

**SUBSTITUTE FOR
HOUSE BILL NO. 4310**

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2024; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2024, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0
Full-time equated classified positions	15,772.5

1	Average population	798.0	
2	GROSS APPROPRIATION		\$ 35,954,451,100
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and		
5	intradepartmental transfers		14,676,900
6	ADJUSTED GROSS APPROPRIATION		\$ 35,939,774,200
7	Federal revenues:		
8	Social security act, temporary assistance for		
9	needy families		544,356,900
10	Capped federal revenues		505,666,800
11	Coronavirus state fiscal recovery fund		200,000,000
12	Total other federal revenues		24,683,843,900
13	Special revenue funds:		
14	Total local revenues		149,465,200
15	Total private revenues		190,660,700
16	Michigan merit award trust fund		61,268,700
17	Total other state restricted revenues		3,009,057,700
18	State general fund/general purpose		\$ 6,595,454,300
19	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
20	SUPPORT		
21	Full-time equated unclassified positions	6.0	
22	Full-time equated classified positions	945.4	
23	Unclassified salaries--FTEs	6.0	\$ 1,363,300
24	Administrative hearings officers		9,995,400
25	Child welfare institute--FTEs	55.0	9,313,800
26	Demonstration projects--FTEs	7.0	7,070,800
27	Departmental administration and management--		
28	FTEs	653.4	106,860,800

1	Office of inspector general--FTEs	197.0	25,619,800
2	Property management		60,762,900
3	Terminal leave payments		7,091,300
4	Training and program support--FTEs	33.0	4,637,700
5	Warehouse operations		1,400,000
6	Worker's compensation		8,265,500
7	GROSS APPROPRIATION		\$ 242,381,300
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG from department of education		1,939,800
11	IDG from department of technology, management,		
12	and budget - office of retirement services		600
13	Federal revenues:		
14	Social security act, temporary assistance for		
15	needy families		27,448,800
16	Capped federal revenues		19,629,300
17	Total other federal revenues		73,662,400
18	Special revenue funds:		
19	Total local revenues		86,000
20	Total private revenues		3,846,900
21	Total other state restricted revenues		1,337,300
22	State general fund/general purpose		\$ 114,430,200
23	Sec. 103. CHILD SUPPORT ENFORCEMENT		
24	Full-time equated classified positions	193.7	
25	Child support enforcement operations--FTEs	187.7	\$ 25,679,000
26	Child support incentive payments		24,409,600
27	Legal support contracts		113,600,300
28	State disbursement unit--FTEs	6.0	7,362,800

1	GROSS APPROPRIATION		\$	171,051,700
2	Appropriated from:			
3	Federal revenues:			
4	Capped federal revenues			14,839,600
5	Total other federal revenues			130,956,600
6	State general fund/general purpose		\$	25,255,500
7	Sec. 104. COMMUNITY SERVICES AND OUTREACH			
8	Full-time equated classified positions	56.0		
9	Bureau of community services and outreach--FTEs	24.0	\$	3,468,700
10	Community services and outreach administration-			
11	-FTEs	20.0		7,292,300
12	Community services block grant			25,840,000
13	Homeless programs--FTE	1.0		23,994,500
14	Housing and support services			13,031,000
15	Kids' food basket			525,000
16	Runaway and homeless youth grants			7,784,000
17	School success partnership program			1,525,000
18	Weatherization assistance			15,505,000
19	Weatherization assistance - IIJA--FTEs	11.0		40,000,000
20	GROSS APPROPRIATION		\$	138,965,500
21	Appropriated from:			
22	Federal revenues:			
23	Social security act, temporary assistance for			
24	needy families			11,268,400
25	Capped federal revenues			91,690,800
26	Total other federal revenues			14,329,000
27	Special revenue funds:			
28	State general fund/general purpose		\$	21,677,300

1	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD		
2	WELFARE		
3	Full-time equated classified positions	4,111.2	
4	Adoption subsidies		\$ 216,917,700
5	Adoption support services--FTEs	10.0	41,597,900
6	Attorney general contract		5,191,100
7	Child abuse and neglect - children's justice		
8	act--FTE	1.0	627,000
9	Child care fund		284,702,500
10	Child care fund - indirect cost allotment		3,500,000
11	Child protection		2,050,300
12	Child welfare administration travel		390,000
13	Child welfare local office staff - noncaseload		
14	compliance--FTEs	353.0	41,180,100
15	Child welfare licensing--FTEs	59.0	7,352,900
16	Child welfare medical/psychiatric evaluations		10,428,500
17	Children's protective services - caseload		
18	staff--FTEs	1,615.0	170,526,200
19	Children's protective services supervisors--		
20	FTEs	387.0	47,824,000
21	Children's services administration--FTEs	212.2	26,881,900
22	Children's trust fund--FTEs	12.0	4,735,100
23	Contractual services, supplies, and materials		9,567,600
24	Court-appointed special advocates		1,000,000
25	Education planners--FTEs	15.0	1,990,000
26	Family preservation and prevention services		
27	administration--FTEs	9.0	1,405,200
28	Family preservation programs--FTEs	34.0	57,987,700

1	Foster care payments		294,495,900
2	Foster care services - caseload staff--FTEs	966.0	97,749,000
3	Foster care services supervisors--FTEs	227.0	30,931,300
4	Guardianship assistance program		12,445,500
5	Interstate compact		179,600
6	Peer coaches--FTEs	45.5	6,267,000
7	Performance-based funding implementation--FTEs	3.0	1,353,800
8	Permanency resource managers--FTEs	28.0	3,482,400
9	Prosecuting attorney contracts		8,142,800
10	Raise the age fund		13,150,000
11	Second line supervisors and technical staff--		
12	FTEs	126.0	19,799,100
13	Settlement monitor		2,709,800
14	Strong families/safe children		12,600,000
15	Title IV-E compliance and accountability		
16	office--FTEs	4.0	457,000
17	Youth in transition--FTEs	4.5	8,178,500
18	GROSS APPROPRIATION		\$ 1,447,797,400
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from department of education		244,400
22	Federal revenues:		
23	Social security act, temporary assistance for		
24	needy families		321,358,600
25	Capped federal revenues		105,283,700
26	Total other federal revenues		267,404,400
27	Special revenue funds:		
28	Local funds - county chargeback		36,615,500

1	Private - collections		1,500,000
2	Children's trust fund		2,895,300
3	Total other state restricted revenues		2,000,000
4	State general fund/general purpose	\$	710,495,500
5	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE		
6	JUSTICE		
7	Full-time equated classified positions	132.5	
8	Bay Pines Center--FTEs	53.0	\$ 6,485,300
9	Committee on juvenile justice administration--		
10	FTEs	2.5	362,600
11	Committee on juvenile justice grants		3,000,000
12	Community support services--FTEs	3.0	1,507,600
13	County juvenile officers		3,977,600
14	Juvenile justice, administration and		
15	maintenance--FTEs	21.0	3,801,200
16	Shawono Center--FTEs	53.0	6,523,700
17	GROSS APPROPRIATION	\$	25,658,000
18	Appropriated from:		
19	Federal revenues:		
20	Capped federal revenues		7,929,400
21	Total other federal revenues		643,600
22	Special revenue funds:		
23	Local funds - state share education funds		1,362,600
24	Local funds - county chargeback		4,515,300
25	State general fund/general purpose	\$	11,207,100
26	Sec. 107. PUBLIC ASSISTANCE		
27	Full-time equated classified positions	1.0	
28	Emergency services local office allocations		\$ 8,813,500

1	Family independence program		72,931,400
2	Food assistance program benefits		5,273,474,400
3	Food Bank Council of Michigan		2,045,000
4	Indigent burial		4,369,100
5	Low-income home energy assistance program		174,951,600
6	Michigan energy assistance program--FTE	1.0	50,000,000
7	Refugee assistance program		3,054,200
8	State disability assistance payments		3,960,000
9	State supplementation		61,913,400
10	State supplementation administration		1,806,100
11	GROSS APPROPRIATION		\$ 5,657,318,700
12	Appropriated from:		
13	Federal revenues:		
14	Social security act, temporary assistance for		
15	needy families		65,261,600
16	Capped federal revenues		178,005,800
17	Total other federal revenues		5,268,764,400
18	Special revenue funds:		
19	Child support collections		8,798,900
20	Low-income energy assistance fund		50,000,000
21	Public assistance recoupment revenue		4,741,800
22	Supplemental security income recoveries		992,400
23	State general fund/general purpose		\$ 80,753,800
24	Sec. 108. LOCAL OFFICE OPERATIONS AND SUPPORT		
25	SERVICES		
26	Full-time equated classified positions	5,750.5	
27	Administrative support workers--FTEs	167.0	\$ 14,564,000
28	Adult services local office staff--FTEs	542.0	65,409,200

1	Contractual services, supplies, and materials		24,033,700
2	Donated funds positions--FTEs	237.0	28,530,400
3	Elder Law of Michigan MiCAFE contract		350,000
4	Electronic benefit transfer (EBT)		6,999,000
5	Employment and training support services		4,219,100
6	Food assistance reinvestment--FTEs	16.0	7,438,300
7	Local office policy and administration--FTEs	125.0	19,597,300
8	Local office staff travel		8,252,400
9	Medical/psychiatric evaluations		1,120,100
10	Nutrition education--FTEs	2.0	33,037,700
11	Pathways to potential--FTEs	231.0	25,140,700
12	Public assistance local office staff--FTEs	4,430.5	485,158,000
13	SSI advocacy legal services grant		325,000
14	GROSS APPROPRIATION		\$ 724,174,900
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from department of corrections		120,200
18	IDG from department of education		7,766,600
19	Federal revenues:		
20	Social security act, temporary assistance for		
21	needy families		73,233,900
22	Capped federal revenues		55,328,300
23	Total other federal revenues		275,065,300
24	Special revenue funds:		
25	Local funds - donated funds		4,253,600
26	Private funds - donated funds		9,795,000
27	Private revenues		214,300
28	State general fund/general purpose		\$ 298,397,700

1	Sec. 109. DISABILITY DETERMINATION SERVICES		
2	Full-time equated classified positions	585.4	
3	Disability determination operations--FTEs	581.3	\$ 115,537,200
4	Retirement disability determination--FTEs	4.1	636,200
5	GROSS APPROPRIATION		\$ 116,173,400
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDG from department of technology, management,		
9	and budget - office of retirement services		812,800
10	Federal revenues:		
11	Total other federal revenues		111,563,800
12	State general fund/general purpose		\$ 3,796,800
13	Sec. 110. BEHAVIORAL HEALTH PROGRAM		
14	ADMINISTRATION AND SPECIAL PROJECTS		
15	Full-time equated classified positions	81.0	
16	Behavioral health program administration--FTEs	45.0	\$ 55,184,900
17	Community substance use disorder prevention,		
18	education, and treatment--FTEs	9.0	80,399,700
19	Family support subsidy		12,654,900
20	Federal and other special projects		2,535,600
21	Gambling addiction--FTE	1.0	5,517,400
22	Mental health diversion council		3,850,000
23	Michigan child care collaborative		4,609,100
24	Office of recipient rights--FTEs	24.0	3,236,500
25	Opioid response activities--FTEs	2.0	90,354,600
26	Protection and advocacy services support		194,400
27	GROSS APPROPRIATION		\$ 258,537,100
28	Appropriated from:		

1	Federal revenues:		
2	Social security act, temporary assistance for		
3	needy families		12,654,900
4	Total other federal revenues		171,714,200
5	Special revenue funds:		
6	Total private revenues		2,904,700
7	Total other state restricted revenues		31,000,600
8	State general fund/general purpose	\$	40,262,700
9	Sec. 111. BEHAVIORAL HEALTH SERVICES		
10	Full-time equated classified positions	18.0	
11	Autism services		\$ 283,133,200
12	Behavioral health community supports and		
13	services--FTEs	7.0	43,945,200
14	Certified community behavioral health clinic		
15	demonstration		106,654,900
16	Civil service charges		297,500
17	Community mental health non-Medicaid services		125,578,200
18	Court-appointed guardian reimbursements		5,000,000
19	Federal mental health block grant--FTEs	4.0	24,461,100
20	Health homes		53,400,100
21	Healthy Michigan plan - behavioral health		590,959,600
22	Medicaid mental health services		3,145,163,500
23	Medicaid substance use disorder services		93,445,100
24	Multicultural integration funding		17,284,900
25	Nursing home PAS/ARR-OBRA--FTEs	7.0	13,959,300
26	State disability assistance program substance		
27	use disorder services		2,018,800
28	GROSS APPROPRIATION	\$	4,505,301,400

1	Appropriated from:		
2	Federal revenues:		
3	Social security act, temporary assistance for		
4	needy families		421,000
5	Capped federal revenues		184,500
6	Total other federal revenues		3,008,268,900
7	Special revenue funds:		
8	Total local revenues		5,218,700
9	Total other state restricted revenues		46,666,700
10	State general fund/general purpose	\$	1,444,541,600
11	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND		
12	FORENSIC MENTAL HEALTH SERVICES		
13	Full-time equated classified positions	2,541.6	
14	Average population	798.0	
15	Caro Regional Mental Health Center -		
16	psychiatric hospital - adult--FTEs	529.7	\$ 59,187,400
17	Average population	145.0	
18	Center for forensic psychiatry--FTEs	623.5	98,315,800
19	Average population	240.0	
20	Developmental disabilities council and		
21	projects--FTEs	10.0	3,165,200
22	Gifts and bequests for patient living and		
23	treatment environment		1,000,000
24	Hawthorn Center - psychiatric hospital -		
25	children and adolescents--FTEs	370.4	51,510,700
26	Average population	83.0	
27	IDEA, federal special education		120,000
28	Kalamazoo Psychiatric Hospital - adult--FTEs	560.2	70,290,300

1	Average population	170.0	
2	Purchase of medical services for residents of		
3	hospitals and centers		445,600
4	Revenue recapture		750,100
5	Special maintenance		924,600
6	State hospital administration--FTEs	34.0	5,576,300
7	Walter P. Reuther Psychiatric Hospital - adult-		
8	-FTEs	413.8	67,724,900
9	Average population	160.0	
10	GROSS APPROPRIATION		\$ 359,010,900
11	Appropriated from:		
12	Federal revenues:		
13	Total other federal revenues		45,756,100
14	Special revenue funds:		
15	Total local revenues		23,283,200
16	Total private revenues		1,000,000
17	Total other state restricted revenues		15,189,200
18	State general fund/general purpose		\$ 273,782,400
19	Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND		
20	INITIATIVES		
21	Full-time equated classified positions	74.3	
22	Cellular therapy for Versiti Michigan		\$ 750,000
23	Certificate of need program administration--		
24	FTEs	11.3	2,713,000
25	Child advocacy centers		1,407,000
26	Child advocacy centers - supplemental grants		2,000,000
27	Community health programs		21,900,000

1	Crime victim grants administration services--		
2	FTEs	17.0	3,038,200
3	Crime victim justice assistance grants		95,181,900
4	Crime victim rights services grants		19,869,900
5	Crime victim rights sustaining grants		20,000,000
6	Domestic violence prevention and treatment--		
7	FTEs	15.6	18,340,200
8	Human trafficking intervention services--FTE	1.0	200,000
9	Michigan essential health provider		3,519,600
10	Minority health grants and contracts--FTEs	3.0	1,145,200
11	Nurse education and research program--FTEs	3.0	814,900
12	Policy and planning administration--FTEs	19.9	2,662,300
13	Primary care services--FTEs	3.0	3,803,900
14	Rape prevention and services--FTEs	0.5	5,097,300
15	Rural health services		175,000
16	Uniform statewide sexual assault evidence kit		
17	tracking system		369,500
18	GROSS APPROPRIATION		\$ 202,987,900
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from department of education		2,400
22	IDG from department of licensing and regulatory		
23	affairs		814,900
24	IDG from department of treasury, Michigan		
25	finance authority		117,700
26	Federal revenues:		
27	Social security act, temporary assistance for		
28	needy families		6,736,000

1	Capped federal revenues		10,704,100
2	Total other federal revenues		102,704,200
3	Special revenue funds:		
4	Total private revenues		865,000
5	Child advocacy centers fund		1,407,000
6	Compulsive gambling prevention fund		1,040,500
7	Crime victim's rights fund		18,764,100
8	Crime victim's rights sustaining fund		20,000,000
9	Sexual assault victims' prevention and		
10	treatment fund		3,000,000
11	Total other state restricted revenues		3,261,400
12	State general fund/general purpose	\$	33,570,600
13	Sec. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL		
14	SERVICES, AND LABORATORY		
15	Full-time equated classified positions	425.9	
16	Bioterrorism preparedness--FTEs	53.0	\$ 30,807,300
17	Childhood lead program--FTEs	4.5	2,330,900
18	Emergency medical services program--FTEs	27.0	8,974,200
19	Epidemiology administration--FTEs	73.5	26,094,400
20	Healthy homes program--FTEs	42.0	40,054,600
21	Laboratory services--FTEs	102.0	30,243,600
22	Newborn screening follow-up and treatment		
23	services--FTEs	10.5	9,237,300
24	PFAS and environmental contamination response--		
25	FTEs	43.0	20,346,400
26	Vital records and health statistics--FTEs	70.4	11,393,500
27	GROSS APPROPRIATION	\$	179,482,200
28	Appropriated from:		

1	Interdepartmental grant revenues:		
2	IDG from department of environment, Great		
3	Lakes, and energy		1,797,800
4	Federal revenues:		
5	Capped federal revenues		81,100
6	Total other federal revenues		77,138,300
7	Special revenue funds:		
8	Total private revenues		1,342,600
9	Total other state restricted revenues		31,345,600
10	State general fund/general purpose	\$	67,776,800
11	Sec. 115. LOCAL HEALTH AND ADMINISTRATIVE		
12	SERVICES		
13	Full-time equated classified positions	189.1	
14	AIDS prevention, testing, and care programs--		
15	FTEs	79.5	\$ 110,575,400
16	Cancer prevention and control program--FTEs	18.0	15,858,500
17	Chronic disease control and health promotion		
18	administration--FTEs	28.4	10,567,400
19	Diabetes and kidney program--FTEs	8.0	4,172,000
20	Essential local public health services		65,419,300
21	Implementation of 1993 PA 133, MCL 333.17015		20,000
22	Local health services--FTEs	3.3	6,398,200
23	Medicaid outreach cost reimbursement to local		
24	health departments		12,500,000
25	Public health administration--FTEs	8.0	2,104,200
26	Sexually transmitted disease control program--		
27	FTEs	20.0	8,483,300
28	Smoking prevention program--FTEs	15.0	4,371,900

