \$2,100,000 |
| 7. MiSACWIS Maintenance and Operations | | | |
| <u>Executive</u> includes \$2.3 million Gross (\$1.8 million GF/GP) to support increased maintenance and operational costs of the Michigan Statewide Automated Child Welfare Information System centralized intake database and CPS technology suite. <u>House</u> concurs with the Executive. | Gross | \$5,647,800 | \$2,345,200 |
| | IDG/IDT | 18,600 | 0 |
| | TANF | 761,700 | 0 |
| | Federal | 3,752,100 | 508,300 |
| | Restricted | 32,800 | 0 |
| | GF/GP | \$1,082,600 | \$1,836,900 |

| | | FY 2020-21 Year-to-Date (as of 2/11/21) | FY 2021-22 House Change |
|--|--------------|---|-------------------------------|
| Major Budget Changes from FY 2020-21 YTD Appropriations | | | |
| 8. Office of Race, Equity, Diversity, and Inclusion Enhancement | FTE | 0.0 | 0.0 |
| <u>Executive</u> includes \$2.1 million Gross (\$1.6 million GF/GP) and authorizes 13.0 FTE positions to establish the Office of Race, Equity, Diversity, and Inclusion Enhancement to support department efforts in promoting equity in department-administered services. <u>House</u> does not include. | Gross | \$0 | \$0 |
| | Federal | 0 | 0 |
| | Restricted | 0 | 0 |
| | GF/GP | \$0 | \$0 |
| 9. Property Management – Lease Costs | Gross | \$65,065,000 | (\$1,074,300) |
| <u>Executive</u> includes a reduction of \$1.1 million Gross (\$429,700 GF/GP) to realize the elimination of a lease of a downtown Lansing office, and the relocation of 133 employees. <u>House</u> concurs with the Executive. | IDG/IDT | 593,500 | 0 |
| | TANF | 10,698,900 | 0 |
| | Federal | 23,107,300 | (644,600) |
| | Private | 36,400 | 0 |
| | Restricted | 495,500 | 0 |
| | GF/GP | \$30,133,400 | (\$429,700) |
| 10. Unclassified FTE Positions Administrative Reduction | FTE | 6.0 | (5.0) |
| <u>House</u> includes an administrative reduction of \$1.1 million Gross (\$733,400 GF/GP) for unclassified salaries, and reduces unclassified positions by 5.0 FTE positions. | Gross | \$1,230,000 | (\$1,084,800) |
| | TANF | 73,900 | (63,000) |
| | Federal | 324,500 | (288,400) |
| | GF/GP | \$831,600 | (\$733,400) |
| 11. Economic Adjustments | Gross | NA | (\$10,697,600) |
| <u>Executive</u> reflects overall net reduction of \$10.7 million Gross (\$4.8 million GF/GP) for negotiated salary and wage increases (2.0% on October 1, 2021 and 1.0% on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. Amount includes reflected salary and wage increases totaling \$29.0 million Gross (\$13.3 million GF/GP). <u>House</u> concurs with the Executive. | IDG/IDT | NA | (38,500) |
| | TANF | NA | (1,399,100) |
| | Federal | NA | (4,275,900) |
| | Local | NA | (38,800) |
| | Private | NA | (52,500) |
| | Restricted | NA | (139,300) |
| | GF/GP | NA | (\$4,753,500) |
| CHILD WELFARE SERVICES | | | |
| 12. Child Welfare Caseload Adjustments | Gross | \$741,444,000 | \$8,372,700 |
| <u>Executive</u> increases funding for child welfare programs by \$8.4 million Gross (\$11.8 million GF/GP) as follows: | Federal | 206,119,500 | (875,100) |
| <ul style="list-style-type: none"> Foster care payments are reduced by \$705,400 Gross (\$1.6 million GF/GP) from 8,152 cases at \$32,415 per year to 8,394 cases at \$32,800 per year. Adoption subsidies are reduced by \$209,700 Gross (\$6.5 million GF/GP increase) from 22,061 cases at \$728.48 per month to 22,057 cases at \$727.82 per month. The Child Care Fund is increased by \$9.1 million Gross (\$6.8 million GF/GP). Guardianship assistance payments are increased by \$141,400 Gross (\$97,600 GF/GP) from 1,201 cases at \$694.42 per month to 1,224 cases at \$691.00 per month. | TANF | 79,969,600 | (6,154,900) |
| | Local | 46,081,400 | 3,607,500 |
| | Private | 1,208,000 | (8,000) |
| | GF/GP | \$408,065,500 | \$11,803,200 |
| <u>House</u> concurs with the Executive. | | | |
| 13. Child Welfare FMAP Adjustments | Gross | NA | \$0 |
| <u>Executive</u> includes \$3.7 million GF/GP savings for adjustments to the FMAP match rate from 64.08% to 65.48% and from adjustments and extensions to the enhanced FMAP match rate. <u>House</u> concurs with the Executive. | Federal | NA | 3,738,700 |
| | GF/GP | NA | (\$3,738,700) |

| | | FY 2020-21 Year-to-Date (as of 2/11/21) | FY 2021-22 House Change |
|---|--------------|---|-------------------------------|
| Major Budget Changes from FY 2020-21 YTD Appropriations | | | |
| 14. Qualified Residential Treatment Program (QRTP) Third Party Assessments | Gross | \$3,410,600 | \$1,700,200 |
| <u>Executive</u> adds \$1.7 million Gross (\$1.2 million GF/GP) to annualize funding to private agencies that was appropriated in FY 2020-21 for third party assessments which determine the level of care and treatment goals for foster care youth that may be candidates for residential care. These assessments are required by the QRTP which was established by the federal Family First Prevention Services Act (FFPSA). <u>House</u> concurs with the Executive. | Federal | 910,600 | 453,900 |
| | GF/GP | \$2,500,000 | \$1,246,300 |
| 15. Private Child Caring Institutions Residential Rate Increase | Gross | NA | \$18,570,600 |
| <u>Executive</u> includes \$18.6 million Gross (\$14.2 million GF/GP) to fund residential rate increases to child caring institutions to help the agencies meet new residential treatment requirements established in the QRTP by the federal FFPSA. \$7.1 million funding was appropriated in FY 2021 for a rate increase beginning April 2021; \$4.2 million increase is to annualize this funding. The remaining \$14.4 million increase would fund the additional estimated cost of the rate increase to comply with QRTP requirements as estimated by a third-party analysis. <u>House</u> concurs with the Executive. | Federal | NA | 4,354,400 |
| | GF/GP | NA | \$14,216,200 |
| 16. Foster Care QRTP Implementation Savings | Gross | \$286,630,400 | (\$4,917,500) |
| <u>Executive</u> includes a reduction of \$4.9 million Gross (\$2.4 million GF/GP) for assumed future savings to foster care payments from fewer and shorter placements into residential care because of the implementation of the requirements of the federal FFPSA. <u>House</u> concurs with the Executive. | Federal | 109,180,800 | (2,520,900) |
| | TANF | 8,075,800 | 0 |
| | Local | 23,881,500 | 0 |
| | Private | 1,208,000 | 0 |
| | GF/GP | \$144,284,300 | (\$2,396,600) |
| 17. Private Agency Foster Care Administrative Rate Increase | Gross | NA | \$21,324,600 |
| <u>House</u> includes \$21.3 million Gross (\$9.9 million GF/GP) to fund a \$9.00 increase to foster care administrative rates, raising current \$46.20 per diem rates to \$55.20 per diem and provides a 12.0% increase to independent living plus per diem rates. Sec. 546 is related boilerplate. | Federal | NA | 7,206,200 |
| | TANF | NA | 4,239,000 |
| | GF/GP | NA | \$9,879,400 |
| 18. Children's Indigent Defense Program | Gross | \$0 | \$500,000 |
| <u>House</u> adds \$500,000 GF/GP for DHHS to explore the establishment of a child indigent defense services program. | GF/GP | \$0 | \$500,000 |
| 19. Additional House Foster Care Program Increases | Gross | \$0 | \$125,000 |
| <u>House</u> includes \$50,000 GF/GP for Foster Care Closets, which allow foster care children to shop for clothing and other needed items free of charge; \$50,000 GF/GP funding for \$10 gift cards for caseworkers to distribute when appropriate for meals or other needs for children when removed from the home or other dangerous environment, including human trafficking; and \$25,000 GF/GP increase to family incentive grants for home improvements or physical exams to help foster families qualify to become foster care providers. | GF/GP | \$0 | \$125,000 |
| 20. Foster Care Prevention Program Investment | FTE | 15.0 | 0.0 |
| <u>Executive</u> includes an increase of \$9.2 million Gross (\$4.8 million GF/GP) and authorizes 18.0 FTE positions for child welfare family preservation programs that help prevent children being placed into foster care and help keep foster care children in family-like placements. Proposal would add 2 program coordinators and 16 kinship parent support coordinators. <u>House</u> includes a \$100 placeholder. | Gross | \$50,812,500 | \$100 |
| | Federal | 609,600 | 0 |
| | TANF | 43,224,000 | 0 |
| | GF/GP | \$6,978,900 | \$100 |