1	Violence prevention--FTEs	8.9	13,518,800
2	GROSS APPROPRIATION		\$ 253,989,000
3	Appropriated from:		
4	Federal revenues:		
5	Social security act, temporary assistance for		
6	needy families		2,300
7	Total other federal revenues		90,246,900
8	Special revenue funds:		
9	Total local revenues		5,150,000
10	Total private revenues		74,437,700
11	Total other state restricted revenues		11,790,800
12	State general fund/general purpose		\$ 72,361,300
13	Sec. 116. FAMILY HEALTH SERVICES		
14	Full-time equated classified positions	137.1	
15	Child and adolescent health care and centers		\$ 41,242,700
16	Dental programs--FTEs	5.3	7,734,300
17	Drinking water declaration of emergency		4,271,000
18	Family, maternal, and child health		
19	administration--FTEs	49.0	10,660,300
20	Family planning local agreements		8,810,700
21	Immunization program--FTEs	20.8	20,652,900
22	Local MCH services		7,018,100
23	Pregnancy prevention program		1,297,900
24	Prenatal care and premature birth avoidance		
25	grant		1,000,000
26	Prenatal care outreach and service delivery		
27	support--FTEs	17.0	38,335,800
28	Special projects		6,289,100

1	Sudden and unexpected infant death and		
2	suffocation prevention program		321,300
3	Women, infants, and children program		
4	administration and special projects--FTEs	45.0	19,520,800
5	Women, infants, and children program local		
6	agreements and food costs		231,285,000
7	GROSS APPROPRIATION		\$ 398,439,900
8	Appropriated from:		
9	Federal revenues:		
10	Total other federal revenues		248,524,400
11	Special revenue funds:		
12	Total local revenues		42,817,700
13	Total private revenues		64,785,700
14	Total other state restricted revenues		4,049,500
15	State general fund/general purpose		\$ 38,262,600
16	Sec. 117. CHILDREN'S SPECIAL HEALTH CARE		
17	SERVICES		
18	Full-time equated classified positions	48.8	
19	Bequests for care and services--FTEs	2.8	\$ 2,087,100
20	Children's special health care services		
21	administration--FTEs	46.0	8,117,100
22	Medical care and treatment		287,716,400
23	Nonemergency medical transportation		921,200
24	Outreach and advocacy		6,722,200
25	GROSS APPROPRIATION		\$ 305,564,000
26	Appropriated from:		
27	Federal revenues:		
28	Total other federal revenues		173,802,000

1	Special revenue funds:		
2	Total private revenues		1,115,500
3	Total other state restricted revenues		4,933,300
4	State general fund/general purpose	\$	125,713,200
5	Sec. 118. AGING SERVICES		
6	Community services	\$	60,929,300
7	Employment assistance		3,500,000
8	Nutrition services		48,054,200
9	Respite care program		6,468,700
10	Senior volunteer service programs		4,765,300
11	GROSS APPROPRIATION	\$	123,717,500
12	Appropriated from:		
13	Federal revenues:		
14	Total other federal revenues		63,637,400
15	Special revenue funds:		
16	Total private revenues		300,000
17	Michigan merit award trust fund		4,068,700
18	Total other state restricted revenues		2,000,000
19	State general fund/general purpose	\$	53,711,400
20	Sec. 119. HEALTH AND AGING SERVICES		
21	ADMINISTRATION		
22	Full-time equated classified positions		464.0
23	Aging services administration--FTEs	43.0 \$	9,515,300
24	Health services administration--FTEs	388.0	86,755,300
25	Healthy Michigan plan administration--FTEs	33.0	31,573,800
26	GROSS APPROPRIATION	\$	127,844,400
27	Appropriated from:		
28	Federal revenues:		

1	Total other federal revenues	84,239,600
2	Special revenue funds:	
3	Total local revenues	37,700
4	Total private revenues	1,721,300
5	Total other state restricted revenues	336,300
6	State general fund/general purpose	\$ 41,509,500
7	Sec. 120. HEALTH SERVICES	
8	Adult home help services	\$ 538,587,600
9	Ambulance services	21,317,200
10	Auxiliary medical services	6,832,100
11	Dental clinic program	1,000,000
12	Dental redesign	110,000,000
13	Dental services	319,588,900
14	Federal Medicare pharmaceutical program	331,617,600
15	Health plan services	6,052,043,500
16	Healthy Michigan plan	5,731,542,200
17	Home health services	4,880,300
18	Hospice services	141,959,400
19	Hospital disproportionate share payments	45,000,000
20	Hospital services and therapy	788,221,800
21	Integrated care organizations	417,918,500
22	Long-term care services	2,138,075,000
23	Maternal and child health	18,671,500
24	Medicaid home- and community-based services	
25	waiver	477,429,200
26	Medicare premium payments	863,889,500
27	Personal care services	6,397,200
28	Pharmaceutical services	373,804,600

1	Physician services		255,498,400
2	Plan first		6,000,000
3	Program of all-inclusive care for the elderly		259,018,100
4	Recuperative care		297,600
5	School-based services		171,401,200
6	Special Medicaid reimbursement		298,774,000
7	Transportation		18,764,900
8	GROSS APPROPRIATION		\$ 19,398,530,300
9	Appropriated from:		
10	Federal revenues:		
11	Total other federal revenues		14,071,555,300
12	Special revenue funds:		
13	Total local revenues		26,124,900
14	Total private revenues		16,582,000
15	Michigan merit award trust fund		57,200,000
16	Total other state restricted revenues		2,741,496,600
17	State general fund/general purpose		\$ 2,485,571,500
18	Sec. 121. INFORMATION TECHNOLOGY		
19	Full-time equated classified positions	11.0	
20	Bridges information system		\$ 98,518,600
21	Child support automation		45,567,200
22	Comprehensive child welfare information system		8,259,800
23	Information technology services and projects		240,591,300
24	Michigan Medicaid information system--FTE	1.0	105,285,100
25	Michigan statewide automated child welfare		
26	information system		21,539,800
27	Technology supporting integrated service		
28	delivery--FTEs	10.0	16,053,100

1	GROSS APPROPRIATION		\$ 535,814,900
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from department of education		1,059,700
5	Federal revenues:		
6	Social security act, temporary assistance for		
7	needy families		24,471,400
8	Capped federal revenues		21,990,200
9	Total other federal revenues		337,235,600
10	Special revenue funds:		
11	Total private revenues		5,250,000
12	Total other state restricted revenues		2,010,400
13	State general fund/general purpose		\$ 143,797,600
14	Sec. 122. ONE-TIME APPROPRIATIONS		
15	Full-time equated classified positions	6.0	
16	Adolescent hair loss reimbursement fund		\$ 1,000,000
17	Alternative payment study		100,000
18	ARP - behavioral health professional		
19	recruitment and retention		5,000,000
20	ARP - behavioral health workforce expansion -		
21	accelerated degree program		10,000,000
22	ARP - direct care wage supplement		70,000,000
23	ARP - home energy		50,000,000
24	ARP - local water utility affordability		40,000,000
25	ARP - pre-weatherization		25,000,000
26	Behavioral health patient health information		
27	tool		3,000,000
28	Behavioral health services		2,000,000

1	Biomedical research and science education		1,000,000
2	Certified community behavioral health clinic		
3	expansion		9,000,000
4	Children's rehabilitation hospital		10,000,000
5	Complex medical condition center		350,000
6	Community-based coverage entity		1,200,000
7	Community health programs		20,750,000
8	Community health residency program		2,000,000
9	Community information exchange		2,000,000
10	Community violence prevention - community grant		
11	program		18,000,000
12	Community violence prevention - firearm safety		2,000,000
13	Comprehensive child welfare information system-		
14	-FTEs	6.0	6,924,000
15	Court-appointed special advocates		1,500,000
16	Court-operated facility construction		25,000,000
17	Crime victim's rights sustaining fund		60,000,000
18	Crisis residential unit		500,000
19	Crisis stabilization capacity		4,000,000
20	Critical access hospital renovation		12,000,000
21	Diaper assistance payments		1,500,000
22	Direct care worker supervisory training		2,500,000
23	Direct care wage supplement		70,000,000
24	Early detection and education of teenage heart		
25	ailments		75,000
26	First responder and public safety staff mental		
27	health		5,000,000
28	Food Bank Council of Michigan		20,850,000

1	Food deserts	10,000,000
2	Foster care respite services	13,895,500
3	Genemarkers	1,600,000
4	Health centers careers training program	6,000,000
5	Healthy communities grant	3,000,000
6	Healthy homes program	12,500,000
7	Inclusive health care	15,000,000
8	Inpatient psychiatric reimbursement supplement	8,000,000
9	Kids' food basket	1,000,000
10	Level 1 and level 2 trauma centers	12,000,000
11	Maternal health services	20,920,000
12	Medicaid outreach	450,000
13	Michigan Child Care Collaborative program	4,696,100
14	Michigan medical survival flight program	100
15	Michigan relief plan	3,500,000
16	Mobile mammography	1,000,000
17	Multicultural integration funding	8,600,000
18	Narcotics awareness program	5,000,000
19	Native American health services	7,000,000
20	Nursing facility rate transition support	110,000,000
21	Psychiatric GME	8,000,000
22	Recovery community organizations	1,800,000
23	Rural obstetric services	1,500,000
24	Safe opioid use task force	500,000
25	Senior nutrition services	1,000,000
26	Sickle cell center	2,500,000
27	Skilled lactation care	5,500,000
28	Substance use rehabilitation services	3,500,000

1	Tobacco prevention and cessation programs	2,500,000
2	University autism center	4,000,000
3	University dental clinic	2,000,000
4	Water quality projects	20,000,000
5	Youth mental health center	2,500,000
6	GROSS APPROPRIATION	\$ 781,710,700
7	Appropriated from:	
8	Federal revenues:	
9	Coronavirus state fiscal recovery fund	200,000,000
10	Social security act, temporary assistance for	
11	needy families	1,500,000
12	Total other federal revenues	66,631,500
13	Special revenue funds:	
14	Total private revenues	5,000,000
15	State general fund/general purpose	\$ 508,579,200

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2023-2024

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$9,665,780,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is \$1,834,475,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

1	CHILD SUPPORT ENFORCEMENT	
2	Child support incentive payments	\$ 10,000,000
3	Legal support contracts	3,000
4	COMMUNITY SERVICES AND OUTREACH	
5	Homeless programs	20,000
6	Housing and support services	117,000
7	CHILDREN'S SERVICES AGENCY - CHILD WELFARE	
8	Child care fund	160,000,000
9	Child care fund - indirect cost allotment	3,500,000
10	Child welfare licensing	110,000
11	Child welfare medical/psychiatric evaluations	20,000
12	Children's trust fund	65,000
13	Contractual services, supplies, and materials	5,000
14	Family preservation programs	10,000
15	Foster care payments	3,000,000
16	Strong families/safe children	73,000
17	Youth in transition	200
18	CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE	
19	Bay Pines Center	42,000
20	Community support services	700,000
21	Shawono Center	5,000
22	PUBLIC ASSISTANCE	
23	Emergency services local office allocations	2,200,000
24	Family independence program	1,000
25	Indigent burial	6,000
26	Michigan energy assistance program	200,000
27	State disability assistance payments	150,000
28	LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES	

1	Contractual services, supplies, and materials	120,000
2	Employment and training support services	5,000
3	DISABILITY DETERMINATION SERVICES	
4	Disability determination operations	2,100
5	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND	
6	SPECIAL PROJECTS	
7	Behavioral health program administration	400,000
8	Community substance use disorder prevention,	
9	education, and treatment	10,000,000
10	Gambling addiction	1,500,000
11	Mental health diversion council	400,000
12	BEHAVIORAL HEALTH SERVICES	
13	Autism services	80,000,000
14	Behavioral health community supports and	
15	services	6,000
16	Certified community behavioral health clinic	
17	demonstration	23,200,000
18	Community mental health non-Medicaid services	125,578,200
19	Health homes	2,000,000
20	Healthy Michigan plan - behavioral health	63,000,000
21	Medicaid mental health services	1,000,000,000
22	Medicaid substance use disorder services	29,000,000
23	Nursing home PAS/ARR-OBRA	3,000,000
24	State disability assistance program substance	
25	use disorder services	2,018,000
26	STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL	
27	HEALTH SERVICES	

1	Caro Regional Mental Health Center -	
2	psychiatric hospital - adult	215,000
3	Center for forensic psychiatry	600,000
4	Hawthorn Center - psychiatric hospital -	
5	children and adolescents	68,000
6	Kalamazoo Psychiatric Hospital - adult	85,000
7	Walter P. Reuther Psychiatric Hospital - adult	55,000
8	HEALTH AND HUMAN SERVICES POLICY AND	
9	INITIATIVES	
10	Crime victim rights services grants	11,000,000
11	Domestic violence prevention and treatment	100,000
12	Primary care services	100,000
13	EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND	
14	LABORATORY	
15	Epidemiology administration	315,000
16	Healthy homes program	1,300,000
17	LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
18	AIDS prevention, testing, and care programs	2,900,000
19	Cancer prevention and control program	50,000
20	Essential local public health services	60,269,300
21	Implementation of 1993 PA 133, MCL 333.17015	400
22	Local health services	1,140,000
23	Public health administration	200
24	Sexually transmitted disease control program	650,000
25	Smoking prevention program	500,000
26	FAMILY HEALTH SERVICES	
27	Family planning local agreements	207,000
28	Immunization program	2,330,000

1	Pregnancy prevention program	100,000
2	Prenatal care outreach and service delivery	
3	support	8,800,000
4	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
5	Medical care and treatment	700,000
6	Outreach and advocacy	2,700,000
7	AGING SERVICES	
8	Community services	33,000,000
9	Nutrition services	12,597,200
10	Respite care program	5,700,000
11	Senior volunteer service programs	900,000
12	HEALTH AND AGING SERVICES ADMINISTRATION	
13	Aging services administration	400,000
14	HEALTH SERVICES	
15	Adult home help services	130,000
16	Ambulance services	755,000
17	Dental services	1,700,000
18	Healthy Michigan plan	1,000,000
19	Home health services	1,800
20	Hospital services and therapy	3,300,000
21	Long-term care services	85,000,000
22	Medicaid home- and community-based services	
23	waiver	15,200,000
24	Personal care services	23,000
25	Pharmaceutical services	1,000
26	Physician services	2,800,000
27	Special Medicaid reimbursement	20,000
28	Transportation	225,000

1	ONE-TIME APPROPRIATIONS	
2	Court-operated facility construction	25,000,000
3	Crisis stabilization capacity	4,000,000
4	Direct care wage supplement	10,000,000
5	Senior nutrition services	1,000,000
6	Youth mental health center	2,500,000
7	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,834,475,200

8 Sec. 202. The appropriations authorized under this part and
9 part 1 are subject to the management and budget act, 1984 PA 431,
10 MCL 18.1101 to 18.1594.

11 Sec. 203. As used in this part and part 1:

12 (a) "AIDS" means acquired immunodeficiency syndrome.

13 (b) "CMHSP" means a community mental health services program
14 as that term is defined in section 100a of the mental health code,
15 1974 PA 258, MCL 330.1100a.

16 (c) "CMS" means the Centers for Medicare and Medicaid
17 Services.

18 (d) "Current fiscal year" means the fiscal year ending
19 September 30, 2024.

20 (e) "Department" means the department of health and human
21 services.

22 (f) "Director" means the director of the department.

23 (g) "DSH" means disproportionate share hospital.

24 (h) "EPSDT" means early and periodic screening, diagnosis, and
25 treatment.

26 (i) "Federal poverty level" means the poverty guidelines
27 published annually in the Federal Register by the United States
28 Department of Health and Human Services under its authority to
29 revise the poverty line under 42 USC 9902.

- 1 (j) "FQHC" means federally qualified health center.
- 2 (k) "FTE" means full-time equated.
- 3 (l) "GME" means graduate medical education.
- 4 (m) "Health plan" means, at a minimum, an organization that
5 meets the criteria for delivering the comprehensive package of
6 services under the department's comprehensive health plan.
- 7 (n) "HEDIS" means health care effectiveness data and
8 information set.
- 9 (o) "HMO" means health maintenance organization.
- 10 (p) "IDEA" means the individuals with disabilities education
11 act, 20 USC 1400 to 1482.
- 12 (q) "IDG" means interdepartmental grant.
- 13 (r) "MCH" means maternal and child health.
- 14 (s) "Medicaid" means subchapter XIX of the social security
15 act, 42 USC 1396 to 1396w-6.
- 16 (t) "Medicare" means subchapter XVIII of the social security
17 act, 42 USC 1395 to 1395III.
- 18 (u) "MiCAFE" means Michigan's coordinated access to food for
19 the elderly.
- 20 (v) "MiChild" means the program described in section 1670 of
21 this part.
- 22 (w) "MiSACWIS" means Michigan statewide automated child
23 welfare information system.
- 24 (x) "PAS/ARR-OBRA" means the preadmission screening and annual
25 resident review required under the omnibus budget reconciliation
26 act of 1987, section 1919(e)(7) of the social security act, 42 USC
27 1396r.
- 28 (y) "PFAS" means perfluoroalkyl and polyfluoroalkyl
29 substances.

1 (z) "PIHP" means an entity designated by the department as a
2 regional entity or a specialty prepaid inpatient health plan for
3 Medicaid mental health services, services to individuals with
4 developmental disabilities, and substance use disorder services.
5 Regional entities are described in section 204b of the mental
6 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
7 inpatient health plans are described in section 232b of the mental
8 health code, 1974 PA 258, MCL 330.1232b.

9 (aa) "Previous fiscal year" means the fiscal year ending
10 September 30, 2023.

11 (bb) "Quarterly reports" means 4 reports shall be submitted to
12 the required recipients by the following dates: February 1, April
13 1, July 1, and September 30 of the current fiscal year.

14 (cc) "Semiannual basis" means March 1 and September 30 of the
15 current fiscal year.

16 (dd) "Settlement" means the settlement agreement entered in
17 the case of *Dwayne B. v Snyder*, docket no. 2:06-cv-13548 in the
18 United States District Court for the Eastern District of Michigan.

19 (ee) "SSI" means supplemental security income.

20 (ff) "Temporary assistance for needy families" or "TANF" or
21 "title IV-A" means part A of subchapter IV of the social security
22 act, 42 USC 601 to 619.

23 (gg) "Title IV-B" means part B of title IV of the social
24 security act, 42 USC 621 to 629m.

25 (hh) "Title IV-D" means part D of title IV of the social
26 security act, 42 USC 651 to 669b.

27 (ii) "Title IV-E" means part E of title IV of the social
28 security act, 42 USC 670 to 679c.

29 (jj) "Title X" means subchapter VIII of the public health

1 service act, 42 USC 300 to 300a-8, which establishes grants to
2 states for family planning services.

3 Sec. 204. The department shall use the internet to fulfill the
4 reporting requirements of this part. This requirement shall include
5 transmission of reports via email to the recipients identified for
6 each reporting requirement and it shall include placement of
7 reports on an internet site.

8 Sec. 205. To the extent permissible under section 261 of the
9 management and budget act, 1984 PA 431, MCL 18.1261, all of the
10 following apply to funds appropriated in part 1:

11 (a) The funds must not be used for the purchase of foreign
12 goods or services, or both, if competitively priced and of
13 comparable quality American goods or services, or both, are
14 available.

15 (b) Preference must be given to goods or services, or both,
16 manufactured or provided by Michigan businesses, if they are
17 competitively priced and of comparable quality.

18 (c) Preference must be given to goods or services, or both,
19 that are manufactured or provided by Michigan businesses owned and
20 operated by veterans, if they are competitively priced and of
21 comparable quality.

22 Sec. 206. To the extent permissible under the management and
23 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall
24 take all reasonable steps to ensure geographically-disadvantaged
25 business enterprises as defined in Executive Directive No. 2019-08
26 compete for and perform contracts to provide services or supplies,
27 or both. The director shall strongly encourage firms with which the
28 department contracts to subcontract with geographically-
29 disadvantaged business enterprises as defined in Executive

1 Directive No. 2019-08 for services, supplies, or both.

2 Sec. 207. The department shall prepare a report on out-of-
3 state travel expenses not later than January 1 of each year. The
4 travel report shall be a listing of all travel by classified and
5 unclassified employees outside this state in the previous fiscal
6 year that was funded in whole or in part with funds appropriated in
7 the department's budget. The report shall be submitted to the
8 report recipients required in section 246 of this part. The report
9 shall include the following information:

10 (a) The dates of each travel occurrence.

11 (b) The total transportation and related costs of each travel
12 occurrence, including the proportion funded with state general
13 fund/general purpose revenues, the proportion funded with state
14 restricted revenues, the proportion funded with federal revenues,
15 and the proportion funded with other revenues.

16 Sec. 208. Funds appropriated in part 1 shall not be used by
17 the department to hire a person to provide legal services that are
18 the responsibility of the attorney general. This prohibition does
19 not apply to legal services for bonding activities and for those
20 outside services that the attorney general authorizes.

21 Sec. 209. Not later than December 15, the state budget office
22 shall prepare and transmit a report that provides for estimates of
23 the total general fund/general purpose appropriation lapses at the
24 close of the previous fiscal year. This report shall summarize the
25 projected year-end general fund/general purpose appropriation
26 lapses by major departmental program or program areas. The report
27 shall be transmitted to the chairpersons of the senate and house
28 appropriations committees, and to the report recipients required in
29 section 246 of this part.

1 Sec. 210. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$200,000,000.00 for
3 federal contingency authorization. Authorized funds are not
4 available for expenditure until they have been transferred to
5 another line item in part 1 under section 393(2) of the management
6 and budget act, 1984 PA 431, MCL 18.1393. Federal contingency
7 authorization must not be made available to increase TANF
8 authorization.

9 (2) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$40,000,000.00 for state
11 restricted contingency authorization. Authorized funds are not
12 available for expenditure until they have been transferred to
13 another line item in part 1 under section 393(2) of the management
14 and budget act, 1984 PA 431, MCL 18.1393.

15 (3) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$15,000,000.00 for local
17 contingency authorization. Authorized funds are not available for
18 expenditure until they have been transferred to another line item
19 in part 1 under section 393(2) of the management and budget act,
20 1984 PA 431, MCL 18.1393.

21 (4) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$20,000,000.00 for private
23 contingency authorization. Authorized funds are not available for
24 expenditure until they have been transferred to another line item
25 in part 1 under section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.

27 Sec. 211. The department shall cooperate with the department
28 of technology, management, and budget to maintain a searchable
29 website accessible by the public at no cost that includes, but is

1 not limited to, all of the following for the department:

2 (a) Fiscal year-to-date expenditures by category.

3 (b) Fiscal year-to-date expenditures by appropriation unit.

4 (c) Fiscal year-to-date payments to a selected vendor,
5 including the vendor name, payment date, payment amount, and
6 payment description.

7 (d) The number of active department employees by job
8 classification.

9 (e) Job specifications and wage rates.

10 Sec. 212. Within 14 days after the release of the executive
11 budget recommendation, the department shall cooperate with the
12 state budget office to provide the chairpersons of the senate and
13 house appropriations committees and to the report recipients
14 required in section 246 of this part with an annual report on
15 estimated state restricted fund balances, state restricted fund
16 projected revenues, and state restricted fund expenditures for the
17 previous fiscal year and the current fiscal year.

18 Sec. 213. The department shall maintain, on a publicly
19 accessible website, a department scorecard that identifies, tracks,
20 and regularly updates key metrics that are used to monitor and
21 improve the department's performance.

22 Sec. 215. If either of the following events occurs, within 30
23 days after that event the department shall notify the report
24 recipients required in section 246 of this part of that fact:

25 (a) A legislative objective of this part or of a bill or
26 amendment to a bill to amend the social welfare act, 1939 PA 280,
27 MCL 400.1 to 400.119b, cannot be implemented because implementation
28 would conflict with or violate federal regulations.

29 (b) A federal grant, for which a notice of an award has been

1 received, cannot be used, or will not be used.

2 Sec. 216. (1) In addition to funds appropriated in part 1 for
3 all programs and services, there is appropriated for write-offs of
4 accounts receivable, deferrals, and for prior year obligations in
5 excess of applicable prior year appropriations, an amount equal to
6 total write-offs and prior year obligations, but not to exceed
7 amounts available in prior year revenues.

8 (2) The department's ability to satisfy appropriation fund
9 sources in part 1 is not limited to collections and accruals
10 pertaining to services provided in the current fiscal year, but
11 also includes reimbursements, refunds, adjustments, and settlements
12 from prior years.

13 Sec. 217. (1) By March 1 of the current fiscal year, the
14 department shall report to the report recipients required in
15 section 246 of this part on the detailed name and amounts of
16 estimated federal, restricted, private, and local sources of
17 revenue that support the appropriations in each of the line items
18 in part 1.

19 (2) Upon the release of the next fiscal year executive budget
20 recommendation, the department shall report to the same parties in
21 subsection (1) on the amounts and detailed sources of federal,
22 restricted, private, and local revenue proposed to support the
23 total funds appropriated in each of the line items in part 1 of the
24 next fiscal year executive budget proposal.

25 Sec. 218. As required under part 23 of the public health code,
26 1978 PA 368, MCL 333.2301 to 333.2321, the appropriations in part 1
27 must include the following:

28 (a) Immunizations.

29 (b) Communicable disease control.

1 (c) Sexually transmitted infection control.

2 (d) Tuberculosis control.

3 (e) Prevention of gonorrhea eye infection in newborns.

4 (f) Screening newborns for the conditions listed in section
5 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
6 recommended by the newborn screening quality assurance advisory
7 committee created under section 5430 of the public health code,
8 1978 PA 368, MCL 333.5430.

9 (g) Health and human services annex of the Michigan Emergency
10 Management Plan.

11 (h) Prenatal care.

12 (i) Mental health.

13 Sec. 219. (1) The department may contract with the Michigan
14 Public Health Institute for the design and implementation of
15 projects and for other public health-related activities prescribed
16 in section 2611 of the public health code, 1978 PA 368, MCL
17 333.2611. The department may develop a master agreement with the
18 Michigan Public Health Institute to carry out these purposes for up
19 to a 1-year period.

20 (2) The department shall report to the report recipients
21 required in section 246 of this part on a semiannual basis all of
22 the following:

23 (a) A detailed description of each funded project.

24 (b) The amount allocated for each project, the appropriation
25 line item from which the allocation is funded, and the source of
26 financing for each project.

27 (c) The expected project duration.

28 (d) A detailed spending plan for each project, including a
29 list of all subgrantees and the amount allocated to each

1 subgrantee.

2 (3) On a semiannual basis, the department shall provide to the
3 report recipients required in section 246 of this part a copy of
4 all reports, studies, and publications produced by the Michigan
5 Public Health Institute, its subcontractors, or the department with
6 the funds appropriated in the department's budget in the previous
7 fiscal year and allocated to the Michigan Public Health Institute.

8 Sec. 220. The department shall ensure that faith-based
9 organizations are able to apply and compete for services, programs,
10 or contracts that they are qualified and suitable to fulfill. The
11 department shall not disqualify faith-based organizations solely on
12 the basis of the religious nature of their organization or their
13 guiding principles or statements of faith.

14 Sec. 221. According to section 1b of the social welfare act,
15 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
16 part as a time-limited addendum to the social welfare act, 1939 PA
17 280, MCL 400.1 to 400.119b.

18 Sec. 222. (1) The department shall provide notification to the
19 report recipients required in section 246 of this part of any major
20 policy changes at least 30 days before the implementation date of
21 those policy changes.

22 (2) The department shall make the entire policy and procedures
23 manual available and accessible to the public via the department
24 website.

25 (3) The department shall report by April 1 of the current
26 fiscal year on each specific policy change made to implement a
27 public act affecting the department that took effect during the
28 prior calendar year to the senate and house appropriations
29 committees, the joint committee on administrative rules, and to the

1 report recipients required in section 246 of this part.

2 (4) The department shall attach each policy bulletin issued
3 during the prior calendar year to the report issued in subsection
4 (3).

5 Sec. 223. The department may establish and collect fees for
6 publications, videos and related materials, conferences, and
7 workshops. Collected fees are appropriated when received and shall
8 be used to offset expenditures to pay for printing and mailing
9 costs of the publications, videos and related materials, and costs
10 of the workshops and conferences. The department shall not collect
11 fees under this section that exceed the cost of the expenditures.
12 When collected fees are appropriated under this section in an
13 amount that exceeds the current fiscal year appropriation, within
14 30 days the department shall notify the report recipients required
15 in section 246 of this part of that fact.

16 Sec. 224. The department may retain all of the state's share
17 of food assistance overissuance collections as an offset to general
18 fund/general purpose costs. Retained collections shall be applied
19 against federal funds deductions in all appropriation units where
20 department costs related to the investigation and recoupment of
21 food assistance overissuances are incurred. Retained collections in
22 excess of those costs shall be applied against the federal funds
23 deducted in the departmental administration and support
24 appropriation unit.

25 Sec. 226. If the revenue collected by the department from fees
26 and collections exceeds the amount appropriated in part 1, the
27 revenue may be carried forward with the approval of the state
28 budget director into the subsequent fiscal year. The revenue
29 carried forward under this section shall be used as the first

1 source of funds in the subsequent fiscal year.

2 Sec. 227. The state departments, agencies, and commissions
3 receiving tobacco tax funds and Healthy Michigan fund revenue from
4 part 1 shall report by April 1 of the current fiscal year to the
5 report recipients required in section 246 of this part on the
6 following activities during the previous fiscal year:

7 (a) Tobacco tax revenue appropriations in the Medicaid
8 program.

9 (b) Project information for each project, including all of the
10 following:

11 (i) Project name.

12 (ii) Appropriation line item and amount.

13 (iii) Target population.

14 (iv) Project description.

15 (v) Project outcomes or accomplishments.

16 Sec. 228. If the department is authorized under state or
17 federal law to collect an overpayment owed to the department, the
18 department may assess a penalty of 1% per month beginning 60 days
19 after notification. If an overpayment is caused by department
20 error, a penalty may not be assessed until 6 months after the
21 initial notification date of the overpayment amount. The department
22 shall not collect penalty interest in an amount that exceeds the
23 amount of the original overpayment. The state share of any funds
24 collected under this section shall be deposited in the state
25 general fund.

26 Sec. 230. By December 31 of the current fiscal year, the
27 department shall report to the report recipients required in
28 section 246 of this part on the status of the implementation of any
29 noninflationary, noncaseload, programmatic funding increases in the

1 current fiscal year from the previous fiscal year. The report shall
2 confirm the implementation of already implemented funding increases
3 and provide explanations for any planned implementation of funding
4 increases that have not yet occurred. For any planned
5 implementation of funding increases that have not yet occurred, the
6 department shall provide an expected implementation date and the
7 reasons for delayed implementation.

8 Sec. 231. (1) The department shall not expend the funds
9 appropriated in part 1 to enter into any contract with a Medicaid
10 managed care organization of MI Choice Waiver, MI Health Link, or
11 behavioral health unless the Medicaid managed care organization
12 agrees to do all of the following:

13 (a) Increase the direct care wage by \$2.50 per hour, of which
14 \$1.00 per hour is on a 1-time basis, for the services noted in DHHS
15 Medicaid provider letter L 21-76 under the Medicaid managed care
16 organization's relevant program.

17 (b) Ensure to the greatest extent possible that the full
18 amount for funds appropriated for a direct care worker wage
19 increase, except for costs incurred by the employer, including
20 payroll taxes, resulting from the increase to direct care worker
21 wages under this section, is provided to direct care workers
22 through maintained increased wages.

23 (c) Permit a direct care worker to elect, in writing or
24 electronically, to not receive the wage increase provided in this
25 section.

26 (d) Require direct care worker agencies that the Medicaid
27 managed care organization subcontracts with to track and report
28 annually the total amount and percentage of Medicaid reimbursements
29 paid to that direct care worker agency that are used to pay direct

1 care worker wages.

2 (e) Require direct care worker agencies that the Medicaid
3 managed care provider subcontracts with to track and report
4 annually the hourly wages paid for each direct care worker hired by
5 the direct care worker agency.

6 (f) Track annually the hourly wages paid to each direct care
7 worker hired directly by the Medicaid managed care organization or
8 CMHSP.

9 (g) Report annually to the department the information required
10 in subdivisions (d), (e), and (f).

11 (2) Upon request, the department shall provide to the
12 legislature the report required in subsection (1)(g).

13 Sec. 232. The department shall provide the approved spending
14 plan for each line item receiving an appropriation in the current
15 fiscal year to the senate and house appropriations subcommittees on
16 the department budget and the senate and house fiscal agencies
17 within 60 days after approval by the department but not later than
18 January 15 of the current fiscal year. Compliance with this section
19 is not met unless a line-item appropriation name is included in all
20 places that a line-item appropriation number is listed. The
21 spending plan shall include the following information regarding
22 planned expenditures for each category: allocation in the previous
23 period, change in the allocation, and new allocation. The spending
24 plan shall include the following information regarding each revenue
25 source for the line item: category of the fund source indicated by
26 general fund/general purpose, state restricted, local, private, or
27 federal. Figures included in the approved spending plan shall not
28 be assumed to constitute the actual final expenditures, as line
29 items may be updated on an as-needed basis to reflect changes in

1 projected expenditures and projected revenue. The department shall
2 supplement the spending plan information by providing a list of all
3 active contracts and grants in the department's contract system.
4 For amounts listed in the other contracts category of each spending
5 plan, the department shall provide a list of all contracts and
6 grants and amounts for the current fiscal year, and include the
7 name of the line item and the name of the fund source related to
8 each contract or grant and amount. For amounts listed in the all
9 other costs category of each spending plan, the department shall
10 provide a list detailing planned expenditures and amounts for the
11 current fiscal year, and include the name of the line item and the
12 name of the fund source related to each amount and expenditure.

13 Sec. 234. The department shall receive and retain copies of
14 all reports funded from appropriations in part 1. Federal and state
15 guidelines for short-term and long-term retention of records shall
16 be followed. The department may electronically retain copies of
17 reports unless otherwise required by federal and state guidelines.

18 Sec. 235. (1) Money appropriated in part 1 must not be used to
19 restrict or interfere with actions related to diversity, equity,
20 and inclusion (DEI); to restrict or impede a marginalized
21 community's access to government resources, programs, or
22 facilities; or to diminish, interfere with, or restrict an
23 individual's ability to exercise the right to reproductive freedom.

24 (2) From the funds appropriated in part 1, local governments
25 shall report any action or policy that attempts to restrict or
26 interfere with the duties of the local health officer.

27 Sec. 236. (1) From the funds appropriated in part 1, the
28 department shall do both of the following:

29 (a) Report to the house and senate appropriations committees

1 and to the report recipients required in section 246 of this part
2 any amount of severance pay for a department director, deputy
3 director, or other high-ranking department official not later than
4 14 days after a severance agreement with the director or official
5 is signed. The name of the director or official and the amount of
6 severance pay must be included in the report required by this
7 subdivision.

8 (b) By February 1, report to the report recipients required in
9 section 246 of this part on the total amount of severance pay
10 remitted to former department employees during the previous fiscal
11 year and the total number of former department employees that were
12 remitted severance pay during the previous fiscal year.

13 (2) As used in this section, "severance pay" means
14 compensation that is both payable or paid upon the termination of
15 employment and in addition to either wages or benefits earned
16 during the course of employment or generally applicable retirement
17 benefits.

18 Sec. 238. It is the intent of the legislature that departments
19 maximize the efficiency of the state workforce and, where possible,
20 prioritize in-person work. Each executive branch department,
21 agency, board, or commission that receives funding under part 1
22 must post its in-person, remote, or hybrid work policy on its
23 website.

24 Sec. 239. For behavioral and physical health services provided
25 through managed care or the fee-for-service program, the department
26 shall require, for the nonfacility component of the reimbursement
27 rate, at least the same reimbursement for that service, if that
28 service is provided through telemedicine, as if the service
29 involved face-to-face contact between the health care professional

1 and the patient.

2 Sec. 240. Appropriations in part 1 shall, to the extent
3 possible by the department, not be expended until all existing work
4 project authorization available for the same purposes is exhausted.

5 Sec. 241. By March 1 of the current fiscal year, the
6 department shall report to the report recipients required in
7 section 246 of this part on total actual expenditures in the
8 previous fiscal year for advertising and media outreach, including
9 the purpose, amount, and fund source by program or appropriation
10 line-item.

11 Sec. 244. On a monthly basis, the department shall report to
12 the report recipients required in section 246 of this part on any
13 line-item appropriation for which the department estimates total
14 annual expenditures would exceed the funds appropriated for that
15 line-item appropriation by 5% or more. The department shall provide
16 a detailed explanation for any relevant line-item appropriation
17 exceedance and shall identify the corrective actions undertaken to
18 mitigate line-item appropriation expenditures from exceeding the
19 funds appropriated for that line-item appropriation by a greater
20 amount. This section does not apply for line-item appropriations
21 that are part of the May revenue estimating conference caseload and
22 expenditure estimates.

23 Sec. 246. Except as otherwise provided in this part, all
24 reports required under this part shall be submitted to the senate
25 and house appropriations subcommittees on the department budget,
26 the senate and house fiscal agencies, the senate and house policy
27 offices, and the state budget office.

28 Sec. 252. The appropriations in part 1 for Healthy Michigan
29 plan - behavioral health, Healthy Michigan plan administration, and

1 Healthy Michigan plan are contingent on the provisions of the
2 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were
3 contained in 2013 PA 107 not being amended, repealed, or otherwise
4 altered to eliminate the Healthy Michigan plan. If that occurs,
5 then, upon the effective date of the amendatory act that amends,
6 repeals, or otherwise alters those provisions, the remaining funds
7 in the Healthy Michigan plan - behavioral health, Healthy Michigan
8 plan administration, and Healthy Michigan plan line items shall
9 only be used to pay previously incurred costs and any remaining
10 appropriations shall not be allotted to support those line items.

11 Sec. 253. (1) The department shall ensure that federally
12 recognized tribes are able to apply and compete for services,
13 programs, grants, or contracts.