| <u>Major Budget Changes from FY 2020-21 YTD Appropriations</u> | | <u>FY 2020-21 Year-to-Date (as of 2/11/21)</u> | <u>FY 2021-22 House Change</u> |
|---|--------------|---|---|
| 21. Foster Care Prevention Program Savings | Gross | \$286,630,400 | \$0 |
| <u>Executive</u> includes a reduction of \$5.8 million Gross (\$2.7 million GF/GP) for assumed future savings to the foster care system because of the \$9.2 million Gross (\$4.8 million GF/GP) prevention programming investment listed in item above. <u>House</u> does not include savings. | Federal | 109,180,800 | 0 |
| | TANF | 8,075,800 | 0 |
| | Local | 23,881,500 | 0 |
| | Private | 1,208,000 | 0 |
| | GF/GP | \$144,284,300 | \$0 |
| 22. Marketing Programs to Promote Adoption of Infants | Gross | NA | \$10,000,000 |
| <u>House</u> includes \$10.0 million GF/GP to fund marketing programs that promote the adoption of infants and to develop factual educational information materials on adoption as an alternative to abortion. Sec. 528 is related boilerplate. | GF/GP | NA | \$10,000,000 |
| 23. Unified Clinics Resiliency Center for Families and Children – One-Time Funding | Gross | \$1,500,000 | (\$750,000) |
| <u>House</u> includes \$750,000 GF/GP for the development and operation of a Resiliency Center for Families and Children to provide services to families and children experiencing trauma, toxic stress, chronic disability, neurodevelopmental disorders, or addictions. Sec. 1919 is related boilerplate. | GF/GP | \$1,500,000 | (\$750,000) |
| 24. Human Trafficking Victims Services – One-Time Funding | Gross | \$0 | \$500,000 |
| <u>House</u> includes \$500,000 GF/GP to create and implement the Human Trafficking Victims Services Expansion Pilot which will provide services to victims using victim-centered and trauma informed approaches. Sec. 1931 is related boilerplate. | GF/GP | \$0 | \$500,000 |
| 25. Special Residential Care Facility – One-Time Funding | Gross | \$0 | \$300,000 |
| <u>House</u> includes \$300,000 GF/GP for the St. Louis Center, a residential community for children and adults with intellectual and developmental disabilities. Sec. 1938 is related boilerplate. | GF/GP | \$0 | \$300,000 |
| 26. Juvenile Justice Raise the Age Implementation | Gross | NA | \$29,100,000 |
| <u>Executive</u> includes an increase of \$29.1 million Gross (\$24.2 million GF/GP) for the first year phase-in of the Raise the Age program which requires that most 17-year-old offenders be adjudicated in the juvenile justice system rather than the adult court system. <u>House</u> concurs with the Executive. | Federal | NA | 4,900,000 |
| | GF/GP | NA | \$24,200,000 |
| PUBLIC ASSISTANCE | | | |
| 27. Public Assistance Caseload Adjustments | Gross | NA | \$1,236,724,000 |
| <u>Executive</u> includes a net increase of \$1.2 billion Gross (and a net reduction of \$34.2 million GF/GP) to recognize adjustments to FY 2020-21 and FY 2021-22 public assistance caseloads. This includes changes to retained child support collections resulting from FMAP adjustments, a recognition of the 15% increase to P-EBT benefits, and assumes an extension of the 15% increase to SNAP benefits through the end of FY 2020-21. Caseload changes include: | TANF | NA | 76,600 |
| | Federal | NA | 1,271,662,300 |
| | Restricted | NA | (796,700) |
| | GF/GP | NA | (\$34,218,200) |
| <ul style="list-style-type: none"> Family Independence Program: reduction of \$33.4 million Gross (\$33.1 million GF/GP) Food Assistance Program: increase of \$1.3 billion federal (\$0 GF/GP) State Disability Assistance: reduction of \$1.8 million Gross (\$1.4 million GF/GP) State Supplementation: increase of \$243,300 GF/GP <u>House</u> concurs with the Executive. | | | |

| | | FY 2020-21 Year-to-Date (as of 2/11/21) | FY 2021-22 House Change |
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| Major Budget Changes from FY 2020-21 YTD Appropriations | | | |
| 28. Enhanced-FMAP Redetermination – Placeholder | Gross | N/A | \$100 |
| <u>Executive</u> includes \$23.2 million Gross (\$11.5 million GF/GP) for additional administrative costs for Medicaid eligibility redeterminations once the enhanced FMAP (E-FMAP) and its related prohibition on Medicaid eligibility redeterminations until the E-FMAP expires, which is estimated to expire January 1, 2022. <u>House</u> includes a \$100 placeholder. | Federal | N/A | 0 |
| | GF/GP | N/A | \$100 |
| 29. Home Health and Safety – One-Time | Gross | \$0 | \$100 |
| <u>Executive</u> includes \$5.0 million GF/GP one-time funding to support a pilot program, which would provide home repair grants to single/multiple family residences, in order to correct health and safety issues that prevent participation in home energy efficiency programs. <u>House</u> includes a \$100 placeholder. | GF/GP | \$0 | \$100 |
| 30. Cross-Enrollment Expansion | FTE | NA | 0.0 |
| <u>Executive</u> includes \$3.5 million Gross (\$2.0 million GF/GP) and authorizes 6.0 FTE positions, of which \$2.5 million Gross (\$1.3 million GF/GP) and 2.0 FTE positions are one-time, to support efforts to enroll public assistance recipients in all other programs they are eligible for. Funding would support administrative and outreach efforts, as well as changes to the MI Bridges enrollment portal. <u>House</u> does not include. | Gross | NA | \$0 |
| | Federal | NA | 0 |
| | GF/GP | NA | \$0 |
| 31. Medical/Psychiatric Evaluations – Lapse Reduction | Gross | \$1,420,100 | (\$300,000) |
| <u>Executive</u> reduces the Medical/Psychiatric Evaluations line item by \$300,000 GF/GP to recognize historic lapse amounts. <u>House</u> concurs with the Executive. | TANF | 2,000 | 0 |
| | Federal | 732,900 | 0 |
| | GF/GP | \$685,200 | (\$300,000) |
| 32. Kids’ Food Basket – One-Time | Gross | \$250,000 | \$0 |
| <u>House</u> retains \$250,000 grant to the Kids’ Food Basket organization, which provides meals to low-income children. | GF/GP | \$250,000 | \$0 |
| 33. Legal Assistance – One-Time | Gross | \$60,000 | (\$40,000) |
| <u>House</u> retains \$20,000 GF/GP to support a grant to the Allegan County Legal Assistance Center, which provides legal assistance for civil proceedings to low-income individuals. | GF/GP | \$60,000 | (\$40,000) |
| BEHAVIORAL HEALTH SERVICES | | | |
| 34. Certified Community Behavioral Health Clinics Demonstration Program | FTE | NA | 6.0 |
| <u>Executive</u> includes \$26.5 million Gross (\$5.0 million GF/GP) and authorizes 6.0 FTE positions, to establish 14 integrated behavioral and physical health clinics through a federal CMS demonstration program. Amount would include staffing costs for a Behavioral Health Policy and Operations office to oversee the demonstration program. <u>House</u> concurs with the Executive. | Gross | NA | \$26,497,300 |
| | Federal | NA | 21,547,300 |
| | GF/GP | NA | \$4,950,000 |
| 35. KB v. Lyon Lawsuit | Gross | NA | \$0 |
| <u>Executive</u> includes \$91.0 million Gross (\$30.0 million GF/GP) for estimated children behavioral health service utilization increases to implement future policy changes related to the KB v. Lyon lawsuit agreement. <u>House</u> does not include. | Federal | NA | 0 |
| | GF/GP | NA | \$0 |
| 36. Autism Navigators | Gross | \$1,025,000 | \$0 |
| <u>Executive</u> includes \$1.0 million GF/GP to continue and move the autism navigator program from the one-time unit into the ongoing behavioral health unit. <u>House</u> concurs with the Executive. | GF/GP | \$1,025,000 | \$0 |

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|--|--------------|---|-------------------------------|
| <u>Major Budget Changes from FY 2020-21 YTD Appropriations</u> | | | |
| 37. Federal State Opioid Response (SOR) Grant | Gross | \$30,714,700 | \$36,440,900 |
| <u>Executive</u> includes \$36.4 million in federal SOR grant funding to increase access to medication-assisted treatments, addressing unmet treatment needs, and reducing opioid overdose deaths. Federal opioid grant funding also separated out into a separate opioid response activity line item. <u>House</u> concurs with the Executive. | Federal | 30,714,700 | 36,440,900 |
| | GF/GP | \$0 | \$0 |
| 38. Family Support Subsidy Caseloads Adjustments | Gross | \$13,650,000 | (\$1,817,600) |
| <u>Executive</u> reduces \$1.8 million TANF to support an estimated 4,300 family support subsidy cases. <u>House</u> concurs with the Executive. | TANF | 13,650,000 | (1,817,600) |
| | GF/GP | \$0 | \$0 |
| 39. Behavioral Health Community Supports and Services | Gross | \$11,221,500 | \$2,266,700 |
| <u>House</u> includes \$2.3 million Gross (\$138,500 GF/GP) to direct these community supports to crisis stabilization units and psychiatric residential treatment facilities. | Federal | 6,221,500 | 2,128,200 |
| | GF/GP | \$5,000,000 | \$138,500 |
| 40. Court-Appointed Guardian Reimbursements | Gross | \$0 | \$100 |
| <u>House</u> includes \$100 GF/GP placeholder to create a court-appointed guardian reimbursement program for court-appointed guardians of individuals determined but the court to be developmentally disabled or legally incapacitated. Sec. 950 is related boilerplate. | GF/GP | \$0 | \$100 |
| 41. State Psychiatric Hospital Pharmacy Cost Increase | Gross | NA | \$490,900 |
| <u>Executive</u> adds \$490,900 Gross (\$426,200 GF/GP) to support an estimated 5% inflationary increase in pharmacy costs within the state psychiatric hospitals. <u>House</u> concurs with the Executive. | Federal | NA | 19,700 |
| | Local | NA | 28,700 |
| | Restricted | NA | 16,300 |
| | GF/GP | NA | \$426,200 |
| 42. State Psychiatric Hospital Coronavirus Relief Funds | Gross | \$0 | \$0 |
| <u>Executive</u> replaces \$22.5 million of one-time federal Coronavirus Relief Funds (CRF) used for eligible state psychiatric hospital costs with a like amount of GF/GP. <u>House</u> concurs with the Executive and uses \$90.0 million of new Coronavirus State Fiscal Recovery Fund for eligible state psychiatric hospital costs. | Federal | 22,500,000 | 67,500,000 |
| | GF/GP | (\$22,500,000) | (\$67,500,000) |
| 43. Behavioral Health One-Time Funding | Gross | \$3,850,000 | \$150,100 |
| <u>House</u> retains one-time funding for first responder mental health (\$2.5 million), Special Olympics capital improvements (\$1.0 million), substance abuse community and school outreach (\$250,000, which is an increase of \$150,000), nonprofit mental health clinics (\$200,000), and includes behavioral health patient health information tool \$100 placeholder. | GF/GP | \$3,850,000 | \$150,100 |
| POPULATION HEALTH | | | |
| 44. Initiatives to Reduce Health Disparities | Gross | NA | \$0 |
| <u>Executive</u> includes \$8.4 million Gross (\$5.1 million GF/GP) for new initiatives to reduce health disparities, including increasing use of community-based navigators to facilitate access to health care, improvements in data sharing and interoperability of Michigan Health Information Network, and implementation of statewide screening and referral tool for health related social needs; \$5.0 million Gross (\$2.5 million GF/GP) is one-time. <u>House</u> does not concur with the Executive. | Federal | NA | 0 |
| | GF/GP | NA | \$0 |
| 45. Enforcement of Human Embryo Constitution Provisions | Gross | \$0 | \$100,000 |
| <u>House</u> includes \$100,000 for enforcement of Section 27(2)(a) of Article I of the Michigan Constitution regarding human embryo and embryonic stem cell research. Sec. 1148 is related boilerplate. | GF/GP | \$0 | \$100,000 |