14 (2) For competitive grant programs described in this part,
15 federally recognized tribes are eligible to apply for grant funds
16 made available to organizations exempt from federal income tax
17 under section 501(c)(3) of the internal revenue code of 1986, 26
18 USC 501, and to local units of government.

19 Sec. 263. (1) Except as otherwise provided in this subsection,
20 before submission of a waiver, a state plan amendment, or a similar
21 proposal to CMS or other federal agency, the department shall
22 provide notification of the planned submission to the report
23 recipients required in section 246 of this part. This subsection
24 does not apply to the submission of a waiver, a state plan
25 amendment, or similar proposal that does not propose a material
26 change or is outside of the ordinary course of waiver, state plan
27 amendment, or similar proposed submissions.

28 (2) The department shall provide reports on a semiannual basis
29 to the report recipients required in section 246 of this part

1 summarizing the status of any new or ongoing discussions with CMS,
2 the United States Department of Health and Human Services, or other
3 federal agency regarding potential or future waiver applications as
4 well as the status of submitted waivers that have not yet received
5 federal approval. If, at the time a semiannual report is due, there
6 are no reportable items, then no report is required to be provided.

7 Sec. 264. The department shall not take disciplinary action
8 against an employee of the department in the state classified civil
9 service for communicating with a member of the legislature or the
10 member's staff, unless the communication is prohibited by law and
11 the department is exercising its authority as provided by law.

12 Sec. 270. The department shall advise the legislature of the
13 receipt of a notification from the attorney general's office of a
14 legal action in which expenses had been recovered according to
15 section 106(6) of the social welfare act, 1939 PA 280, MCL 400.106.
16 By February 1 of the current fiscal year, the department shall
17 submit a report to the report recipients required in section 246 of
18 this part that includes, at a minimum, all of the following:

19 (a) The total amount recovered from the legal action.

20 (b) The program or service for which the money was originally
21 expended.

22 (c) Details on the disposition of the funds recovered such as
23 the appropriation or revenue account in which the money was
24 deposited.

25 (d) A description of the facts involved in the legal action.

26 Sec. 274. The department, in collaboration with the state
27 budget office, shall submit to the report recipients required in
28 section 246 of this part 1 week after the day the governor submits
29 to the legislature the budget for the ensuing fiscal year a report

1 on spending and revenue projections for each of the capped federal
2 funds listed below. The report shall contain actual spending and
3 revenue in the previous fiscal year, spending and revenue
4 projections for the current fiscal year as enacted, and spending
5 and revenue projections within the executive budget proposal for
6 the fiscal year beginning October 1, 2024 for each individual line
7 item for the department budget. The report shall also include
8 federal funds transferred to other departments. The capped federal
9 funds shall include, but not be limited to, all of the following:

- 10 (a) TANF.
11 (b) Title XX social services block grant.
12 (c) Title IV-B part I child welfare services block grant.
13 (d) Title IV-B part II promoting safe and stable families
14 funds.
15 (e) Low-income home energy assistance program.

16 Sec. 275. (1) On a quarterly basis, the department, with the
17 approval of the state budget director, is authorized to realign
18 sources between other federal, TANF, and capped federal financing
19 authorizations in order to maximize federal revenues. This
20 realignment of financing shall not produce a gross increase or
21 decrease in the department's total individual line item
22 authorizations, nor will it produce a net increase or decrease in
23 total federal revenues, or a net increase in TANF authorization.

24 (2) On a quarterly basis, the department shall report to the
25 report recipients required in section 246 of this part on the
26 realignment of federal fund sources transacted to date in the
27 current fiscal year under the authority of subsection (1),
28 including the dates, line items, and amounts of the transactions.
29 If, at the time a quarterly report is due, no transactions were

1 made under subsection (1), then no report is required to be
2 provided.

3 (3) Within 30 days after the date on which year-end book
4 closing is completed, the department shall submit to the report
5 recipients required in section 246 of this part a report on the
6 realignment of federal fund sources that took place as part of the
7 year-end closing process for the previous fiscal year.

8 Sec. 290. Any public advertisement for public assistance shall
9 also inform the public of the welfare fraud hotline operated by the
10 department.

11 Sec. 296. From the funds appropriated in part 1, the
12 department to the extent permissible under section 8 of 1964 PA
13 170, MCL 691.1408, is responsible for the necessary and reasonable
14 attorney fees and costs incurred by private and independent legal
15 counsel chosen by current and former classified and unclassified
16 department employees in the defense of the employees in any state
17 or federal lawsuit or investigation related to the water system in
18 a city or community in which a declaration of emergency was issued
19 because of drinking water contamination.

20 Sec. 297. On a quarterly basis, the department shall report to
21 the senate and house appropriations committees and to the report
22 recipients required in section 246 of this part a comparison by
23 line item of the number of FTE positions authorized from funds
24 appropriated in part 1 to the actual number of FTE positions
25 employed by the department at the end of the reporting period.

26

27 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

28 Sec. 301. From the funds appropriated in part 1 for child
29 welfare institute, the department shall train private child placing

1 agency staff in the pre-service training requirements for child
2 welfare caseworkers and supervisors. All private child placing
3 agency staff must be provided an opportunity to complete training
4 at their private child placing agency facilities in a virtual
5 format. A hybrid format that includes virtual and in-person
6 instruction must also be available to all private child placing
7 agency staff according to the preference of a given private child
8 placing agency.

9
10 **CHILD SUPPORT ENFORCEMENT**

11 Sec. 401. (1) The appropriations in part 1 assume a total
12 federal child support incentive payment of \$26,500,000.00.

13 (2) From the federal money received for child support
14 incentive payments, \$12,000,000.00 shall be retained by the state
15 and expended for child support program expenses.

16 (3) From the federal money received for child support
17 incentive payments, \$14,500,000.00 shall be paid to the counties
18 based on each county's performance level for each of the federal
19 performance measures as established in 45 CFR 305.2.

20 (4) If the child support incentive payment to the state from
21 the federal government is greater than \$26,500,000.00, then 100% of
22 the excess shall be retained by the state and is appropriated until
23 the total retained by the state reaches \$15,397,400.00.

24 (5) If the child support incentive payment to the state from
25 the federal government is greater than the amount needed to satisfy
26 the provisions identified in subsections (1), (2), (3), and (4),
27 the additional funds shall be subject to appropriation by the
28 legislature.

29 (6) If the child support incentive payment to the state from

1 the federal government is less than \$26,500,000.00, then the state
2 and county share shall each be reduced by 50% of the shortfall.

3 Sec. 409. (1) If statewide retained child support collections
4 exceed \$38,300,000.00, 75% of the amount in excess of
5 \$38,300,000.00 is appropriated to legal support contracts. This
6 excess appropriation may be distributed to eligible counties to
7 supplement and not supplant county title IV-D funding.

8 (2) Each county whose retained child support collections in
9 the current fiscal year exceed its fiscal year 2004-2005 retained
10 child support collections, excluding tax offset and financial
11 institution data match collections in both the current fiscal year
12 and fiscal year 2004-2005, shall receive its proportional share of
13 the 75% excess.

14 Sec. 410. (1) If title IV-D-related child support collections
15 are escheated, the state budget director is authorized to adjust
16 the sources of financing for the funds appropriated in part 1 for
17 legal support contracts to reduce federal authorization by 66% of
18 the escheated amount and increase general fund/general purpose
19 authorization by the same amount. This budget adjustment is
20 required to offset the loss of federal revenue due to the escheated
21 amount being counted as title IV-D program income in accordance
22 with federal regulations at 45 CFR 304.50.

23 (2) The department shall notify the report recipients required
24 in section 246 of this part not later than 30 days after the
25 authorization adjustment under subsection (1).

26

27 **COMMUNITY SERVICES AND OUTREACH**

28 Sec. 450. (1) From the funds appropriated in part 1 for school
29 success partnership program, the department shall allocate

1 \$1,525,000.00 of TANF revenue by December 1 of the current fiscal
2 year to support the Northeast Michigan Community Service Agency
3 programming. The department shall require the following performance
4 objectives be measured and reported for the duration of the state
5 funding for the school success partnership program:

6 (a) Increasing school attendance and decreasing chronic
7 absenteeism.

8 (b) Increasing academic performance based on grades with
9 emphasis on math and reading.

10 (c) Identifying barriers to attendance and success and
11 connecting families with resources to reduce these barriers.

12 (d) Increasing parent involvement with the parent's child's
13 school and community.

14 (2) By July 15 of the current fiscal year, the Northeast
15 Michigan Community Service Agency shall provide reports to the
16 department on the number of children and families served and the
17 services that were provided to families to meet the performance
18 objectives identified in this section. The department shall
19 distribute the reports within 1 week after receipt to the report
20 recipients required in section 246 of this part.

21 Sec. 453. (1) From the funds appropriated in part 1 for
22 homeless programs, the department shall allocate funds to the
23 emergency shelter program to support efforts of shelter providers
24 to move homeless individuals and households into permanent housing
25 as quickly as possible. Funding provided shall be equal to or
26 exceed the amount a provider would receive if paid a \$19.00 per
27 diem rate. Expected outcomes are increased shelter discharges to
28 stable housing destinations, decreased recidivism rates for shelter
29 clients, and a reduction in the average length of stay in emergency

1 shelters.

2 (2) By March 1 of the current fiscal year, the department
3 shall submit to the report recipients required in section 246 of
4 this part a report on the total amount expended for the program in
5 the prior 2 fiscal years, the total number of shelter nights
6 provided, and the average length of stay in an emergency shelter.

7 Sec. 454. The department shall allocate the full amount of
8 funds appropriated in part 1 for homeless programs to provide
9 services for homeless individuals and families, including, but not
10 limited to, third-party contracts for emergency shelter services.

11 Sec. 455. As a condition of receipt of federal TANF revenue,
12 homeless shelters and human services agencies shall collaborate
13 with the department to obtain necessary TANF eligibility
14 information on families as soon as possible after admitting a
15 family to the homeless shelter. From the funds appropriated in part
16 1 for homeless programs, the department is authorized to make
17 allocations of TANF revenue only to the homeless shelters and human
18 services agencies that report necessary data to the department for
19 the purpose of meeting TANF eligibility reporting requirements.
20 Homeless shelters or human services agencies that do not report
21 necessary data to the department for the purpose of meeting TANF
22 eligibility reporting requirements will not receive reimbursements
23 that exceed the per diem amount they received in fiscal year 2000.
24 The use of TANF revenue under this section is not an ongoing
25 commitment of funding.

26 Sec. 456. From the funds appropriated in part 1 for homeless
27 programs, the department shall allocate \$2,000.00 to reimburse
28 public service agencies that provide documentation of paying birth
29 certificate fees on behalf of category 1 homeless clients at county

1 clerk's offices. Public service agencies shall be reimbursed for
2 the cost of the birth certificate fees quarterly until this
3 allocation is fully spent.

4 Sec. 460. From the funds appropriated in part 1 for kids' food
5 basket, the department shall allocate \$1,525,000.00, of which
6 \$1,000,000.00 is allocated on a 1-time basis, to fund a project
7 with a nonprofit, community-based organization organized under the
8 laws of this state that is exempt from federal income tax under
9 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
10 and is located in a city with a population between 185,000 and
11 200,000 according to the most recent federal decennial census and
12 in a county with a population between 600,000 and 700,000 according
13 to the most recent federal decennial census. The nonprofit
14 organization recipient shall have an existing network of food
15 delivery to low-income children to at least 3 counties in this
16 state. The nonprofit organization shall use the funds for expansion
17 of services to additional schools and communities. The funding may
18 be used to cover employee costs, food and supplies, equipment, and
19 other operational costs identified by the organization to support
20 their mission and goals.

21 Sec. 463. From the funds appropriated in part 1 for runaway
22 and homeless youth grants and domestic violence prevention and
23 treatment, the department is authorized to make allocations of TANF
24 revenue only to agencies that report necessary data to the
25 department to meet TANF eligibility reporting requirements.

26 Sec. 465. (1) From the funds appropriated in part 1 for
27 community services and outreach administration, \$2,950,000.00 must
28 be distributed as provided in subsection (2). The amount
29 distributed under this subsection must not exceed 50% of the total

1 operating expenses of the program described in subsection (2), with
2 the remaining 50% paid by local United Way organizations and other
3 nonprofit organizations and foundations.

4 (2) Funds distributed under subsection (1) shall be
5 distributed to Michigan 2-1-1, a nonprofit corporation organized
6 under the laws of this state that is exempt from federal income tax
7 under section 501(c)(3) of the internal revenue code of 1986, 26
8 USC 501, and whose mission is to coordinate and support a statewide
9 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill
10 the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in
11 January 2005.

12 (3) Michigan 2-1-1 shall refer to the department any calls
13 received reporting fraud, waste, or abuse of state-administered
14 public assistance.

15 (4) Michigan 2-1-1 shall report annually to the department,
16 the house and senate standing committees with primary jurisdiction
17 over matters relating to human services and telecommunications on
18 2-1-1 system performance and the report recipients required in
19 section 246 of this part, including, but not limited to, on call
20 volume by health and human service needs and unmet needs identified
21 through caller data and number and percentage of callers referred
22 to public or private provider types.

23

24 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

25 Sec. 501. (1) A goal is established that not more than 25% of
26 all children in foster care at any given time during the current
27 fiscal year, if in the best interest of the child, will have been
28 in foster care for 24 months or more.

29 (2) By March 1 of the current fiscal year, the department

1 shall provide to the report recipients required in section 246 of
2 this part a report describing the steps that will be taken to
3 achieve the specific goal established under subsection (1) and on
4 the percentage of children who currently have been in foster care a
5 total of 24 or more months.

6 Sec. 502. From the funds appropriated in part 1 for foster
7 care, the department shall provide 50% reimbursement to Indian
8 tribal governments for foster care expenditures for children who
9 are under the jurisdiction of Indian tribal courts and who are not
10 otherwise eligible for federal foster care cost sharing. The
11 department may provide up to 100% reimbursement to Indian tribal
12 governments that enter into a state-tribal title IV-E agreement
13 allowed under this state's title IV-E state plan.

14 Sec. 503. (1) In accordance with the final report of the
15 Michigan child welfare performance-based funding task force issued
16 in response to section 503 of article X of 2013 PA 59, the
17 department shall continue to review, update, or develop actuarially
18 sound case rates for necessary child welfare foster care case
19 management services that achieve permanency by the department and
20 private child placing agencies in a prospective payment system
21 under a performance-based funding model.

22 (2) The department, in conjunction with members from both the
23 house of representatives and senate, private child placing
24 agencies, the courts, and counties shall continue to implement the
25 recommendations that are described in the workgroup report that was
26 provided in section 503 of article X of 2013 PA 59 to establish a
27 performance-based funding model pilot program for public and
28 private child welfare services providers. By July 1 of the current
29 fiscal year, the department shall provide a report on the status of

1 the performance-based contracting model to the report recipients
2 required in section 246 of this part as well as the senate and
3 house standing committees on families and human services.

4 Sec. 504. (1) From the funds appropriated in part 1, the
5 department shall implement a 3-year master agreement with an option
6 for 2 additional years with the West Michigan Partnership for
7 Children Consortium to maintain the performance-based child welfare
8 contracting program. The consortium shall consist of a network of
9 affiliated child welfare service providers that will accept and
10 comprehensively assess referred youth, assign cases to members of
11 its continuum or leverage services from other entities, and make
12 appropriate case management decisions during the duration of a
13 case.

14 (2) As a condition for receiving the funding in part 1, the
15 West Michigan Partnership of Children Consortium shall maintain a
16 contract agreement with the department that supports a global
17 capitated payment model. The capitated payment amount shall be
18 based on historical averages of the number of children served in
19 Kent County and for the costs per foster care case. The West
20 Michigan Partnership for Children Consortium is required to manage
21 the cost of the child population it serves. The administrative
22 portion of the contracted agreement must reflect the cumulative
23 annual percentage change in the Detroit Consumer Price Index from
24 the previous year. The capitated payment amount shall be reviewed
25 and adjusted no less than twice during the current fiscal year or
26 due to any policy changes implemented by the department that result
27 in a volume of placements that differ in a statistically
28 significant manner from the amount allocated in the annual contract
29 between the department and the West Michigan Partnership for

1 Children Consortium as determined by an independent actuary as well
2 as to account for changes in case volumes and any statewide rate
3 increases that are implemented. The contract agreement requires
4 that the West Michigan Partnership for Children Consortium shall
5 maintain the following stipulations and conditions:

6 (a) That the service component of the capitated payment will
7 be calculated assuming rates paid to providers under the program
8 are generally consistent with the department's payment policies for
9 providers throughout the rest of this state.

10 (b) To maintain a risk reserve of at least \$1,500,000.00 to
11 ensure it can meet unanticipated expenses within a given fiscal
12 year.

13 (c) To cooperate with the department on an independent fiscal
14 analysis of costs incurred and revenues received.

15 (3) By March 1 of the current fiscal year, the consortium
16 shall provide to the department and the house and senate
17 appropriations subcommittees on the department budget a report on
18 the consortium, including, but not limited to, actual expenditures,
19 number of children placed by agencies in the consortium, fund
20 balance of the consortium, and the outcomes measured.

21 Sec. 505. By March 1 of the current fiscal year, the
22 department shall provide to the report recipients required in
23 section 246 of this part a report on youth referred or committed to
24 the department for care or supervision in the previous fiscal year
25 and in the first quarter of the current fiscal year outlining the
26 number of youth served by the department within the juvenile
27 justice system, including the number of youth residing in private
28 residential juvenile justice facilities, the type of setting for
29 each youth, performance outcomes, and financial costs or savings.

1 Sec. 506. From the funds appropriated in part 1 for attorney
2 general contract, by March 1 of the current fiscal year, the
3 department shall submit to the report recipients required in
4 section 246 of this part a report on the juvenile justice system in
5 any county in which funds appropriated in part 1 are expended. The
6 report shall include, but not be limited to, the following:

7 (a) The number of youth referred or committed to the
8 department for care or supervision in the previous fiscal year and
9 in the first quarter of the current fiscal year.

10 (b) The number of youth referred or committed to the care or
11 supervision of the county in which funds appropriated in part 1
12 were expended for the previous fiscal year and the first quarter of
13 the current fiscal year.

14 (c) The type of setting for each youth referred or committed
15 for care or supervision, any applicable performance outcomes, and
16 identified financial costs or savings.

17 Sec. 507. The department's ability to satisfy appropriation
18 deductions in part 1 for foster care private collections is not
19 limited to collections and accruals pertaining to services provided
20 only in the current fiscal year but may include revenues collected
21 during the current fiscal year for services provided in prior
22 fiscal years.

23 Sec. 508. (1) In addition to the amount appropriated in part 1
24 for children's trust fund grants, money granted or money received
25 as gifts or donations to the children's trust fund created by 1982
26 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

27 (2) For the funds described in subsection (1), the department
28 shall ensure that administrative delays are avoided and the local
29 grant recipients and direct service providers receive money in an

1 expeditious manner. The department and board shall make available
2 the children's trust fund contract funds to grantees within 31 days
3 of the start date of the funded project.