| <u>Major Budget Changes from FY 2020-21 YTD Appropriations</u> | | <u>FY 2020-21 Year-to-Date (as of 2/11/21)</u> | <u>FY 2021-22 House Change</u> |
|--|--------------|---|---|
| 46. Nurse Practitioner Expansion Pilot – One-Time Funding | Gross | \$0 | \$1,573,000 |
| <u>House</u> includes new one-time funding of \$1.6 million GF/GP for a 4-year pilot program to increase the number of prepared advanced practice psychiatric-mental health nurse practitioners to expand access to mental health services, through Wayne State University. Sec. 1935 is related boilerplate and establishes funding as 4 year work project. | GF/GP | \$0 | \$1,573,000 |
| 47. Healthy Communities Grant – One-Time Funding | Gross | \$300,000 | \$0 |
| <u>House</u> continues one-time funding of \$300,000 GF/GP for healthy living, obesity prevention, and substance abuse prevention programs of Leaders Advancing and Helping Communities. Sec. 1915 is related boilerplate. | GF/GP | \$300,000 | \$0 |
| 48. Primary Care and Wellness Services – One-Time Funding | Gross | \$0 | \$250,000 |
| <u>House</u> includes one-time funding of \$250,000 GF/GP for integrated health services to underserved populations in southeast Michigan through TEAM Cares/Team Wellness. Sec. 1936 is related boilerplate. | GF/GP | \$0 | \$250,000 |
| 49. Healthy Moms Healthy Babies Expansion – Public Health | FTE | 0.0 | 2.0 |
| <u>Executive</u> increases funding by \$10.0 million Gross (\$6.6 million GF/GP) to annualize and expand public health Healthy Moms Healthy Babies maternal and infant health and support programs. \$2.6 million Gross (\$301,200 GF/GP) annualizes the new FY 2020-21 programs, and \$7.4 million Gross (\$6.3 million GF/GP) and authorization for 2.0 FTEs expands home visit programs by 1,000 visiting slots to support families with an infant born with substance exposure, and increases navigators, and mental health and other services. <u>House</u> concurs with the Executive. | Gross | \$7,903,500 | \$9,961,200 |
| | Federal | 0 | 3,410,000 |
| | GF/GP | \$7,903,500 | \$6,551,200 |
| 50. Lead Poisoning Prevention Fund – One-Time Funding | Gross | \$2,000,000 | \$0 |
| <u>Executive</u> increases one-time GF/GP funding from \$2.0 million to \$10.0 million for the Lead Poisoning Prevention Fund to support low-cost loans to homeowners and landlords for lead remediation projects to reduce lead exposure in the home. First funded in FY 2020-21 and currently under development. Sec. 1913 is related boilerplate. <u>House</u> continues funding at current year level. | GF/GP | \$2,000,000 | \$0 |
| 51. Public Health Laboratory Fund Shift | Gross | \$26,655,100 | \$0 |
| <u>Executive</u> includes a net \$0 Gross laboratory services adjustment with a \$1.0 million GF/GP increase offset by state restricted fund reduction of laboratory fee funds, reversing an adjustment made in FY 2019-20 using a fee fund balance. <u>House</u> includes a net \$0 fund shift of \$700,000. | IDG | 995,700 | 0 |
| | Federal | 6,203,700 | 0 |
| | Restricted | 13,790,600 | (700,000) |
| | GF/GP | \$5,665,100 | \$700,000 |
| 52. Vital Records | Gross | \$10,686,700 | \$600,000 |
| <u>Executive</u> provides increase of \$600,000 Gross for vital records program, including an increase of GF/GP support for the program of \$1.1 million to fund costs for PA 53 and PA 54 of 2020, and recognizing reduction of revenue from vital records fees of \$845,900. <u>House</u> concurs with the Executive. | Federal | 4,408,300 | 0 |
| | Restricted | 5,548,800 | (845,900) |
| | GF/GP | \$729,600 | \$1,445,900 |
| 53. Oral Health Assessment for Children | FTE | 0.0 | 1.5 |
| <u>Executive</u> includes \$1.8 million GF/GP and authorization for 1.5 FTE positions to provide oral health assessments free of charge to children entering public school kindergarten who do not have dental insurance, a new program enacted under 2020 PA 261. Sec. 1343 is related boilerplate. <u>House</u> concurs with the Executive but uses \$1.5 million from local school district funds originated from the state School Aid Fund, similar to statutory hearing and vision screening programs for school children. School Aid budget includes this adjustment. | Gross | \$0 | \$1,760,000 |
| | Local | 0 | 1,500,000 |
| | GF/GP | \$0 | \$260,000 |

| <u>Major Budget Changes from FY 2020-21 YTD Appropriations</u> | | <u>FY 2020-21 Year-to-Date (as of 2/11/21)</u> | <u>FY 2021-22 House Change</u> |
|---|--------------|---|---|
| 54. Outstate Local Public Health Dental Clinics | Gross | \$1,550,000 | \$200,000 |
| <u>House</u> increases funding for outstate local public health dental clinics from \$1,550,000 GF/GP to \$1,750,000 GF/GP. Sec. 1317 is related boilerplate. | GF/GP | \$1,550,000 | \$200,000 |
| 55. Immunization Public Information | Gross | \$24,991,500 | \$50,000 |
| <u>House</u> includes \$50,000 GF/GP increase for immunization reporting and public informational brochures for free distribution. Sec. 1322 is related boilerplate. | Federal | 20,095,600 | 0 |
| | Restricted | 2,959,300 | 0 |
| | GF/GP | \$1,936,600 | \$50,000 |
| 56. Alternative Pregnancy and Parenting Program | Gross | \$25,258,100 | \$700,000 |
| <u>House</u> includes \$700,000 increase of federal TANF funding for Real Alternatives alternative pregnancy and parenting services program which promotes childbirth, alternatives to abortion, and grief counseling. Sec. 1307 is related boilerplate. | TANF | 0 | 700,000 |
| | Federal | 12,453,300 | 0 |
| | Restricted | 50,000 | 0 |
| | GF/GP | \$12,754,800 | \$0 |
| 57. Title X & Title V Block Grant Funds Replacement and Redirect | Gross | \$27,697,100 | \$0 |
| <u>House</u> replaces \$8.3 million federal title X family planning funds with GF/GP in two appropriation lines, and \$19.4 million federal title V maternal and child health (MCH) block grant funds with GF/GP in 11 appropriation lines. \$1.7 million of funds previously allocated from the block grant to family planning is redirected to local MCH services and childhood lead prevention program with the replacement GF/GP. Sec. 1344 is related boilerplate. | Federal | 27,697,100 | (27,697,100) |
| | GF/GP | \$0 | \$27,697,100 |
| 58. Maternal Navigator Pilot Program | Gross | \$0 | \$3,000,000 |
| <u>House</u> includes \$3.0 million GF/GP for a new maternal navigator pilot program by nonprofit organizations in 2 geographically diverse areas to provide referrals and services to pregnant women; grantee organizations must promote childbirth and alternatives to abortion. Sec. 1345 is related boilerplate. | GF/GP | \$0 | \$3,000,000 |
| 59. Pregnancy Resource Center Grants | Gross | \$0 | \$1,500,000 |
| <u>House</u> includes \$1.5 million GF/GP for new grants to pregnancy resource centers, to be distributed equally to applicants; centers are defined as private nonprofit organizations that promote childbirth and alternatives to abortion, and provide referrals and information to pregnant women. Sec. 1346 is related boilerplate. | GF/GP | \$0 | \$1,500,000 |
| 60. Population Health GF/GP Reductions | Gross | \$525,000 | (\$500,000) |
| <u>Executive</u> reduces public health funding by \$500,000 for analytical laboratory equipment for PFAS contamination response based on prior-year lapsed funds, and eliminates \$25,000 GF/GP for free family emergency readiness public events in Livingston County funded in FY 2020-21. <u>House</u> concurs with PFAS lab reduction, but retains readiness public event funding. | GF/GP | \$525,000 | (\$500,000) |
| 61. Lead Abatement Grant SCHIP Adjustments | Gross | \$32,757,500 | \$0 |
| <u>Executive</u> includes net \$0 Gross fund shift of \$494,900 from GF/GP to federal for lead abatement grant. YTD shown is for Healthy Homes Program line item, of which \$18.2 million is federal Children's Health Insurance Program (SCHIP) funds approved for use for lead abatement in Flint and other high-risk communities since FY 2016-17. <u>House</u> concurs with the Executive. | Federal | 19,504,600 | 494,900 |
| | Private | 77,800 | 0 |
| | Restricted | 723,700 | 0 |
| | GF/GP | \$12,451,400 | (\$494,900) |
| 62. Traumatic Brain Injury – One-Time Funding | Gross | \$0 | \$100 |
| <u>House</u> includes placeholder of \$100 for decision support software in the treatment of pediatric traumatic brain injury and adult stroke. Previously funded in FY 2018-19. Sec. 1937 is related boilerplate. | GF/GP | \$0 | \$100 |