4 Sec. 509. From the funds appropriated in part 1 for adoption
5 support services, the department shall maintain the increase of
6 contracted rates paid to private child placing agencies, including
7 the \$23.00 per diem for all foster youth from the date of the case
8 acceptance to the date of adoption petition acceptance or for 150
9 days, whichever occurs sooner, for licensed child placing agencies
10 contracted with the department to provide adoption services for
11 foster youth. The per diem rate is to be separate from the outcome-
12 based reimbursement system and must not be deducted from the total
13 reimbursement an agency receives for the applicable placement or
14 finalization rate of an adoption.

15 Sec. 510. The department shall provide reports on a monthly
16 basis to the report recipients required in section 246 of this part
17 on the number of children awaiting placement in a child caring
18 institution in this state. The report must include the number of
19 children awaiting placement by child caring institution and must
20 state the reason for the delay in placement including, but not
21 limited to, facility bed shortages, placement process delays, or
22 other reasons.

23 Sec. 511. The department shall provide reports on a semiannual
24 basis to the report recipients required in section 246 of this part
25 as well as the senate and house standing committees on families and
26 human services on the number and percentage of children who
27 received timely physical and mental health examinations after entry
28 into foster care. The reports shall also include the new methods
29 the department is using since June 14, 2022, to achieve the stated

1 goal of the program as described in this section. The goal of the
2 program is that at least 85% of children shall have an initial
3 medical and mental health examination within 30 days after entry
4 into foster care.

5 Sec. 513. (1) The department shall not expend funds
6 appropriated in part 1 to pay for the direct placement by the
7 department of a child in an out-of-state facility unless all of the
8 following conditions are met:

9 (a) There is no appropriate placement available in this state
10 as determined by the department's interstate compact office.

11 (b) An out-of-state placement exists that is nearer to the
12 child's home than the closest appropriate in-state placement as
13 determined by the department's interstate compact office.

14 (c) The out-of-state facility meets all of the licensing
15 standards of this state for a comparable facility.

16 (d) The out-of-state facility meets all of the applicable
17 licensing standards of the state in which it is located.

18 (e) The department has done an on-site visit to the out-of-
19 state facility, reviewed the facility records, reviewed licensing
20 records and reports on the facility, and believes that the facility
21 is an appropriate placement for the child.

22 (2) The department shall not expend money for a child placed
23 in an out-of-state facility without approval of the executive
24 director of the children's services agency.

25 (3) The department shall submit an annual report by March 1 of
26 the current fiscal year to the state court administrative office
27 and the report recipients required in section 246 of this part on
28 the number of Michigan children residing in out-of-state facilities
29 in the previous fiscal year and shall include the total cost and

1 average per diem cost of these out-of-state placements to this
2 state, and a list of each such placement arranged by the Michigan
3 county of residence for each child.

4 Sec. 515. If a child protective services caseworker requests
5 approval for another child protective services caseworker or other
6 department employee to accompany them on a home visit because the
7 caseworker believes it would be unsafe to conduct the home visit
8 alone, the department shall not deny the request.

9 Sec. 516. (1) From funds appropriated in part 1 for child care
10 fund, the administrative or indirect cost payment equal to 10% of a
11 county's total monthly gross expenditures shall be distributed to
12 the county on a monthly basis and a county is not required to
13 submit documentation to the department for any of the expenditures
14 that are covered under the 10% payment as described in section
15 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL
16 400.117a.

17 (2) From the funds appropriated in part 1 for child care fund
18 - indirect cost allotment, the department shall allocate
19 \$3,500,000.00 to counties and tribal governments that receive
20 reimbursements in part 1 from child care fund.

21 (3) The amount described in subsection (2) must be distributed
22 to each county or tribal government in the same proportion as
23 indirect cost allotments are provided to counties in the manner
24 described in section 117a of the social welfare act, 1939 PA 280,
25 MCL 400.117a.

26 Sec. 517. The department may ask a state or private child
27 placing agency contracted by the receiving state to carry out
28 required visits and any additional visits that the department finds
29 necessary for a child placed in a family foster care home out of

1 state.

2 Sec. 519. The department shall permit any private agency that
3 has an existing contract with this state to provide foster care
4 services to be also eligible to provide treatment foster care
5 services.

6 Sec. 520. (1) The department shall submit a report to the
7 report recipients required in section 246 of this part by February
8 15 of the current fiscal year on the number of days of care and
9 expenditures by funding source for the previous fiscal year for
10 out-of-home placements by specific placement programs for child
11 abuse or child neglect and juvenile justice, including, but not
12 limited to, paid relative placement, department direct family
13 foster care, private agency supervised foster care, private child
14 caring institutions, county-supervised facilities, and independent
15 living. The report shall also include the number of days of care
16 for department-operated residential juvenile justice facilities by
17 security classification.

18 (2) For the purposes of the report in subsection (1), living
19 arrangements include, but are not limited to, paid relative
20 placement, department direct family foster care, private agency
21 supervised foster care, private child caring institutions, county-
22 supervised facilities, and independent living.

23 Sec. 522. (1) From the funds appropriated in part 1 for youth
24 in transition, the department shall allocate \$750,000.00 for
25 scholarships through the fostering futures scholarship program in
26 the Michigan education trust to youths who were in foster care
27 because of child abuse or child neglect and are attending a college
28 or a career technical educational institution located in this
29 state. Of the funds appropriated, 100% shall be used to fund

1 scholarships for the youths described in this section.

2 (2) By June 1 of the current fiscal year, the department shall
3 provide a report to the report recipients required in section 246
4 of this part that includes the number of youths who applied for
5 scholarships under this section, the number of youths who received
6 scholarships under this section and the amount of each scholarship,
7 and the total amount of funds spent or encumbered in the current
8 fiscal year.

9 Sec. 523. (1) By February 15 of the current fiscal year, the
10 department shall submit to the report recipients required in
11 section 246 of this part a report on the families first, family
12 reunification, and families together building solutions family
13 preservation programs. The report shall provide population and
14 outcome data based on contractually required follow-up evaluations
15 for families who received family preservation services and shall
16 include information for each program on any innovations that may
17 increase child safety and risk reduction.

18 (2) By October 1 of the current fiscal year, from the funds
19 appropriated in part 1 for family preservation services, the
20 department shall retain the rates established by the increase
21 provided in section 523(3) of article 6 of 2020 PA 166.

22 Sec. 524. As a condition of receiving funds appropriated in
23 part 1 for strong families/safe children, counties must submit the
24 service spending plan to the department by October 1 of the current
25 fiscal year for approval. The department shall approve the service
26 spending plan within 30 calendar days after receipt of a properly
27 completed service spending plan.

28 Sec. 525. The department shall implement the same on-site
29 evaluation processes for privately operated child welfare and

1 juvenile justice residential facilities as is used to evaluate
2 state-operated facilities. Penalties for noncompliance shall be the
3 same for privately operated child welfare and juvenile justice
4 residential facilities and state-operated facilities.

5 Sec. 526. From the funds appropriated in part 1 for court-
6 appointed special advocates, the department shall allocate
7 \$2,500,000.00, of which \$1,500,000.00 is allocated on a 1-time
8 basis, to fund a project with a nonprofit, community-based
9 organization organized under the laws of this state that are exempt
10 from federal income tax under section 501(c)(3) of the internal
11 revenue code of 1986, 26 USC 501, located in a charter township
12 with a population of between 18,000 and 19,000 according to the
13 most recent federal decennial census that is located in a county
14 with a population of between 600,000 and 700,000 according to the
15 most recent federal decennial census. The nonprofit organization
16 recipient shall have an existing network of affiliate programs
17 operating in at least 25 counties in this state. The nonprofit
18 organization shall use the funds to recruit, screen, train, and
19 supervise volunteers who provide advocacy services on behalf of
20 abused and neglected children.

21 Sec. 528. From the funds appropriated in part 1 for child care
22 fund, the department shall allocate \$2,366,700.00 to increase the
23 annual basic grant to counties with a population of less than
24 75,000 according to the most recent federal decennial census as
25 described in section 117e of the social welfare act, 1939 PA 280,
26 MCL 400.117e, and to eligible tribal entities. The basic grant
27 shall be increased from \$15,000.00 per year by equally distributing
28 the \$2,366,700.00 appropriated in part 1 to eligible counties and
29 tribal entities.

1 Sec. 529. From the funds appropriated in part 1 for family
2 preservation programs, the department shall maintain the total
3 combined funding levels of the families first, family
4 reunification, and families together building solutions family
5 preservation programs at an amount not less than the amount
6 provided as of September 30, 2021. For the current fiscal year as
7 the department moves toward implementation of the federal family
8 first prevention services act, Public Law 115-123, the funding
9 available to serve families through the existing family
10 preservation programs shall not be reduced.

11 Sec. 530. (1) All master contracts relating to foster care and
12 adoption services as funded by the appropriations in section 105 of
13 part 1 shall be performance-based contracts that employ a client-
14 centered results-oriented process that is based on measurable
15 performance indicators and desired outcomes and includes the annual
16 assessment of the quality of services provided.

17 (2) By February 1 of the current fiscal year, the department
18 shall provide the report recipients required in section 246 of this
19 part a report detailing measurable performance indicators, desired
20 outcomes, and an assessment of the quality of services provided by
21 the department during the previous fiscal year.

22 Sec. 531. The department shall notify the report recipients
23 required in section 246 of this part of any changes to a child
24 welfare master contract template, including the adoption master
25 contract template, the independent living plus master contract
26 template, the child placing agency foster care master contract
27 template, and the residential foster care juvenile justice master
28 contract template, not less than 30 days before the change takes
29 effect.

1 Sec. 533. The department shall make payments to child placing
2 facilities for in-home and out-of-home care services and adoption
3 services within 30 days after receiving all necessary documentation
4 from those agencies. It is the intent of the legislature that the
5 burden of ensuring that these payments are made in a timely manner
6 and no payments are in arrears is upon the department.

7 Sec. 534. The department shall submit to the report recipients
8 required in section 246 of this part, by March 1 of the current
9 fiscal year, a report on the adoption subsidies expenditures from
10 the previous fiscal year. The report must include, but is not
11 limited to, the range of non-\$0.00 annual adoption support subsidy
12 amounts, for both title IV-E eligible cases and state-funded cases,
13 paid to adoptive families, the number of title IV-E and state-
14 funded cases, the number of cases in which the adoption support
15 subsidy request of adoptive parents for assistance was denied by
16 the department, and the number of adoptive parents who requested a
17 redetermination of adoption support subsidy.

18 Sec. 535. (1) From the funds appropriated in part 1 for foster
19 care payments, the department shall allocate up to \$1,500,000.00 of
20 private revenues from The New Foster Care Inc. to fund a 3-year
21 culturally competent kinship placement, support, and licensing
22 services pilot program in a county with a population between
23 1,200,000 and 1,300,000 according to the most recent federal
24 decennial census and a county with a population over 1,500,000
25 according to the most recent federal decennial census based on the
26 work conducted by A Second Chance Inc. The goal of the pilot
27 program is to increase the kinship licensure rate and reduce the
28 average length of stay for children in foster care with the intent
29 to expand the program statewide, contingent on legislative

1 appropriations. Efforts to reach this goal shall include the
2 following:

3 (a) Locate appropriate kinship family for out-of-home
4 placement of children.

5 (b) Provide support to kinship care providers and facilitate
6 connections to programs and services to assist them in meeting the
7 needs of children.

8 (c) Assist kinship care providers in meeting state foster
9 parent licensing requirements.

10 (d) Support parents to expedite permanency planning.

11 (2) Subject to part 1 appropriations and pursuant to an annual
12 evaluation, the department through legislative appropriations shall
13 reallocate any savings and revenue stemming from program services
14 that result in a reduction in the length of stay in foster care for
15 the children served by the program compared to the average and
16 maximize federal funds associated with this pilot program.

17 (3) The agency selected to administer the pilot program will
18 be selected with input from The New Foster Care, Inc. and approved
19 by the executive director of the children's services agency.

20 Sec. 536. By March 1 of the current fiscal year, the
21 department shall submit to the report recipients required in
22 section 246 of this part a report on the status of the department's
23 planned and achieved implementation of the federal family first
24 prevention services act, Public Law 115-123. The report shall
25 include, but not be limited to, an estimate of the 5-year spending
26 plan for administrative and compliance costs, a summary of all
27 historical expenditures made to date for implementation by line-
28 item appropriation and program type, information regarding
29 compliance with title IV-E prevention requirements, the status of

1 statewide compliance with the qualified residential treatment
2 program requirements, a summary of provider concerns with respect
3 to requirements under the qualified residential treatment program
4 as that term is defined in section 1 of 1973 PA 116, MCL 722.111, a
5 detailed methodology in determining any savings realized or
6 estimated from a reduction in congregate care or residential
7 placements, the department's conformity with federal model
8 licensing standards, the department's plan for tracking and
9 preventing child maltreatment deaths, and the department's plan for
10 extending John H. Chafee foster care independence programs up to
11 age 23.

12 Sec. 537. By March 1 of the current fiscal year, the
13 department shall provide a report to the report recipients required
14 in section 246 of this part on the following information for cases
15 of child abuse or child neglect from the previous fiscal year:

16 (a) The total number of relative care placements.

17 (b) The total number of relative care placements into
18 unlicensed relative homes.

19 (c) The total number of relative care placements into licensed
20 relative homes.

21 (d) The total number of unlicensed relative placements that
22 required and passed safety assessments or safety planning before
23 placement.

24 (e) The total number of unlicensed relative providers with a
25 relative placement that were denied a foster home license for not
26 meeting the standards established for state licensing for foster
27 care.

28 (f) A list of the reasons from a sample of cases where
29 relatives were denied foster home licensure as documented by the

1 department.

2 (g) The status of title IV-E claims for foster care
3 maintenance payments and foster care administrative payments for
4 licensed relative caregivers with placements.

5 Sec. 539. The department, in collaboration with child placing
6 agencies, shall continue to comply with section 115o of the social
7 welfare act, 1939 PA 280, MCL 400.115o. Department caseworkers
8 responsible for preparing a recommendation to a court concerning a
9 juvenile placement shall provide, as part of the recommendation,
10 information regarding the requirements of section 115o of the
11 social welfare act, 1939 PA 280, MCL 400.115o.

12 Sec. 540. If a physician or psychiatrist who is providing
13 services to state or court wards placed in a residential facility
14 submits a formal request to the department to change the
15 psychotropic medication of a ward, the department shall, if the
16 ward is a state ward, make a determination on the proposed change
17 within 7 business days after the request or, if the ward is a
18 temporary court ward, seek parental consent within 7 business days
19 after the request. If parental consent is not provided within 7
20 business days, the department shall petition the court on the
21 eighth business day.

22 Sec. 542. (1) The department shall develop strategies to use
23 the input from court-appointed special advocates and foster care
24 parents throughout case management and any legal proceedings for
25 abused and neglected children in foster care.

26 (2) By September 30 of the current fiscal year, the department
27 shall submit to the report recipients required in section 246 of
28 this part a report on the strategies developed by the department.

29 Sec. 546. (1) From the funds appropriated in part 1 for foster

1 care payments and from child care fund, the department shall pay
2 providers of general foster care, independent living, and trial
3 reunification services not less than a \$55.20 administrative rate.

4 (2) From the funds appropriated in part 1, the department
5 shall pay providers of independent living plus services statewide
6 per diem rates for staff-supported housing and host-home housing
7 based on proposals submitted in response to a solicitation for
8 pricing. The independent living plus program provides staff-
9 supported housing and services for foster youth ages 16 through 19
10 who, because of their individual needs and assessments, are not
11 initially appropriate for general independent living foster care.

12 (3) If required by the federal government to meet title IV-E
13 requirements, providers of foster care services shall submit
14 quarterly reports on expenditures to the department to identify
15 actual costs of providing foster care services.

16 (4) From the funds appropriated in part 1, the department
17 shall maintain rates that are no less than the rates that were
18 effective October 1, 2022 and were provided to each private
19 provider of residential services.

20 Sec. 547. (1) From the funds appropriated in part 1 for the
21 guardianship assistance program, the department shall pay a minimum
22 rate that is not less than the approved age-appropriate payment
23 rates for youth placed in family foster care.

24 (2) The department shall report on an annual basis to the
25 report recipients required in section 246 of this part quarterly
26 data on the number of children enrolled in the guardianship
27 assistance and foster care - children with serious emotional
28 disturbance waiver programs.

29 Sec. 550. (1) The department shall not offset against

1 reimbursement payments to counties or seek reimbursement from
2 counties for charges that were received by the department more than
3 12 months before the department seeks to offset against
4 reimbursement. A county shall not request reimbursement for and
5 reimbursement payments shall not be paid for a charge that is more
6 than 12 months after the date of service or original status
7 determination when initially submitted by the county.

8 (2) All service providers shall submit a request for payment
9 within 12 months after the date of service. Any request for payment
10 submitted 12 months or more after the date of service requires the
11 provider to submit an exception request to the county or the
12 department for approval or denial.

13 (3) The county is not subject to any offset, chargeback, or
14 reimbursement liability for prior expenditures resulting from an
15 error in foster care fund source determinations.

16 Sec. 551. The department shall respond to counties within 30
17 days regarding any request for a clarification requested through
18 the department's child care fund management unit email address.

19 Sec. 552. Sixty days after a county's child care fund review
20 is completed, including the receipt of all requested documentation
21 from the county, the department shall provide the results of the
22 review to the county. The department shall not evaluate the
23 relevancy, quality, effectiveness, efficiency, or impact of the
24 services provided to youth of the county's child care fund programs
25 in the review. Pursuant to state law, the department shall not
26 release the results of the review to a third-party without the
27 permission of the county being reviewed.

28 Sec. 554. From the funds appropriated in part 1 for foster
29 care payments, the department shall allocate \$50,000.00 to a

1 nonprofit organization organized under the laws of this state that
2 is exempt from federal income tax under section 501(c)(3) of the
3 internal revenue code of 1986, 26 USC 501, that currently has
4 locations in 3 cities and operates on a 100% volunteer basis with a
5 board of directors consisting of up to 15 members, and are a
6 dedicated community of individuals that give their time, talent,
7 and resources to provide the best quality shopping environment they
8 can to local children in need and provide clothing, shoes, toys,
9 linens, nursery furniture, strollers, car seats, school supplies,
10 hygiene products, and safety equipment to local foster children and
11 their families free of charge.

12 Sec. 555. The department shall require that foster care
13 parents caring for a foster child for whom a petition of adoption
14 has been filed with the court continue to receive the regularly
15 scheduled maintenance payments until the order placing child (OPC)
16 is signed by the court. The department may allow adoption agencies
17 to pause maintenance payments to foster families during this time
18 so long as the foster families are appropriately reimbursed. By
19 June 1 of the current fiscal year, the department shall report
20 quarterly to the report recipients required in section 246 on the
21 continuation of maintenance payments. If, at the time a report is
22 due, there are no reportable items, then no report is required to
23 be provided.

24 Sec. 557. If a vehicle that is owned by the state is available
25 and not scheduled for use by other state workers, the department
26 may consider it an allowable use of the vehicle for a child
27 protective services caseworker or a foster care caseworker to drive
28 it to foster home visits or to drive it to their own home if it
29 would be helpful to the worker in conducting their work.

1 Sec. 559. (1) From the funds appropriated in part 1 for
2 adoption support services, the department shall allocate
3 \$250,000.00 to the Adoptive Family Support Network by December 1 of
4 the current fiscal year to operate and expand its adoptive parent
5 mentor program to provide a listening ear, knowledgeable guidance,
6 and community connections to adoptive parents and children who were
7 adopted in this state or another state.

8 (2) The Adoptive Family Support Network shall submit to the
9 report recipients required in section 246 of this part by March 1
10 of the current fiscal year a report on the program described in
11 subsection (1), including, but not limited to, the number of cases
12 served and the number of cases in which the program prevented an
13 out-of-home placement.

14 Sec. 560. From funds appropriated in part 1 for foster care
15 payments, the department shall allocate \$100,000.00 to reimburse
16 children in foster care for the costs of extracurricular activities
17 including, but not limited to, athletics, music, band, drama, and
18 other enrichment activities.

19 Sec. 562. The department shall provide time and travel
20 reimbursements for foster parents who transport a foster child to
21 parent-child visitations. As part of the foster care parent
22 contract, the department shall provide written confirmation to
23 foster parents that states that the foster parents have the right
24 to request these reimbursements for all parent-child visitations.
25 The department shall provide these reimbursements within 60 days
26 after receiving a request for eligible reimbursements from a foster
27 parent.

28 Sec. 564. (1) The department shall maintain a clear policy for
29 parent-child visitations. The local county offices, caseworkers,

1 and supervisors shall meet an 85% success rate, after accounting
2 for factors outside of the caseworkers' control.

3 (2) Per the court-ordered number of required meetings between
4 caseworkers and a parent, the caseworkers shall achieve a success
5 rate of 85%, after accounting for factors outside of the
6 caseworkers' control.

7 (3) By March 1 of the current fiscal year, the department
8 shall provide to the report recipients required in section 246 of
9 this part a report on the following:

10 (a) The percentage of success rate for parent-child
11 visitations and court-ordered required meetings between caseworkers
12 referenced in subsections (1) and (2) for the previous year.

13 (b) The barriers to achieve the success rates in subsections
14 (1) and (2) and how this information is tracked.

15 Sec. 567. The department shall submit to the report recipients
16 required in section 246 of this part by March 1 of the current
17 fiscal year a report on transfer of medical passports for children
18 in foster care, including the following:

19 (a) From the total medical passports transferred, the
20 percentage that transferred within 2 weeks after the date of
21 placement or return to the home.

22 (b) From the total school records, the percentage that
23 transferred within 2 weeks after the date of placement or return to
24 the home.

25 (c) The implementation steps that have been taken to improve
26 the outcomes for the measures in subdivision (a).

27 Sec. 568. (1) The department shall ensure youths transitioning
28 out of foster care are given assistance with obtaining a driver
29 license or state identification card and are issued a copy of their

1 Social Security number as required by department policy. Assistance
2 must be provided to youths who are eligible to obtain a driver
3 license or state identification card and a Social Security card
4 based on the youth's citizenship and legal residency status.

5 (2) The department shall provide a report by April 1 of the
6 current fiscal year to the report recipients required in section
7 246 of this part on the number of youths who received assistance
8 obtaining a driver license or state identification card, the number
9 of youths who received assistance obtaining a Social Security card,
10 the number of youths eligible for assistance who did not receive
11 it, and an explanation as to why those youths did not receive
12 assistance in obtaining the documents.

13 Sec. 569. The department shall reimburse private child placing
14 agencies that complete adoptions at the rate according to the date
15 on which the petition for adoption and required support
16 documentation was accepted by the court and not according to the
17 date the court's order placing for adoption was entered.

18 Sec. 574. (1) From the funds appropriated for foster care
19 payments, \$1,375,000.00 is allocated to support family incentive
20 grants to private and community-based foster care service providers
21 to assist with home improvements and items needed to ensure
22 compliance with licensing rule requirements, including payment for
23 physical exams needed by foster families, and to alleviate
24 potential safety concerns for unlicensed relatives caring for a
25 family member through the child welfare system to accommodate
26 children in foster care.

27 (2) By March 1 of the current fiscal year, the department
28 shall submit to the report recipients required in section 246 of
29 this part a report on the total amount expended in the previous

1 year for grants to private and community-based foster care service
2 providers for home improvements or physical exams as referenced in
3 subsection (1) and the number of grants issued.

4 Sec. 575. From the funds appropriated in part 1 for children's
5 services administration, the department shall allocate \$200,000.00
6 to provide support and coordinated services to the kinship
7 caregiver advisory council. The responsibilities of the council may
8 include all of the following:

9 (a) Establish a public awareness campaign to educate the
10 public about kinship caregivers and the state's efforts to better
11 serve kinship caregivers.

12 (b) Consult and coordinate with the kinship caregiver
13 navigator program to collect aggregate data on individuals being
14 served by the kinship caregiver navigator program, including
15 information on what services these individuals need.

16 (c) Consult and collaborate with the provider of the kinship
17 caregiver navigator program on the design and administration of
18 that program.

19 (d) Establish, maintain, and update a list of local support
20 groups and programs that provide services to kinship families, and
21 devise a plan of action for engaging with the groups and programs
22 on the list in order to obtain a better understanding of the issues
23 facing kinship families.

24 (e) Develop methods to promote and improve collaboration
25 between state, county, and local governments and agencies and
26 private stakeholders to obtain a broad understanding of the
27 characteristics and prevalence of kinship caregiving, to improve
28 service delivery, and to include these in the council's
29 recommendations.

1 Sec. 578. (1) From the funds appropriated in part 1 for foster
2 care payments, the department shall allocate up to \$1,744,100.00 in
3 Title IV-E passthrough funds for educational pilot programs to
4 strengthen this state's child welfare workforce. The department
5 shall enter into contractual arrangements with state universities
6 to provide bachelor of social work and master of social work
7 educational training, including field placements and stipends for
8 tuition and educational expenses. In exchange, students completing
9 eligible educational programs shall be contractually obligated to
10 work for Michigan child welfare agencies for a minimum of 1 year.
11 The matching funds for the Title IV-E funds shall be provided by
12 the participating state universities from the expenses incurred for
13 training child welfare students who participate in the program.

14 (2) By March 1 of the current fiscal year, the department
15 shall submit to the report recipients required in section 246 of
16 this part a report on the status of the pilot program under
17 subsection (1) that includes, but is not limited to, the total
18 number of applicants, the total number of program participants, a
19 list of state universities that participated in the pilot program,
20 and the total amount of matching funds that each state university
21 contributed to the program.

22 Sec. 581. From the funds appropriated in part 1 for foster
23 care payments, the department shall allocate \$50,000.00 for
24 caseworkers to provide immediate assistance with urgent needs such
25 as food, clothing, and other basic necessities, for children upon
26 removal from their home or other dangerous environment, including
27 children who are victims of human trafficking. The department shall
28 track the distribution of the funds and by June 1 of the current
29 fiscal year shall submit to the report recipients required in

1 section 246 of this part a report on the number of funds
2 distributed and the number of children impacted.

3 Sec. 583. By March 1 of the current fiscal year, the
4 department shall provide to the report recipients required in
5 section 246 of this part as well as the senate and house standing
6 committees on families and human services a report that includes
7 all of the following:

8 (a) The number and percentage of foster parents that dropped
9 out of the program in the previous fiscal year, the reasons the
10 foster parents left the program, and how those figures compare to
11 prior fiscal years.

12 (b) The number and percentage of foster parents successfully
13 retained in the previous fiscal year and how those figures compare
14 to prior fiscal years.

15 Sec. 585. The department shall make available at least 1 pre-
16 service training class each month in which new caseworkers for
17 private foster care and adoption agencies can enroll.

18 Sec. 588. (1) Concurrently with public release, the department
19 shall transmit all reports from the court-appointed settlement
20 monitor, including, but not limited to, the needs assessment and
21 period outcome reporting, to the report recipients required in
22 section 246 of this part, without revision.

23 (2) By October 1 of the current fiscal year, the department
24 shall submit to the report recipients required in section 246 of
25 this part a detailed plan that will terminate and dismiss with
26 prejudice the settlement by September 30 of the current fiscal
27 year.

28 Sec. 589. (1) From the funds appropriated in part 1 for child
29 care fund, the department shall pay 100% of the administrative rate

1 for all new cases referred to providers of foster care services.

2 (2) On a quarterly basis, the department shall report on the
3 monthly number of all foster care cases administered by the
4 department and all foster care cases administered by private
5 providers.

6 Sec. 592. The department shall submit quarterly reports to the
7 chairs of the house and senate standing oversight committees as
8 well as the report recipients required in section 246 of this part
9 that include data from children's protective services staff for
10 each of the following for the most recent quarter before the report
11 is submitted:

12 (a) The percent of investigations commenced within 24 hours
13 after receiving a report.

14 (b) The percent of central registry reviews performed for
15 required individuals.

16 (c) The percent of face-to-face contacts made within the
17 established timeframe required by the department.

18 (d) In appropriate cases, the percent of sibling placement
19 evaluations completed when 1 or more children remain in the home
20 after a child has been removed.

21 (e) The percent of supervisory reviews performed in a timely
22 manner.

23 (f) The results of a department survey of child protective
24 services investigators on the number of investigators who are
25 concerned for their own personal safety.

26 (g) The percent of investigators using the mobile application
27 or other tool to document compliance.

28 Sec. 593. (1) The department shall conduct an annual review in
29 each county to determine if the county has adopted and implemented

1 standard child abuse and child neglect investigation and interview
2 protocols as required in section 8(6) of the child protection law,
3 1975 PA 238, MCL 722.628.

4 (2) By March 1 of the current fiscal year, the department
5 shall submit an annual report to the chairs of the house and senate
6 standing oversight committees, the governor's task force on child
7 abuse and neglect, and the report recipients required in section
8 246 of this part on the findings of each county's review described
9 in subsection (1).

10 Sec. 594. From the funds appropriated in part 1 for foster
11 care payments, the department shall support regional resource teams
12 to provide for the recruitment, retention, and training of foster
13 and adoptive parents and shall expand the Michigan youth
14 opportunities initiative to all Michigan counties. The purpose of
15 this funding is to increase the number of annual inquiries from
16 prospective foster parents, increase the number of nonrelative
17 foster homes that achieve licensure each year, increase the annual
18 retention rate of nonrelative foster homes, reduce the number of
19 older foster youth placed outside of family settings, and provide
20 older youth with enhanced support in transitioning to adulthood.

21 Sec. 598. Partial child care fund reimbursements to counties
22 for undisputed charges must be made within 45 business days after
23 the receipt of the required forms and documentation. The department
24 shall commence activity to investigate and resolve a disputed
25 reimbursement charge from a county within 15 business days after
26 receiving the request for reimbursement. The activity to
27 investigate and resolve a disputed reimbursement request may
28 include, but is not limited to, the use of a formal appeals
29 process, pursuant to statute and department chargeback policy. The

1 department shall reimburse for corrected charges within 45 business
2 days after a properly corrected submission by the county.

3

4 **PUBLIC ASSISTANCE**

5 Sec. 601. Whenever a client agrees to the release of the
6 client's name and address to the local housing authority, the
7 department shall request from the local housing authority
8 information regarding whether the housing unit for which vendoring
9 has been requested meets applicable local housing codes. Vendoring
10 shall be terminated for those units that the local authority
11 indicates in writing do not meet local housing codes until the
12 local authority indicates in writing that local housing codes have
13 been met.

14 Sec. 602. The department shall conduct a full evaluation of an
15 individual's assistance needs if the individual has applied for
16 disability more than 1 time within a 1-year period.

17 Sec. 603. For any change in the income of a recipient of the
18 food assistance program, the family independence program, or state
19 disability assistance that results in a benefit decrease, the
20 department must notify the affected recipient of the decrease in
21 benefits amount no later than 15 work days before the first day of
22 the month in which the change takes effect.

23 Sec. 604. (1) From the funds appropriated in part 1 for state
24 disability assistance payments, the department shall operate a
25 state disability assistance program. Except as provided in
26 subsection (3), persons eligible for this program shall include
27 needy citizens of the United States or aliens exempted from the
28 supplemental security income citizenship requirement who are at
29 least 18 years of age or emancipated minors who meet 1 or more of

1 the following requirements:

2 (a) Is a recipient of supplemental security income, social
3 security, or medical assistance due to disability or 65 years of
4 age or older.

5 (b) Is an individual with a physical or mental impairment that
6 meets federal supplemental security income disability standards,
7 except that the minimum duration of the disability shall be 90
8 days. Substance use disorder alone is not defined as a basis for
9 eligibility.

10 (c) Is a resident of an adult foster care facility, a home for
11 the aged, a county infirmary, or a substance use disorder treatment
12 center.

13 (d) Is an individual receiving 30-day postresidential
14 substance use disorder treatment.

15 (e) Is an individual diagnosed as having AIDS.

16 (f) Is an individual receiving special education services
17 through a local intermediate school district.

18 (g) Is a caretaker of a disabled individual who meets the
19 requirements specified in subdivision (a), (b), (e), or (f).

20 (2) Applicants for and recipients of the state disability
21 assistance program shall be considered needy if they do both of the
22 following:

23 (a) Meet the same asset test as is applied for the family
24 independence program.

25 (b) Have a monthly budgetable income that is less than the
26 payment standards.

27 (3) Except for an individual described in subsection (1)(c) or
28 (d), an individual is not disabled for purposes of this section if
29 the individual's drug addiction or alcoholism is a contributing

1 factor material to the determination of disability. "Material to
2 the determination of disability" means that, if the individual
3 stopped using drugs or alcohol, the individual's remaining physical
4 or mental limitations would not be disabling. If the individual's
5 remaining physical or mental limitations would be disabling, then
6 the drug addiction or alcoholism is not material to the
7 determination of disability and the individual may receive state
8 disability assistance. Such an individual must actively participate
9 in a substance abuse treatment program, and the assistance must be
10 paid to a third party or through vendor payments. For purposes of
11 this section, substance abuse treatment includes receipt of
12 inpatient or outpatient services or participation in alcoholics
13 anonymous or a similar program.

14 Sec. 605. The level of reimbursement provided to state
15 disability assistance recipients in licensed adult foster care
16 facilities shall be the same as the prevailing supplemental
17 security income rate under the personal care category.

18 Sec. 606. County department offices shall require each
19 recipient of family independence program and state disability
20 assistance who has applied with the Social Security Administration
21 for supplemental security income to sign a contract to repay any
22 assistance rendered through the family independence program or
23 state disability assistance program upon receipt of retroactive
24 supplemental security income benefits.

25 Sec. 607. (1) The department's ability to satisfy
26 appropriation deductions in part 1 for state disability
27 assistance/supplemental security income recoveries and public
28 assistance recoupment revenues shall not be limited to recoveries
29 and accruals pertaining to state disability assistance, or family

1 independence assistance grant payments provided only in the current
2 fiscal year, but may include revenues collected during the current
3 year that are prior year related and not a part of the department's
4 accrued entries.

5 (2) The department may use supplemental security income
6 recoveries to satisfy the deduct in any line in which the revenues
7 are appropriated, regardless of the source from which the revenue
8 is recovered.

9 Sec. 608. Adult foster care facilities providing domiciliary
10 care or personal care to residents receiving supplemental security
11 income or homes for the aged serving residents receiving
12 supplemental security income shall not require those residents to
13 reimburse the home or facility for care at rates in excess of those
14 legislatively authorized. To the extent permitted by federal law,
15 adult foster care facilities and homes for the aged serving
16 residents receiving supplemental security income are not prohibited
17 from accepting third-party payments in addition to supplemental
18 security income if the payments are not for food, clothing,
19 shelter, or result in a reduction in the recipient's supplemental
20 security income payment.

21 Sec. 609. The state supplementation level under the
22 supplemental security income program for the personal care/adult
23 foster care and home for the aged categories shall not be reduced
24 during the current fiscal year. The legislature shall be notified
25 not less than 30 days before any proposed reduction in the state
26 supplementation level.

27 Sec. 610. (1) In developing good cause criteria for the state
28 emergency relief program, the department shall grant exemptions if
29 the emergency resulted from unexpected expenses related to

1 maintaining or securing employment.

2 (2) For purposes of determining housing affordability
3 eligibility for state emergency relief, a group is considered to
4 have sufficient income to meet ongoing housing expenses if their
5 total housing obligation does not exceed 75% of their total net
6 income.

7 (3) State emergency relief payments shall not be made to
8 individuals who have been found guilty of fraud in regard to
9 obtaining public assistance.

10 (4) State emergency relief payments shall not be made
11 available to persons who are out-of-state or nonlegal residents.

12 (5) State emergency relief payments for rent assistance shall
13 be distributed directly to landlords and shall not be added to
14 Michigan bridge cards.

15 Sec. 611. The state supplementation level under the
16 supplemental security income program for the living independently
17 or living in the household of another categories shall not exceed
18 the minimum state supplementation level as required under federal
19 law or regulations.

20 Sec. 613. (1) The department shall provide reimbursements for
21 the final disposition of indigent persons. The reimbursements shall
22 include all of the following:

23 (a) The maximum allowable reimbursement for the final
24 disposition is \$840.00.

25 (b) The adult burial with services allowance is \$765.00.

26 (c) The adult burial without services allowance is \$530.00.

27 (d) The infant burial allowance is \$210.00.

28 (2) Reimbursement for a cremation permit fee of up to \$75.00
29 and for mileage at the standard rate will be made available for an

1 eligible cremation. The reimbursements under this section shall
2 take into consideration religious preferences that prohibit
3 cremation.

4 (3) The department shall submit a report to the report
5 recipients required in section 246 of this part by January 31 of
6 the current fiscal year on burial services payments issued from the
7 state emergency relief program during the previous fiscal year. The
8 report must include the number of payments by reimbursement
9 categories detailed in subsections (1) and (2).

10 Sec. 614. The department shall report to the report recipients
11 required in section 246 of this part by January 15 of the current
12 fiscal year on the number and percentage of state disability
13 assistance recipients who were determined to be eligible for
14 federal supplemental security income benefits in the previous
15 fiscal year.

16 Sec. 615. Except as required by federal law or regulations,
17 funds appropriated in part 1 shall not be used to provide public
18 assistance to an individual who is not a United States citizen,
19 permanent resident alien, or refugee. This section does not
20 prohibit the department from entering into contracts with food
21 banks, emergency shelter providers, or other human services
22 agencies who may, as a normal part of doing business, provide food
23 or emergency shelter.

24 Sec. 616. The department shall require retailers that
25 participate in the electronic benefits transfer program to charge
26 no more than \$2.50 in fees for cash back as a condition of
27 participation.