| | | FY 2020-21 Year-to-Date (as of 2/11/21) | FY 2021-22 House Change |
|--|--------------|---|-------------------------------|
| Major Budget Changes from FY 2020-21 YTD Appropriations | | | |
| 63. Population Health Non-GF/GP Funds Adjustments | FTE | NA | 18.0 |
| <u>Executive</u> recognizes \$14.0 million Gross for federal, local, private, and state restricted funding, including: | Gross | NA | \$13,988,800 |
| <ul style="list-style-type: none"> \$9.4 million drug rebate revenue for AIDS Drug Assistance Program and 18.0 FTEs to administer contracts and finance; \$2.4 million federal violence prevention funds; \$900,000 local revenue for child and adolescent health care; \$200,000 net private funds for WIC program vendor system, \$715,000 federal laboratory services grants; \$300,000 restricted EMS licensure program fee revenue; \$89,300 restricted newborn screening fee CPI increase | Federal | NA | 3,085,000 |
| | Local | NA | 900,000 |
| | Private | NA | 9,614,500 |
| | Restricted | NA | 389,300 |
| | GF/GP | NA | \$0 |
| <u>House</u> concurs with the Executive. | | | |
| AGING AND ADULT SERVICES AGENCY | | | |
| 64. Aging Community Services | Gross | \$46,806,100 | \$1,000,000 |
| <u>Executive</u> recognizes \$1.0 million of additional federal funds for senior community services programs. <u>House</u> concurs with the Executive. | Federal | 22,980,400 | 1,000,000 |
| | GF/GP | \$23,825,700 | \$0 |
| 65. Aging Meals and Nutrition Services | Gross | \$43,054,200 | \$3,500,000 |
| <u>Executive</u> recognizes \$3.5 million of additional federal funds for senior nutrition services including congregate meals and home-delivered meals. <u>House</u> concurs with the Executive. | Federal | 30,157,000 | 3,500,000 |
| | Private | 300,000 | 0 |
| | GF/GP | \$12,597,200 | \$0 |
| 66. Senior Center Grants – One-Time Funding | Gross | \$150,000 | \$0 |
| <u>House</u> continues one-time funding of \$150,000 GF/GP for a small grants program for health-related senior programs at multipurpose senior citizen centers. Sec. 1923 is related boilerplate. | GF/GP | \$150,000 | \$0 |
| MEDICAL SERVICES | | | |
| 67. Sickle Cell Disease Coverage | FTE | NA | 0.0 |
| <u>Executive</u> includes \$6.7 million GF/GP to expand sickle cell disease health services coverage through CSHCS for adults 21 years and over who age out of the program and are not eligible for Medicaid coverage. Also includes support for the Sickle Cell Disease Association of America, expanded clinical services, and \$50,000 GF/GP for IT modifications. <u>House</u> does not include. | Gross | NA | \$0 |
| | GF/GP | NA | \$0 |
| 68. Van Andel Institute | Gross | \$0 | \$1,000,000 |
| <u>House</u> includes \$1.0 million GF/GP for the Van Andel Institute as matching funds for federal and private biomedical research and science education. | GF/GP | \$0 | \$1,000,000 |
| 69. CSHCS Coverage for Additional Rare Childhood Diseases | Gross | NA | \$4,000,000 |
| <u>House</u> includes \$4.0 million GF/GP to expand the number of childhood rare diseases covered under CSHCS for individuals under the age of 21. | GF/GP | NA | \$4,000,000 |
| 70. Specialty Medicaid Managed Care Health Plan for Foster Children | Gross | NA | \$500,000 |
| <u>House</u> includes \$500,000 Gross (\$250,000 GF/GP) to complete an actuarial analysis and any necessary federal approvals to create a specialty Medicaid managed care health plan for children in foster care to provide comprehensive medical, behavioral, and dental services. | Federal | NA | 250,000 |
| | GF/GP | NA | \$250,000 |
| 71. ClaimSure Contract Savings | Gross | NA | (\$3,744,400) |
| <u>Executive</u> recognizes a reduction of \$3.7 million Gross (\$1.2 million GF/GP) resulting from a reduction in incorrect Medicaid payments identified by implementation of the ClaimSure system. <u>House</u> concurs with the Executive. | Federal | NA | (2,509,900) |
| | GF/GP | NA | (\$1,234,500) |

| <u>Major Budget Changes from FY 2020-21 YTD Appropriations</u> | | <u>FY 2020-21 Year-to-Date (as of 2/11/21)</u> | <u>FY 2021-22 House Change</u> |
|--|--------------|---|---|
| 72. MI Health Link – PERS | Gross | \$289,839,600 | (\$3,750,000) |
| <u>Executive</u> recognizes a reduction of \$3.8 million Gross (\$1.2 million GF/GP) resulting from placing program beneficiaries only receiving services from the Personal Emergency Response System (PERS) into a lower rate tier, and realizing the capitation payment cost savings. <u>House</u> concurs with the Executive. | Federal | 177,464,900 | (2,513,600) |
| | GF/GP | \$112,374,700 | (\$1,236,400) |
| 73. MI Choice Expansion | Gross | \$372,327,100 | \$19,125,000 |
| <u>Executive</u> includes \$19.1 million Gross (\$6.3 million GF/GP) to increase the number of MI Choice slots by 1,000 by the end of FY 2021-22. <u>House</u> concurs with the Executive. | Federal | 243,465,800 | 12,819,500 |
| | Private | 500,000 | 0 |
| | GF/GP | \$128,361,300 | \$6,305,500 |
| 74. Healthy Moms Healthy Babies – Medicaid Postpartum Coverage | Gross | \$15,503,400 | (\$15,503,400) |
| <u>Executive</u> increases funding by \$5.1 million Gross (\$1.4 million GF/GP) to annualize the expansion of postpartum coverage from 60 day to 12 months. Year-to-date funding would support 3/4 of a fiscal year. <u>House</u> reduces funding to revert back to Medicaid postpartum coverage for 60 days. | Federal | 11,192,500 | (11,192,500) |
| | GF/GP | \$4,310,900 | (\$4,310,900) |
| 75. Medicaid Private Duty Nursing | Gross | NA | \$2,600,000 |
| <u>House</u> includes \$2.6 million Gross (\$933,400 GF/GP) to increase Medicaid private duty nursing rates by 10%. | Federal | NA | 1,666,600 |
| | GF/GP | NA | \$933,400 |
| 76. Medicaid Pediatric Rehabilitation Placeholder | Gross | NA | \$100 |
| <u>House</u> includes a \$100 placeholder to increase the Medicaid rates paid to physical and occupational rehabilitation services provided to individuals under the age of 21. | GF/GP | NA | \$100 |
| 77. One-Time Medicaid Long-Term Care Rate Increase | Gross | \$2,051,483,200 | \$37,500,000 |
| <u>Executive</u> includes \$37.5 million Gross (\$9.0 million GF/GP) to provide a one-time Medicaid rate increase to nursing facilities. <u>House</u> utilizes new federal Coronavirus State Fiscal Recovery Fund to provide the one-time rate increase. | Federal | 1,330,766,800 | 37,500,000 |
| | Local | 6,618,800 | 0 |
| | Private | 4,100,000 | 0 |
| | Restricted | 375,358,200 | 0 |
| | GF/GP | \$334,639,400 | \$0 |
| 78. Michigan Health Information Network Placeholder | Gross | \$2,750,000 | (\$2,749,900) |
| <u>House</u> includes a \$100 placeholder to continue one-time funding for the Michigan Health Information Network (MIHIN). | GF/GP | \$2,750,000 | (\$2,749,900) |
| 79. Medical Services Restricted Fund Adjustments | Gross | NA | \$0 |
| <u>Executive</u> includes net-zero Gross adjustments, and a net reduction of \$58.5 million GF/GP, to backfill reductions in the Health and Safety Fund and recognize increases in revenues in various other state restricted funds. <u>House</u> concurs with the Executive. | Restricted | NA | 58,510,100 |
| | GF/GP | NA | (\$58,510,100) |
| ONE-TIME APPROPRIATIONS | | | |
| 80. Remove FY 2020-21 One-Time Appropriations | Gross | \$406,228,800 | (\$406,228,800) |
| <u>Executive</u> removes one-time appropriations included in FY 2020-21. Any of this funding that is retained into FY 2021-22 is noted elsewhere. <u>House</u> concurs with the Executive. | Federal | 218,256,200 | (218,256,200) |
| | Private | 100,000 | (100,000) |
| | GF/GP | \$187,872,600 | (\$187,872,600) |

Major Boilerplate Changes from FY 2020-21

Executive Boilerplate Deletions

The Executive budget recommendation deletes a significant amount of boilerplate language included in the FY 2020-21 budget. The list below includes major changes to boilerplate but is not a comprehensive list of all sections proposed to be deleted.