28 Sec. 619. The department shall not deny title IV-A assistance
29 and food assistance benefits under 21 USC 862a to any individual

1 who has been convicted of a felony that included the possession,
2 use, or distribution of a controlled substance, for which the act
3 that resulted in the conviction occurred after August 22, 1996, if
4 the individual is not in violation of his or her probation or
5 parole requirements.

6 Sec. 620. (1) The department shall make a determination of
7 Medicaid eligibility not later than 90 days after completion of a
8 Medicaid application if disability is an eligibility factor. For
9 all other Medicaid applicants, including patients of a nursing
10 home, the department shall make a determination of Medicaid
11 eligibility within 45 days after application.

12 (2) The department shall provide quarterly reports to the
13 report recipients required in section 246 of this part and the
14 senate and house standing committees on families and human services
15 on the percentage of determinations of Medicaid eligibility that
16 were completed within the required time frame for both applications
17 that include disability as a determination factor and applications
18 that do not include disability as a determination factor, as
19 described under subsection (1), and for medical review team reviews
20 achieved statewide and at each local office by each of the 4
21 preceding quarters.

22 Sec. 645. An individual or family is considered homeless, for
23 purposes of eligibility for state emergency relief, if living
24 temporarily with others in order to escape domestic violence. For
25 purposes of this section, domestic violence is defined and verified
26 in the same manner as in the department's policies on good cause
27 for not cooperating with child support and paternity requirements.

28 Sec. 653. From the funds appropriated in part 1 for food
29 assistance program benefits, an individual who is the victim of

1 domestic violence or human trafficking and does not qualify for any
2 other exemption may be exempt from the 3-month in 36-month limit on
3 receiving food assistance under 7 USC 2015. This exemption can be
4 extended an additional 3 months upon demonstration of continuing
5 need.

6 Sec. 654. The department shall notify recipients of food
7 assistance program benefits that their benefits can be spent with
8 their bridge cards at many farmers' markets in the state. The
9 department shall also notify recipients about the Double Up Food
10 Bucks program that is administered by the Fair Food Network.
11 Recipients shall receive information about the Double Up Food Bucks
12 program, including information that when the recipient spends
13 \$20.00 at participating farmers' markets through the program, the
14 recipient can receive an additional \$20.00 to buy Michigan produce.

15 Sec. 655. Within 14 days after the spending plan for low-
16 income home energy assistance program is approved by the state
17 budget office, the department shall provide the spending plan,
18 including itemized projected expenditures and itemized expenditures
19 for the previous fiscal year, to the report recipients required in
20 section 246 of this part.

21 Sec. 669. From the funds appropriated in part 1 for family
22 independence program, the department shall allocate \$7,230,000.00
23 for the annual clothing allowance. The allowance shall be granted
24 to all eligible children in a family independence program group.

25 Sec. 672. (1) The department's office of inspector general
26 shall submit a report to the report recipients required in section
27 246 of this part by February 15 of the current fiscal year on
28 department efforts to reduce inappropriate use of Michigan bridge
29 cards and food assistance program trafficking. The department shall

1 provide information on the number of recipients of services who
2 used their Michigan bridge card inappropriately and the current
3 status of each case, the number of recipients whose benefits were
4 revoked, whether permanently or temporarily, as a result of
5 inappropriate use, and the number of retailers that were fined or
6 removed from the electronic benefit transfer program for permitting
7 inappropriate use of the cards. The report shall also include the
8 number of Michigan bridge card trafficking instances and overall
9 welfare fraud referrals that includes such information as the
10 number of investigations completed, fraud and intentional program
11 violation dollar amounts identified, the number of referrals to
12 prosecutors, the number of administrative hearing referrals and
13 waivers, and the number of program disqualifications imposed. The
14 report shall distinguish between savings and cost avoidance.
15 Savings include receivables established from instances of fraud
16 committed. Cost avoidance includes expenditures avoided due to
17 front-end eligibility investigations and other preemptive actions
18 undertaken in the prevention of fraud.

19 (2) If a fourth Michigan bridge card has been issued in a 12-
20 month period, the department shall notify the household that they
21 have reached the number of issued cards threshold. At their fifth
22 and each subsequent card replacement request, a card will not be
23 issued until the recipient has spoken directly to the local office
24 district manager or county director. The district manager or county
25 director may issue a new Michigan bridge card under their authority
26 based on their assessment of the recipient's situation and
27 explanation.

28 (3) As used in this section:

29 (a) "Food assistance trafficking" means the buying and selling

1 of food assistance benefits for cash or items not authorized under
2 7 USC 2036b.

3 (b) "Inappropriate use" means not used to meet a family's
4 ongoing basic needs, including food, clothing, shelter, utilities,
5 household goods, personal care items, and general incidentals.

6 Sec. 677. (1) The department shall establish a state goal for
7 the percentage of family independence program cases involved in
8 employment activities. The percentage established shall not be less
9 than 50%. The goal for long-term employment shall be 15% of cases
10 for 6 months or more.

11 (2) The department shall provide an annual report, providing
12 quarterly data, to the report recipients required in section 246 of
13 this part on the number of cases referred to Partnership.
14 Accountability. Training. Hope. (PATH), the current percentage of
15 family independence program cases involved in PATH employment
16 activities, an estimate of the current percentage of family
17 independence program cases that meet federal work participation
18 requirements on the whole, and an estimate of the current
19 percentage of the family independence program cases that meet
20 federal work participation requirements for those cases referred to
21 PATH.

22 (3) The department shall submit to the report recipients
23 required in section 246 of this part an annual report, providing
24 quarterly data, that include all of the following:

25 (a) The number and percentage of nonexempt family independence
26 program recipients who are employed.

27 (b) The average and range of wages of employed family
28 independence program recipients.

29 (c) The number and percentage of employed family independence

1 program recipients who remain employed for 6 months or more.

2 Sec. 678. From the funds appropriated in part 1 for family
3 independence program, the department shall establish a monthly
4 \$50.00 supplement for every child under 6 years of age to families
5 receiving cash assistance for the current fiscal year.

6 Sec. 686. (1) The department shall confirm that individuals
7 presenting personal identification issued by another state seeking
8 assistance through the family independence program, food assistance
9 program, state disability assistance program, or medical assistance
10 program are not receiving benefits from any other state.

11 (2) The department shall confirm the address provided by any
12 individual seeking family independence program benefits or state
13 disability assistance benefits.

14 (3) The department shall prohibit individuals with property
15 assets assessed at a value higher than \$200,000.00 from accessing
16 assistance through department-administered programs, unless such a
17 prohibition would violate federal rules and guidelines.

18 (4) The department shall make a reasonable attempt to obtain
19 an up-to-date telephone number during the eligibility determination
20 or redetermination process for individuals seeking medical
21 assistance benefits.

22 Sec. 687. (1) The department shall, in quarterly reports,
23 compile and make available on its website all of the following
24 information about the family independence program, state disability
25 assistance, the food assistance program, indigent burial, Medicaid,
26 and state emergency relief:

27 (a) The number of applications received.

28 (b) The number of applications approved.

29 (c) The number of applications denied.

1 (d) The number of applications pending and neither approved
2 nor denied.

3 (e) The number of cases opened.

4 (f) The number of cases closed.

5 (g) The number of cases at the beginning of the quarter and
6 the number of cases at the end of the quarter.

7 (2) The information provided under subsection (1) shall be
8 compiled and made available for the state as a whole and for each
9 county and reported separately for each program listed in
10 subsection (1).

11 (3) The department shall, in quarterly reports, compile and
12 make available on its website the following family independence
13 program information:

14 (a) The number of new applicants who successfully met the
15 requirements of the 10-day assessment period for PATH.

16 (b) The number of new applicants who did not meet the
17 requirements of the 10-day assessment period for PATH.

18 (c) The number of cases sanctioned because of the school
19 truancy policy.

20 (d) The number of cases closed because of the 48-month and 60-
21 month lifetime limits.

22 (e) The number of first-, second-, and third-time sanctions.

23 (f) The number of children ages 0-5 living in family
24 independence program-sanctioned households.

25 Sec. 688. From the funds appropriated in part 1 for the low-
26 income home energy assistance program, the department shall make an
27 additional \$20.01 payment to each food assistance program case that
28 is not currently eligible for the standard utility allowance to
29 enable each case to receive expanded food assistance benefits

1 through the program commonly known as the heat and eat program.

2
3 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

4 Sec. 701. Unless required from changes to federal or state law
5 or at the request of a provider, the department shall not alter the
6 terms of any signed contract with a private residential facility
7 serving children under state or court supervision without written
8 consent from a representative of the private residential facility.

9 Sec. 706. Counties shall be subject to 50% chargeback for the
10 use of alternative regional detention services, if those detention
11 services do not fall under the basic provision of section 117e of
12 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
13 operates those detention services programs primarily with
14 professional rather than volunteer staff.

15 Sec. 707. In order to be reimbursed for child care fund
16 expenditures, counties are required to submit department-developed
17 reports to enable the department to document potential federally
18 claimable expenditures. This requirement is in accordance with the
19 reporting requirements specified in section 117a(12) of the social
20 welfare act, 1939 PA 280, MCL 400.117a.

21 Sec. 708. (1) As a condition of receiving funds appropriated
22 in part 1 for the child care fund line item, by October 15 of the
23 current fiscal year, counties shall have an approved service
24 spending plan for the current fiscal year. Counties must submit the
25 service spending plan for the following fiscal year to the
26 department by August 15 of the current fiscal year for approval.
27 Upon submission of the county service spending plan, the department
28 shall approve within 30 calendar days after receipt of a properly
29 completed service plan that complies with the requirements of the

1 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The
2 department shall notify and submit county service spending plan
3 revisions to any county whose county service spending plan is not
4 accepted upon initial submission. The department shall not request
5 any additional revisions to a county service spending plan outside
6 of the requested revision notification submitted to the county by
7 the department. The department shall notify a county within 30 days
8 after approval that its service plan was approved.

9 (2) Counties must submit amendments to current fiscal year
10 county service plans to the department no later than August 30.
11 Counties must submit current fiscal year payable estimates to the
12 department no later than September 15.

13 (3) The department shall submit a report to the report
14 recipients required in section 246 of this part by February 15 of
15 the current fiscal year on the number of counties that fail to
16 submit a service spending plan by August 15 of the previous fiscal
17 year and the number of service spending plans not approved by
18 October 15. The report shall include the number of county service
19 spending plans that were not approved as first submitted by the
20 counties, as well as the number of plans that were not approved by
21 the department after being resubmitted by the county with the first
22 revisions that were requested by the department.

23 Sec. 709. The department's master contract for juvenile
24 justice residential foster care services shall prohibit contractors
25 from denying a referral for placement of a youth, or terminating a
26 youth's placement, if the youth's assessed treatment needs are in
27 alignment with the facility's residential program type, as
28 identified by the court or the department. In addition, the master
29 contract shall require that youth placed in juvenile justice

1 residential foster care facilities must have regularly scheduled
2 treatment sessions with a licensed psychologist or a psychiatrist,
3 or both, and access to the licensed psychologist or a psychiatrist
4 as needed.

5 Sec. 715. (1) As a condition of receiving funds appropriated
6 in part 1 for raise the age fund, by deadlines established and
7 advised by the department, counties or tribal entities shall have
8 an approved raise the age fund budget plan for the following fiscal
9 year. Counties must submit the raise the age fund budget plan for
10 the current fiscal year to the department by February 1 of the
11 current fiscal year. The raise the age fund budget plan shall
12 specifically identify the types of costs to be reimbursed,
13 estimated costs for each item, and the total estimated cost to be
14 reimbursed. The types of costs to be reimbursed must comply with
15 the requirements of section 117i of the social welfare act, 1939 PA
16 280, MCL 400.117i. \$500,000.00 of the raise the age fund shall be
17 reserved for tribal entities. If total raise the age fund requests
18 from tribal entities are less than \$500,000.00, the funding may be
19 allocated to meet requests from counties. From the funds
20 appropriated in part 1 for raise the age fund, each county and
21 tribal entity eligible for reimbursement shall receive a minimum
22 \$10,000.00 allocation from the raise the age fund.

23 (2) County and tribal entity reimbursement from the raise the
24 age fund is limited to eligible youth and items specifically
25 identified in approved raise the age fund budget plans and shall
26 not exceed the total estimated cost included in the approved raise
27 the age fund budget plan.

28 (3) Counties and tribal entities must submit amendments to
29 current fiscal year raise the age fund budget plans by deadlines

1 established and advised by the department. Counties must submit
2 current fiscal year payable estimates for raise the age funds to
3 the department by deadlines established and advised by the
4 department.

5 (4) As used in this section, "eligible youth" includes both of
6 the following:

7 (a) Pre-adjudication eligible youth: A youth for whom a
8 petition has been filed alleging the commission of a status or
9 criminal offense on or after his or her reaching the age of 17, but
10 before reaching the age of 18.

11 (b) Post-adjudication eligible youth: A youth who has been
12 adjudicated for a status or criminal offense for which a petition
13 was filed alleging the commission of a status or criminal offense
14 on or after his or her reaching the age of 17, but before reaching
15 the age of 18.

16

17 **LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES**

18 Sec. 801. (1) The department shall report monthly to the
19 report recipients required in section 246 of this part on the most
20 recent food assistance program error rate derived from the active
21 cases, reported to the United States Department of Agriculture -
22 Food and Nutrition Services for the supplemental nutrition
23 assistance program.

24 (2) The department shall report quarterly on the progress of
25 the corrective action taken utilizing the funds appropriated for
26 food assistance reinvestment in lowering the food assistance
27 program error rate and improving program payment accuracy.

28 Sec. 802. From the funds appropriated in part 1 for local
29 office staff travel, the department shall allocate up to

1 \$100,000.00 annually toward reimbursing the out-of-pocket costs of
2 county board members and county department directors to attend
3 statewide meetings of the Michigan County Social Services
4 Association.

5 Sec. 807. From the funds appropriated in part 1 for Elder Law
6 of Michigan MiCAFE contract, the department shall allocate not less
7 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
8 state's elderly population in participating in the food assistance
9 program. Of the \$350,000.00 allocated under this section, the
10 department shall use \$175,000.00, which are general fund/general
11 purpose funds, as state matching funds for not less than
12 \$175,000.00 in United States Department of Agriculture funding to
13 provide outreach program activities, such as eligibility screening
14 and information services, as part of a statewide food assistance
15 hotline.

16 Sec. 808. By March 1 of the current fiscal year, the
17 department shall provide a report to the report recipients required
18 in section 246 of this part on the nutrition education program. The
19 report must include requirements made by the agriculture
20 improvement act of 2018, Public Law 115-334, such as how the
21 department shall use an electronic reporting system to evaluate
22 projects and an accounting of allowable state agency administrative
23 costs. The report must also include documentation of the steps the
24 department shall take to ensure that projects and subgrantee
25 programs are evidence-based, appropriated for, and meet the
26 criteria for an eligible individual as that term is defined in 7
27 USC 2036a, and quantitative evidence that the programs contribute
28 to a reduction in obesity or an increase in the consumption of
29 healthy foods. Additionally, the report must include planned

1 allocation and actual expenditures for the supplemental nutrition
2 assistance program education funding, planned and actual grant
3 amounts for the supplemental nutrition assistance program education
4 funding, the total amount of expected carryforward balance at the
5 end of the current fiscal year for the supplemental nutrition
6 assistance program education funding, and for each subgrantee
7 program, a list of all supplemental nutrition assistance program
8 education funding programs by implementing agency, and the stated
9 purpose of each of the programs and each of the subgrantee
10 programs.

11 Sec. 809. (1) The purpose of the pathways to potential program
12 is to reduce chronic absenteeism, increase graduation rate, and
13 decrease the number of students who repeat grades for schools that
14 are current or future participants in the pathways to potential
15 program. Before any deployment of resources into a participant
16 school, the department and the participant school shall establish
17 performance objectives for each participant school based on a 2-
18 year baseline prior to pathways to potential being established in
19 the participant school and shall evaluate the progress made in the
20 above categories from the established baseline. By June 1 of the
21 current fiscal year, the department shall provide to the report
22 recipients required in section 246 of this part a report listing
23 all participant schools, the number of staff assigned to each
24 school by participant school, and the percentage of participating
25 schools that achieved improved performance in each of the 3
26 outcomes listed above compared to the previous year, by each
27 individual outcome. It is the intent of the legislature that after
28 a 2-year period without attaining an increase in success in meeting
29 the 3 listed outcomes from the established baseline, the department

1 shall work with the participant school to examine the cause of the
2 lack of progress and shall seek to implement a plan to increase
3 success in meeting the identified outcomes. It is the intent of the
4 legislature that progress or the lack of progress made in meeting
5 the performance objectives shall be used as a determinant in future
6 pathways to potential resource allocation decisions.

7 (2) As used in this section, "baseline" means the initial set
8 of data from the center for educational performance and information
9 in the department of technology, management, and budget of the 3
10 measured outcomes as described in subsection (1).

11 Sec. 825. (1) From the funds appropriated in part 1, the
12 department shall provide individuals not more than \$500.00 for
13 vehicle repairs, including any repairs done in the previous 12
14 months. However, the department may in its discretion pay for
15 repairs up to \$900.00. Payments under this section shall include
16 the combined total of payments made by the department and work
17 participation program.

18 (2) By November 30 of the current fiscal year, the department
19 shall provide to the report recipients required in section 246 of
20 this part a report detailing the total number of applications
21 received, the number of applications denied, the number of payments
22 for repairs that exceeded \$500.00, the number of payments for
23 repairs that cost exactly \$500.00, and the number of payments for
24 repairs that cost exactly \$900.00 in the previous fiscal year.

25 Sec. 826. (1) From the funds appropriated in part 1 for local
26 office policy and administration, not less than \$300,000.00 shall
27 be allocated for the department to contract with the Prosecuting
28 Attorneys Association of Michigan to provide the support and
29 services necessary to increase the capability of the state's

1 prosecutors, adult protective service system, and criminal justice
2 system to effectively identify, investigate, and prosecute elder
3 abuse and financial exploitation.

4 (2) By March 1 of the current fiscal year, the Prosecuting
5 Attorneys Association of Michigan shall provide a report to the
6 department on the efficacy of the contract. The department shall
7 submit the report to the report recipients required in section 246
8 of this part within 30 days after receiving the report from the
9 Prosecuting Attorneys Association of Michigan.

10 Sec. 850. (1) The department shall maintain out-stationed
11 eligibility specialists in community-based organizations, community
12 mental health agencies, nursing homes, adult placement and
13 independent living settings, federally qualified health centers,
14 and hospitals unless a community-based organization, community
15 mental health agency, nursing home, adult placement and independent
16 living setting, federally qualified health centers, or hospital
17 requests that the program be discontinued at its facility.

18 (2) From the funds appropriated in part 1 for donated funds
19 positions, the department shall enter into contracts with agencies
20 that are able and eligible under federal law to provide the
21 required matching funds for federal funding, as determined by
22 federal statute and regulations.