Major Boilerplate Changes from FY 2020-21

GENERAL SECTIONS

Sec. 210. Contingency Fund Appropriations – REVISED

Appropriates federal, state restricted, local, and private contingency funds of up to \$47 million total, available for expenditure when transferred to a line item through the legislative transfer process. Executive revises to increase contingency appropriations to \$590 million, similar to FY 2018-19. House revises to change “funds” to “authorization”.

Sec. 215. Notification of Conflict with Federal Regulation or When Grant Unused – RETAINED

Requires DHHS to provide notice if: (a) a legislative objective in the budget or in a bill to amend the Social Welfare Act cannot be implemented due to conflict with federal regulations; or (b) an awarded federal grant cannot or will not be used. Executive deletes. House retains.

Sec. 219. & 219a. Michigan Public Health Institute and Simultaneous Employment or Service – REVISED, NEW

Allows DHHS to contract with the Michigan Public Health Institute for public health projects and related activities; requires report on projects and provision of all reports and publications produced from prior fiscal year funding. House revises to restrict subcontracting, and restrict employment, contracts, or Board service by current employees of DHHS with MPH or other agency contracting with DHHS; adds report, and legislative review of contracts over \$5 million or 36 months.

Sec. 222. Notification and Report of Policy Changes – RETAINED

Requires written notice of any major policy changes 30 days before implementation, requires policy manual to be available on DHHS website; and requires a report by April 1 on policy changes made to implement new public acts. Executive deletes. House retains.

Sec. 233. Legislative and State Administrative Board Transfers – RETAINED

Allows the legislature, by a concurrent resolution adopted by a majority of the members of each house, to inter-transfer funds if the State Administrative Board transfers funds from an amount appropriated in the DHHS budget. Executive deletes. House retains.

Sec. 236. Severance Payment Reporting – NEW

House requires DHHS to report severance pay for high ranking staff within 14 days after an agreement, and annual totals.

Sec. 237. Conditions on Funding Regarding COVID Information and Requirements – NEW

House adds new section: Prohibits DHHS from requiring proof of individual COVID vaccination to access state services, create COVID vaccine certification or passport, or provide COVID vaccine status of an individual to any entity or person.

Sec. 238. Prohibit Mandatory COVID Vaccination – NEW

New House language prohibits use of funds to vaccinate a person for COVID-19 under a mandatory vaccination program.

Sec. 240. Use of Existing Work Project Authorization – RETAINED

Establishes that appropriations in part 1 shall, to the extent possible, not be expended in cases where existing work project authorization is available for the same expenditures. Executive deletes. House retains.

Sec. 241. Advertising and Media Outreach Expenditures Report – NEW

House requires DHHS report on total actual expenditures for advertising and media outreach for the previous fiscal year.

Sec. 258. Education Initiatives Regarding Trauma, Human Trafficking, and Sexual Abuse Prevention – REVISED

Directs DHHS to collaboratively promote and support school and education initiatives including training regarding use of trauma-informed practices and age-appropriate information about human trafficking and sexual abuse prevention. Executive deletes. House revises to include collaboration with child welfare institute, and add report.

Sec. 264. DHHS Employee Communication with Legislature – RETAINED

Prohibits DHHS from taking disciplinary action against an employee for communicating with a member of the Legislature or his/her staff, unless the communication is prohibited by law and disciplinary action is lawful. Executive deletes. House retains.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 309. Health Literacy Demonstration Project – DELETED

Requires department to design and implement a web-based intensive information therapy within Medicaid managed care in order to mitigate deficiencies in health literacy through connections between health care providers, beneficiaries and health plans. Executive and House delete.

Major Boilerplate Changes from FY 2020-21

COMMUNITY SERVICES AND OUTREACH

Sec. 453. Homeless Programs – REVISED

Requires DHHS to maintain emergency shelter program per diem rates at \$18.00 per bed night; requires report. Executive revises language to eliminate the \$18.00 per bed night rate requirement. House concurs with Executive but requires funding to be equal to or exceed the amount an agency would have received if paid \$18.00 per diem.

Sec. 462. Trauma Recovery Center Pilots – REVISED

Provides that if funding becomes available, DHHS shall allocate \$4.0 million to implement 4 trauma recovery center pilot projects. Executive deletes. House removes the stipulation that funding must become available for pilots to be implemented; includes language allowing DHHS to develop a mobile trauma recovery center to serve rural areas.

CHILDREN'S SERVICES – CHILD WELFARE

Sec. 515. Child Protection Services (CPS) Caseworker Home Visit Safety – RETAINED

Prohibits DHHS from denying a CPS caseworker's request to have another worker accompany the CPS caseworker on a home visit if the CPS caseworker believes it unsafe to conduct the home visit alone. Executive deletes. House retains.

Sec. 518. Supervisory Oversight of CPS Caseworker Reports – RETAINED

Requires supervisors to complete an initial read of a CPS caseworker's report and either approve the report or note any needed corrections within 5 business days; requires the caseworker to resubmit a corrected report within 3 business days. Executive deletes. House retains.

Sec. 527. Private Child Placing Agencies' Adoption Worker Caseloads – RETAINED

Requires DHHS to exclude certain case types when calculating the adoption worker caseload for private agencies if approved by the settlement monitor. Executive deletes. House retains.

Sec. 542. Court-Appointed Special Advocates (CASAs) and Foster Parent Input – NEW

House requires DHHS to develop and implement strategies to prioritize use of input from CASAs and foster care parents.

Sec. 543. Child Input in Judicial Proceedings – NEW

House requires DHHS to develop a clear policy that caseworkers ensure that foster care children are able to speak directly to the judge or magistrate to give input into their case's legal proceedings.

Sec. 544. Trauma-Informed Training – NEW

House directs DHHS to require all foster care parents, caseworkers, and guardians ad litem to receive trauma-informed training.

Sec. 545. Trauma Support for Child Welfare Caseworkers – NEW

House requires DHHS to develop a program to offer trauma support directly to all child welfare caseworkers to help with effects of secondary trauma.

Sec. 553. Child Abuse Registry – NEW

House requires that a CPS caseworker may not put individuals on the child abuse registry without prior court approval.

Sec. 555. Foster Care Maintenance Payment After Petition of Adoption – NEW

House requires DHHS to continue the regularly scheduled foster care maintenance payments to foster care parents after a petition of adoption has been filed until the child is no longer in their care.

Sec. 556. Family Foster Care Annual License Renewal – NEW

House requires DHHS to develop and implement a simpler and more streamlined family foster care renewal form and process; requires report.

Sec. 557. State Vehicle Use – NEW

House provides that if a state vehicle is not scheduled for other use, DHHS may consider an allowable use of a state vehicle for a caseworker to drive the vehicle to foster home visits or to their own home, if helpful in conducting caseworker's work.

Sec. 558. Child Welfare Training Institute – RETAINED

Requires DHHS to provide all necessary training and materials to private agencies so that trained private agency staff can deliver pre-service training to any private agency staff. Executive deletes. House retains.

Sec. 576. Kinship Caregiver Advisory Council – NEW

House requires DHHS to establish the Kinship Caregiver Advisory Council within the department.

Major Boilerplate Changes from FY 2020-21

Sec. 577. Kinship Caregiver Navigator Program – NEW

House requires DHHS to establish and maintain the Kinship Caregiver Navigator Program within DHHS and includes language that establishes the Kinship Caregiver Navigator Fund within the department.

Sec. 578. Foster Care Worker Apprenticeship Program – NEW

House requires DHHS to explore the implementation of a foster care worker apprenticeship program for college students majoring in social work who are interested in working in child welfare; requires report.

Sec. 579. Foster Care Redetermination Hearings – NEW

House directs DHHS to require caseworkers to work to ensure foster care children have court redetermination hearings more frequently than every 90 days when in the best interest of the child.

Sec. 586. Foster Care Parent Course Offerings – NEW

House requires DHHS to submit a report containing a comprehensive list of course titles of all the courses offered to foster care parents through the department.

Sec. 595. CPS Staff and DHHS/Private Agency Caseload Ratio – RETAINED

Requires DHHS to expend the part 1 funding for CPS-caseload staff to hire/employ CPS staff to comply with the Office of the Auditor General 2018 CPS audit; requires that most new foster care cases be placed under a private child placing agency's supervision until the statewide ratio of foster cases is 55% for private agency supervision and 45% for DHHS supervision. Executive deletes. House retains.

PUBLIC ASSISTANCE

Sec. 603. Public Assistance Benefits Notification – RETAINED

Requires the department to provide timely notification to public assistance program beneficiaries if there will be a decrease in their benefits. Executive deletes. House retains.

Sec. 609. SSI State Supplementation – RETAINED

Prohibits reduction of SSI State Supplementation for recipients in institutional settings during the fiscal year; requires 30-day notice to the Legislature for any proposed reduction to the State Supplementation level. Executive revises to replace 30-day notification requirement with a notification upon reduction. House retains current law.

Sec. 653. Domestic Violence Exemption to Food Assistance Requirements – REVISED

Exempts an individual who is the victim of domestic violence for up to an additional three months from the three-month in 36-month limit on receiving food assistance. House revises to include victims of human trafficking.

Sec. 660. Food Bank Council TANF Eligibility Reporting – DELETED

Requires the Food Bank Council to report data elements needed to establish TANF eligibility. Executive and House delete.

Sec. 686. Caseworker Public Assistance Policies – REVISED

Requires DHHS to ensure that individuals presenting out-of-state identification are not enrolled in benefit programs in other states; requires confirmation of resident addresses in FIP and SDA cases; prohibits individuals with homes worth more than \$200,000 from receiving assistance; requires caseworkers to collect up-to-date phone numbers from Medicaid recipients during eligibility determination. Executive revises to remove required phone number collection from Medicaid recipients. House concurs with the Executive.

JUVENILE JUSTICE

Sec. 715. Raise the Age Program – NEW

Executive requires counties to have an approved budget plan in place as a condition of receiving funds from the Raise the Age Fund program. The budget plan must identify types of costs to be reimbursed, estimated costs for each item, and total estimated cost to be reimbursed. County reimbursement shall not exceed total estimated cost in plan. House concurs with the Executive.

BEHAVIORAL HEALTH SERVICES

Sec. 912. Salvation Army Harbor Light Program – RETAINED

Requires DHHS to contract with the Salvation Army Harbor Light Program for providing non-Medicaid substance use disorder services, if program meets standard of care. Executive deletes. House retains.

Sec. 927. Uniform Behavior Health Service Provider Audits – RETAINED

Requires DHHS to create a uniform community mental health services auditing process for CMHSPs and PIHPs, outlines auditing process requirements, and requires a report. Executive deletes. House retains.

Major Boilerplate Changes from FY 2020-21

Sec. 940. Transferring and Withdrawing CMHSP Allocations – REVISED

Requires DHHS to review CMHSP expenditures to identify projected lapses and surpluses, to encourage the board of the CMHSP with a projected lapse to concur with the recommendation to reallocate the lapse to other CMHSPs, and to withdraw funds from a CMHSP if those funds were not expended in a manner approved by DHHS, including for services and programs provided to individuals residing outside of the CMHSP's geographic region; prohibits a CMHSP from receiving additional funding if the CMHSP transferred out or withdrew funds during current fiscal year; requires CMHSPs to report any proposed reallocations prior to going into effect; requires legislative notification and report. Executive and House revise by removing the requirement to withdraw unspent funds if funds were not expended in a manner approved by DHHS.

Sec. 960. Autism Services Cost Containment – REVISED

Requires DHHS to continue to cover all autism services that were covered on January 1, 2019; to restrain costs required DHHS to develop written guidance for standardization; and requires 3-year reevaluations, unless a clinician recommended an earlier reevaluation, and require maintenance of statewide provider trainings, limits practitioners who can perform a diagnostic evaluation and requires evaluations performed by a master's level practitioner to be reviewed by a second practitioner, provide fidelity reviews and secondary approvals, and prohibit specific providers from providing both evaluation and treatment; requires a report. Executive deletes. House removes prohibition against specific providers from providing both evaluation and treatment.

Sec. 965. Medication Assisted Treatment – REVISED

Requires DHHS to explore requiring CMHSPs to reimburse medication assisted treatment at not less than \$12.00 per dose and drug screen collection at not less than \$12.00 per screen. Executive deletes. House revises to require the Medicaid behavioral health fee schedule to offer bundled medication assisted treatment billing and prioritizes federal state opioid response funds to assist in providing efficient and effective billing.

Sec. 970. Skill Building Assistance Services – RETAINED

Requires DHHS to maintain skill building assistance services policies in effect on October 1, 2018, and requires DHHS to continue to seek federal matching funds for skill building assistance services. Executive deletes. House retains.

Sec. 977. Recovery High School Grant – REVISED

Allocates \$600,000 in grants to recovery high schools specifically designated for students recovering from a substance use disorder, and prohibits grants from exceeding \$150,000 per high school. Executive deletes. House revises to allocate in accordance with section 273a of the Mental Health Code.

Sec. 978. Recovery Community Organization – REVISED

Allocates \$600,000 in grants to recovery community organizations to offer or expand recovery support center services or recovery community center services to individuals seeking long-term recovery from substance use disorders, and prohibits grants from exceeding \$150,000 per recovery community organization. Executive deletes. House revises to allocate in accordance with section 273b of the Mental Health Code.

Sec. 1005. Health Home Program Expansion – REVISED

Requires DHHS to maintain and expand the number of behavioral health homes in PIHP regions 1, 2, and 8 and to expand the number of opioid health homes in PIHP regions 1, 2, 4, and 9. Executive deletes. House revises to maintain the current behavioral health and substance use disorder health homes and permits DHHS to expand into 2 additional PIHP regions.

POPULATION HEALTH

Sec. 1151. Opioid Addiction Treatment Education Collaboration – RETAINED

Requires DHHS to coordinate with other departments, law enforcement, and Medicaid health plans to work with substance use disorder providers to inform Medicaid beneficiaries of medically appropriate opioid addiction treatment options when an opioid prescription is ended, and address other opioid abuse issues; requires report. Executive deletes. House retains.

Sec. 1183. Emergency Medical Response Service Data Exemption – DELETED

Prohibits DHHS from requiring a medical first response service to submit data to the Michigan emergency medical services information system if the service is located in a county with less than 85,000 population, outlines written reporting required. Executive and House delete.

Sec. 1186. Public and Volunteer Emergency Medical Services Evaluation – NEW

House directs DHHS to evaluate staffing and financing of public and volunteer EMS services and systems including requirement for provision of services regardless of ability to pay, and to report findings and ways to address issues identified.

Major Boilerplate Changes from FY 2020-21

Sec. 1303. Contract Restrictions for Family Planning Local Agreements with State Funds – RETAINED

Prohibits DHHS from contracting with an organization that provides elective abortions, or abortion counseling or referrals, for services funded with certain state restricted or GF/GP funds. Prohibits an organization under contract with DHHS from subcontracting with an organization that provides elective abortions or abortion counseling or referrals, for services that are to be funded with certain state restricted or GF/GP funds. Executive deletes. House retains.

Sec. 1304. Prohibit Use of State Funds for Abortion Counseling, Referrals, or Services – RETAINED

Prohibits the use by DHHS or its grantees or subcontractors of state restricted or state general funds appropriated in the Family Planning Local Agreements line item or the Pregnancy Prevention Program line items for abortion counseling, referrals, or services. Executive deletes. House retains.

Sec. 1305. Contract Restrictions and Priorities for Family Planning and Pregnancy Prevention – RETAINED

(1) Prohibits DHHS from contracting for family planning and pregnancy prevention services with an entity that engages in abortion activities under PA 360 of 2002, if another entity applies to provide those services that is not already engaged in abortion activities. (2) Requires DHHS to give a higher priority to a) contracting for services in counties where there are currently no contracts for services, before b) contracting for additional services by an entity that engages in abortion activities in a county where there are already services provided by an entity that does not engage in abortion activities. Executive deletes. House retains.

Sec. 1320. Family Planning and Pregnancy Prevention Media Campaign Messaging – REVISED

States legislative intent that funds that may be expended for a public media campaign regarding publicly funded family planning or pregnancy prevention programs shall not be used to communicate any message that implies or that can be interpreted to mean that abortion is a method of family planning or pregnancy prevention. Executive deletes. House revises to remove legislative intent phrasing.

Sec. 1344. Title X and Title V Funds Replacement – NEW

New House language establishes that programs previously funded with federal family planning and maternal and child health block grant funding shall be funded with GF/GP and DHHS shall not contract for these programs with any vendor that provides abortion services.

Sec. 1347. Use of Funds for Abortion Counseling or Activities Regarding Human Embryo Use – NEW

New House language prohibits use of state funds for abortion counseling, referrals, or services, or for any activities regarding human cloning or research in which a human embryo is destroyed or discarded.

MEDICAL SERVICES

Sec. 1501. Electronic Health Records Incentive Program Work Project – RETAINED

Establishes unexpended funds for the electronic health records incentive program as a work project appropriation with the tentative completion date to be September 30, 2025. Provides for the intent that funds also be available to dental providers. Executive deletes. House retains.

Sec. 1507. Office of Inspector General Medicaid Managed Care Audits – RETAINED

Requires the Office of Inspector General to audit and recoup inappropriate or fraudulent payments from Medicaid managed care organizations to providers. Prohibits DHHS from fining, suspending, or disenrolling a Medicaid provider due to the discovery of inappropriate payments, unless authorized by federal or state law. Executive deletes. House retains.

Sec. 1516. Community Health Workers – NEW

House requires DHHS to seek any appropriate federal approvals to enroll and begin reimbursing community health workers as Medicaid providers commensurate to the worker's scope of training and abilities, to develop and test a value-based payment approach, to pool funds to expand the number of community health workers, and to identify the optimal community health worker ratio to Medicaid recipient; and requires a report.

Sec. 1615. Encounter Claims Data Integrity – REVISED

Requires the department to provide oversight of Medicaid claims encounter data to insure the integrity of actuarial rates; allows the department to request certain information from Medicaid health plans; and provides for the intent that the department conduct annual audits of Medicaid claims and provide for remedial actions to mitigate errors in actuarial rates. Executive and House revise to remove language related to information requests from Medicaid health plans, as well as annual audit intent language.

Major Boilerplate Changes from FY 2020-21

Sec. 1620. Pharmacy Dispensing Fee and Prescription Drug Co-payments – RETAINED

Establishes the pharmacy dispensing fees based on the medication's standing on the DHHS preferred drug list; requires prescription co-payments for Medicaid recipients not enrolled in the Healthy Michigan Plan or with an income less than 100% of the federal poverty level of \$1 for generic drugs and \$3 for brand-name drugs; requires prescription co-payments for Healthy Michigan plan enrollees with an income of at least 100% of the federal poverty level of \$4 for generic drugs and \$8 for brand-name drugs. Executive revises to replace "customary cash charge" with "submitted dispensing fee", and makes various technical changes. House retains.

Sec. 1625. Medicaid Managed Care Pharmacy Benefits Managers – REVISED

Prohibits DHHS, beginning February 1, 2021, from entering into any contracts with a Medicaid managed care organization that relies on a pharmacy benefits manager that does not: 1) utilize a pharmacy reimbursement methodology of the National Average Drug Acquisition Cost plus a professional dispensing fee comparable to the Medicaid fee-for-service dispensing fees for pharmacies with not more than 7 retail outlets (and lists reimbursements when an ingredient does not have a National Average Drug Acquisition Cost listed); 2) reimburse for valid claims at the rate in effect at the time of original claim; 3) agree to transparent "pass-through" pricing, 4) agree to not create new fees or increase fees above inflation, and 5) agree to not terminate existing contracts for the sole reason of the additional professional dispensing fee. Executive removes implementation date, and modifies the reimbursement methodology. House only removes implementation date.

Sec. 1646. Nursing Facility Quality Measure Initiative Program – RETAINED

Requires DHHS to continue a nursing facility quality measure initiative program financed through the nursing facility QAAP and establishes distribution criteria; requires report on program effectiveness. Executive deletes. House retains.

Sec. 1792. Health Plan Pharmaceutical Encounter Data Report – RETAINED

Requires DHHS to evaluate pharmacy encounter data through the first 2 quarters of the fiscal year and to provide a report on the findings. Executive deletes. House retains.

Sec. 1803. Portable X-Ray and Ultrasound Provider Type – RETAINED

Requires DHHS to maintain Medicaid rules to allow for billing and establish reimbursement for transportation charges related to portable x-ray services and requires policies be effective October 1 of the current fiscal year. Executive deletes. House retains.

Sec. 1804. Identification of Medicaid Beneficiaries Who Are Veterans – REVISED

Requires DHHS to work with the federal government's public assistance reporting information system to identify Medicaid recipients who are veterans and may be eligible for federal veteran's health care benefits, lists specific performance outcomes to be reported to the legislature and revise the wording in the public assistance application from "veteran" to "served in the military". Executive and House revise to make language regarding the utilization of the public assistance reporting information system permissive, and removes legislative reporting requirements.

Sec. 1846. Graduate Medical Education Priorities – REVISED

Requires DHHS to distribute GME funds with an emphasis on encouragement of the training of physicians in specialties, including primary care, that are necessary to meet future needs of this state, and training of physicians in settings that include ambulatory sites and rural locations. House revises to also emphasize training of pediatric psychiatrists.

Sec. 1856. PACE Enrollment Caps – NEW

House requires the PACE line to support not less than 6,920 enrollments.

Sec. 1876. Medicaid Coverage of Deflazacort – DELETED

Requires DHHS to include the corticosteroid deflazacort on the Medicaid health plan common formula. Executive and House delete.

Sec. 1877. Prior Authorization Appeals – NEW

House requires the DHHS not subject Medicaid providers to waiting more than 72 hours to receive decisions on prior authorization appeals related to "urgent requests".

Sec. 1880. Single Preferred Drug List Report and Rate Setting – DELETED

Requires DHHS to submit a report on estimated and actual expenditures and savings incurred from the single preferred drug list, requires DHHS to make any relevant adjustments to the rates to Medicaid managed care organizations to occur outside of the May caseload consensus. Executive and House delete.

Major Boilerplate Changes from FY 2020-21

Sec. 1881. Risk Corridor Financial Reconciliation – DELETED

Identifies savings assumptions from the 2-way risk corridor for Medicaid managed care organizations, requires a report and requires DHHS to make any relevant adjustments to the rates to Medicaid managed care organizations to occur outside of the May caseload consensus, and states intent that a 2-way risk corridor will not be in effect next fiscal year. Executive and House delete.