23 (3) A contract for an assistance payments donated funds
24 position must include, but not be limited to, the following
25 performance metrics:

26 (a) Meeting a standard of promptness for processing
27 applications for Medicaid and other public assistance programs
28 under state law.

29 (b) Meeting required standards for error rates in determining

1 programmatic eligibility as determined by the department.

2 (4) The department shall only fill additional donated funds
3 positions after a new contract has been signed. That position shall
4 also be abolished when the contract expires or is terminated.

5 (5) The department shall classify as limited-term FTEs any new
6 employees who are hired to fulfill the donated funds position
7 contracts or are hired to fill any vacancies from employees who
8 transferred to a donated funds position.

9 (6) By March 1 of the current fiscal year, the department
10 shall submit a report to the report recipients required in section
11 246 of this part detailing information on the donated funds
12 positions, including the total number of occupied positions, the
13 total private contribution of the positions, and the total cost to
14 the state for any nonsalary expenditure for the donated funds
15 position employees.

16 Sec. 851. (1) From the funds appropriated in part 1 for adult
17 services local office staff, the department shall seek to reduce
18 the number of older adults who are victims of crime and fraud by
19 increasing the standard of promptness in every county, as measured
20 by commencing an investigation within 24 hours after a report is
21 made to the department, establishing face-to-face contact with the
22 client within 72 hours after a report is made to the department,
23 and completing the investigation within 30 days after a report is
24 made to the department.

25 (2) The department shall report no later than March 1 of the
26 current fiscal year to the report recipients required in section
27 246 of this part on the services provided to older adults who were
28 victims of crime or fraud in the previous fiscal year. The report
29 must include, but is not limited to, all of the following by

1 county: the percentage of investigations commenced within 24 hours
2 after a report is made to the department, the number of face-to-
3 face contacts established with the client within 72 hours after a
4 report is made to the department, the number of investigations
5 completed within 30 days after a report is made to the department,
6 and the total number of older adults that were victims of crime or
7 fraud in the previous fiscal year and were provided services by the
8 department as a result of being victims of crime or fraud.

9
10 **DISABILITY DETERMINATION SERVICES**

11 Sec. 890. From the funds appropriated in part 1 for disability
12 determination services, the department shall maintain the unit
13 rates in effect on September 30, 2019 for medical consultants
14 performing disability determination services, including physicians,
15 psychologists, and speech-language pathologists.

16
17 **BEHAVIORAL HEALTH SERVICES ADMINISTRATION AND SPECIAL PROJECTS**

18 Sec. 901. The funds appropriated in part 1 are intended to
19 support a system of comprehensive community mental health services
20 under the full authority and responsibility of local CMHSPs or
21 PIHPs in accordance with the mental health code, 1974 PA 258, MCL
22 330.1001 to 330.2106, the Medicaid provider manual, federal
23 Medicaid waivers, and all other applicable federal and state laws.

24 Sec. 902. (1) From the funds appropriated in part 1, final
25 authorizations to CMHSPs or PIHPs shall be made upon the execution
26 of contracts between the department and CMHSPs or PIHPs. The
27 contracts shall contain an approved plan and budget as well as
28 policies and procedures governing the obligations and
29 responsibilities of both parties to the contracts. Each contract

1 with a CMHSP or PIHP that the department is authorized to enter
2 into under this subsection shall include a provision that the
3 contract is not valid unless the total dollar obligation for all of
4 the contracts between the department and the CMHSPs or PIHPs
5 entered into under this subsection for the current fiscal year does
6 not exceed the amount of money appropriated in part 1 for the
7 contracts authorized under this subsection.

8 (2) The department shall immediately submit a report to the
9 report recipients required in section 246 of this part if either of
10 the following occurs:

11 (a) The department enters into any new contracts with CMHSPs
12 or PIHPs that would affect rates or expenditures.

13 (b) The department amends any contracts the department has
14 entered into with CMHSPs or PIHPs that would affect rates or
15 expenditures.

16 (3) The report required by subsection (2) must include
17 information about the changes to the contracts and their effects on
18 rates and expenditures.

19 Sec. 904. (1) By May 31 of the current fiscal year, the
20 department shall provide a report on the CMHSPs, PIHPs, and
21 designated regional entities for substance use disorder prevention
22 and treatment to the report recipients required in section 246 of
23 this part that includes the information required by this section.

24 (2) The report required under subsection (1) shall contain,
25 unless otherwise noted, information for each CMHSP, PIHP, and
26 designated regional entity for substance use disorder prevention
27 and treatment, and a statewide summary, each of which shall include
28 at least the following information:

29 (a) A statewide summary of the demographic description of

1 service recipients that, minimally, shall include reimbursement
2 eligibility, client population, age, ethnicity, housing
3 arrangements, and diagnosis.

4 (b) Per capita expenditures in total and by client population
5 group.

6 (c) A statewide summary of Medicaid-funded cost information
7 for the 3 diagnosis groups of adults with a mental illness,
8 children with a serious emotional disturbance, and individuals with
9 an intellectual or developmental disability. The statewide summary
10 must, minimally, include expenditures by service category for each
11 of the 3 diagnosis groups described in this subdivision and cases,
12 units, and cost of each specific service code index or health care
13 common procedure coding system (HCPCS) code for each of the 3
14 diagnosis groups.

15 (d) Financial information on non-Medicaid mental health
16 services by general fund cost reporting category.

17 (e) Information about access to CMHSPs, PIHPs, and designated
18 regional entities for substance use disorder prevention and
19 treatment that includes, but is not limited to, the following:

20 (i) The number of individuals receiving requested services.

21 (ii) The number of individuals who requested services but did
22 not receive services.

23 (f) The number of second opinions requested under the mental
24 health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the
25 determination of any appeals.

26 (g) Lapses and carryforwards during the previous fiscal year
27 for CMHSPs, PIHPs, and designated regional entities for substance
28 use disorder prevention and treatment.

29 (h) Performance indicator information required to be submitted

1 to the department in the contracts with CMHSPs, PIHPs, and
2 designated regional entities for substance use disorder prevention
3 and treatment.

4 (i) Administrative expenditures of each CMHSP, PIHP, and
5 designated regional entity for substance use disorder prevention
6 and treatment that include a breakout of the salary, benefits, and
7 pension of each executive-level staff and shall include the
8 director, chief executive, and chief operating officers and other
9 members identified as executive staff.

10 (3) The report in subsection (1) shall contain the following
11 information from the previous fiscal year on substance use disorder
12 prevention, education, and treatment programs:

13 (a) The expenditures stratified by department-designated
14 community mental health entity, by fund source, by subcontractor,
15 by population served, and by service type.

16 (b) The expenditures per state client, with data on the
17 distribution of expenditures reported using a histogram approach.

18 (c) The number of services provided by subcontractor and by
19 service type. Additionally, data on length of stay, referral
20 source, and participation in other state programs.

21 (d) The collections from other first- or third-party payers,
22 private donations, or other state or local programs, by department-
23 designated community mental health entity, by subcontractor, by
24 population served, and by service type.

25 (4) The department shall include data reporting requirements
26 listed in subsections (2) and (3) in the annual contract with each
27 individual CMHSP, PIHP, and designated regional entity for
28 substance use disorder prevention and treatment.

29 (5) The department shall take all reasonable actions to ensure

1 that the data required are complete and consistent among all
2 CMHSPs, PIHPs, and designated regional entities for substance use
3 disorder prevention and treatment.

4 Sec. 907. (1) The amount appropriated in part 1 for community
5 substance use disorder prevention, education, and treatment shall
6 be expended to coordinate care and services provided to individuals
7 with severe and persistent mental illness and substance use
8 disorder diagnoses.

9 (2) The department shall approve managing entity fee schedules
10 for providing substance use disorder services and charge
11 participants in accordance with their ability to pay.

12 (3) The managing entity shall continue current efforts to
13 collaborate on the delivery of services to those clients with
14 mental illness and substance use disorder diagnoses with the goal
15 of providing services in an administratively efficient manner.

16 Sec. 908. (1) As a condition of their contracts with the
17 department, PIHPs and CMHSPs, in consultation with the Community
18 Mental Health Association of Michigan, shall work with the
19 department to implement section 206b of the mental health code,
20 1974 PA 258, MCL 330.1206b, to establish a uniform community mental
21 health services credentialing program.

22 (2) The department shall forward the report described in
23 section 206b of the mental health code, 1974 PA 258, MCL 330.1206b,
24 to the recipients described in section 246 of this part in the same
25 time frame and manner as the department is required to submit the
26 report to the legislature under section 206b of the mental health
27 code, 1974 PA 258, MCL 330.1206b.

28 Sec. 909. From the funds appropriated in part 1 for health
29 homes, the department shall use available revenue from the

1 marihuana regulatory fund established in section 604 of the medical
2 marihuana facilities licensing act, 2016 PA 281, MCL 333.27604, to
3 improve physical health, expand access to substance use disorder
4 prevention and treatment services, and strengthen the existing
5 prevention, treatment, and recovery systems.

6 Sec. 910. The department shall ensure that substance use
7 disorder treatment is provided to applicants and recipients of
8 public assistance through the department who are required to obtain
9 substance use disorder treatment as a condition of eligibility for
10 public assistance.

11 Sec. 911. (1) The department shall ensure that each contract
12 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
13 programs to encourage diversion of individuals with serious mental
14 illness, serious emotional disturbance, or developmental disability
15 from possible jail incarceration when appropriate.

16 (2) Each CMHSP or PIHP shall have jail diversion services and
17 shall work toward establishing working relationships with
18 representative staff of local law enforcement agencies, including
19 county prosecutors' offices, county sheriffs' offices, county
20 jails, municipal police agencies, municipal detention facilities,
21 and the courts. Written interagency agreements describing what
22 services each participating agency is prepared to commit to the
23 local jail diversion effort and the procedures to be used by local
24 law enforcement agencies to access mental health jail diversion
25 services are strongly encouraged.

26 Sec. 912. The department shall contract directly with the
27 Salvation Army Harbor Light program, at an amount not less than the
28 amount provided during the fiscal year ending September 30, 2020,
29 to provide non-Medicaid substance use disorder services if the

1 local coordinating agency or the department confirms the Salvation
2 Army Harbor Light program meets the standard of care. The standard
3 of care shall include, but is not limited to, utilization of the
4 medication assisted treatment option.

5 Sec. 913. (1) From the funds appropriated in part 1 for
6 behavioral health program administration, the department shall
7 allocate \$2,025,000.00 for the autism navigator program. The
8 department shall require any contractor receiving funds under this
9 section to comply with performance-related metrics to maintain
10 eligibility for funding. The performance-related metrics shall
11 include, but not be limited to, all of the following:

12 (a) Each contractor shall have accreditations that attest to
13 their competency and effectiveness in providing services.

14 (b) Each contractor shall demonstrate cost-effectiveness.

15 (c) Each contractor shall ensure their ability to leverage
16 private dollars to strengthen and maximize service provision.

17 (d) Each contractor shall provide quarterly reports to the
18 department regarding the number of clients served by PIHP region,
19 units of service provision by PIHP region, and ability to meet
20 their stated goals.

21 (2) The department shall require an annual report from any
22 contractor receiving funding from this section. The annual report,
23 due to the department 60 days following the end of the contract
24 period, shall include specific information on services and programs
25 provided, the client base to which the services and programs were
26 provided, and the expenditures for those services. The department
27 shall provide the annual reports to the report recipients required
28 in section 246 of this part.

29 Sec. 914. By June 1 of the current fiscal year, the department

1 shall submit a report to the report recipients required in section
2 246 of this part on outcomes of the funds provided in part 1 to the
3 Michigan Child Care Collaborative program (MC3). The outcomes
4 reported must include, but is not limited to, the number of same-
5 day telephone consultations with primary care providers and the
6 number of local resource recommendations made to primary care
7 providers who are providing medical care to patients who need
8 behavioral health services.

9 Sec. 915. From the funds appropriated in part 1 for community
10 substance use disorder prevention, education, and treatment and
11 opioid response activities, the department shall, to the extent
12 possible, provide grants, pursuant to federal laws, rules, and
13 regulations, to local public entities that provide substance use
14 disorder services and to 1 private entity that has a statewide
15 contract to provide community-based substance use disorder
16 services.

17 Sec. 916. From the funds appropriated in part 1 for behavioral
18 health program administration, the department shall allocate
19 \$100,000.00 as a grant to a nonprofit mental health clinic located
20 in a county with a population between 290,000 and 300,000 according
21 to the most recent federal decennial census that provides
22 counseling services, accepts clients regardless of their ability to
23 pay for services through sliding scale copayments and volunteer
24 services, and uses fundraising to support their clinic.

25 Sec. 917. (1) From the funds appropriated in part 1 for opioid
26 response activities, the department shall allocate \$23,200,000.00
27 from the Michigan opioid healing and recovery fund created under
28 section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253,
29 to create or supplement opioid-related programs and services in a

1 manner consistent with the opioid judgment, settlement, or
2 compromise of claims pertaining to violations, or alleged
3 violations, of law related to the manufacture, marketing,
4 distribution, dispensing, or sale of opioids.

5 (2) On a semiannual basis, the department shall provide a
6 report to the report recipients required in section 246 of this
7 part on all of the following:

8 (a) Total revenues deposited into and expenditures and
9 encumbrances from the Michigan opioid healing and recovery fund
10 since the creation of the fund.

11 (b) Revenues deposited into and expenditures and encumbrances
12 from the Michigan opioid healing and recovery fund during the
13 previous 6 months.

14 (c) Estimated revenues to be deposited into and the spending
15 plan for the Michigan opioid healing and recovery fund for the next
16 12 months.

17 Sec. 918. On a quarterly basis, providing monthly data, the
18 department shall report to the report recipients required in
19 section 246 of this part on the amount of funding paid to PIHPs to
20 support the Medicaid managed mental health care program. The
21 information shall include the total paid to each PIHP, per capita
22 rate paid for each eligibility group for each PIHP, and number of
23 cases in each eligibility group for each PIHP, and year-to-date
24 summary of eligibles and expenditures for the Medicaid managed
25 mental health care program.

26 Sec. 924. From the funds appropriated in part 1, for the
27 purposes of actuarially sound rate certification and approval for
28 Medicaid behavioral health managed care programs, the department
29 shall maintain a fee schedule for autism services reimbursement

1 rates for direct services. Expenditures used for rate setting shall
2 not exceed those identified in the fee schedule. The rates for
3 behavioral technicians shall not be less than \$54.85 per hour, of
4 which \$1.00 per hour is on a 1-time basis, and not more than \$59.85
5 per hour, of which \$1.00 per hour is on a 1-time basis.

6 Sec. 926. (1) From the funds appropriated in part 1 for
7 community substance use disorder prevention, education, and
8 treatment, \$1,500,000.00 is allocated for a specialized substance
9 use disorder detoxification project administered by a 9-1-1 service
10 district in conjunction with a substance use and case management
11 provider and at a hospital within a 9-1-1 services district with at
12 least 600,000 residents and 15 member communities within a county
13 with a population of at least 1,500,000 according to the most
14 recent federal decennial census.

15 (2) The substance use and case management provider receiving
16 funds under this section shall collect and submit to the department
17 data on the outcomes of the project throughout the duration of the
18 project and the department shall submit a report on the project's
19 outcomes to the report recipients required in section 246 of this
20 part.

21 Sec. 928. (1) Each PIHP shall provide, from internal
22 resources, local funds to be used as a part of the state match
23 required under the Medicaid program in order to increase capitation
24 rates for PIHPs. These funds shall not include either state funds
25 received by a CMHSP for services provided to non-Medicaid
26 recipients or the state matching portion of the Medicaid capitation
27 payments made to a PIHP.

28 (2) By April 1 of the current fiscal year, the department
29 shall report to the report recipients required in section 246 of

1 this part on the lapse by PIHP from the previous fiscal year and
2 the projected lapse by PIHP in the current fiscal year.

3 (3) It is the intent of the legislature that the amount of
4 local funds used in subsection (1) be phased out and offset with
5 state general fund/general purpose revenue in equal amounts over a
6 5-year period.

7 (4) Until the local funds are phased out as described in
8 subsection (3), each PIHP shall not be required to provide local
9 funds, used as part of the state match required under the Medicaid
10 program in order to increase capitation rates for PIHPs, at an
11 amount greater than what each PIHP received from local units of
12 government, either directly or indirectly, during the fiscal year
13 ending September 30, 2018 for this purpose.

14 Sec. 929. From the funds appropriated in part 1 for Michigan
15 child care collaborative, the department shall allocate at least
16 \$350,000.00 to address needs in a city in which a declaration of
17 emergency was issued because of drinking water contamination.

18 Sec. 935. A county required under the provisions of the mental
19 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
20 matching funds to a CMHSP for mental health services rendered to
21 residents in its jurisdiction shall pay the matching funds in equal
22 installments on not less than a quarterly basis throughout the
23 fiscal year, with the first payment being made by October 1 of the
24 current fiscal year.

25 Sec. 940. (1) According to section 236 of the mental health
26 code, 1974 PA 258, MCL 330.1236, the department shall review
27 expenditures for each CMHSP to identify CMHSPs with projected
28 allocation surpluses and to identify CMHSPs with projected
29 allocation shortfalls. The department shall encourage the board of

1 a CMHSP with a projected allocation surplus to concur with the
2 department's recommendation to reallocate those funds to CMHSPs
3 with projected allocation shortfalls.

4 (2) A CMHSP that has its funding allocation transferred out
5 during the current fiscal year as described in subsection (1) is
6 not eligible for any additional funding reallocations during the
7 remainder of the current fiscal year, unless that CMHSP is
8 responding to a public health emergency as determined by the
9 department.

10 (3) CMHSPs shall report to the department on any proposed
11 reallocations described in this section at least 30 days before any
12 reallocations take effect.

13 (4) By September 30 of the current fiscal year, the department
14 shall provide a report on the amount of funding reallocated to the
15 report recipients required in section 246 of this part.

16 Sec. 942. A CMHSP shall provide at least 30 days' notice
17 before reducing, terminating, or suspending services provided by a
18 CMHSP to CMHSP clients, with the exception of services authorized
19 by a physician that no longer meet established criteria for medical
20 necessity.

21 Sec. 950. From the funds appropriated in part 1 for court-
22 appointed guardian reimbursements, the department shall allocate
23 \$5,000,000.00 to reimburse court-appointed professional guardians
24 for individuals who do not receive any other type of reimbursement.
25 The department shall not reimburse more than \$83.00 per individual,
26 per month for each court-appointed professional guardian out of
27 these funds.

28 Sec. 960. (1) From the funds appropriated in part 1 for autism
29 services, the department shall continue to cover all Medicaid

1 autism services to Medicaid enrollees eligible for the services
2 that were covered on January 1, 2019.

3 (2) To restrain cost increases in the autism services line
4 item, the department shall do all of the following:

5 (a) By February 18 of the current fiscal year, develop and
6 implement specific written guidance for standardization of Medicaid
7 PIHPs and CMHSPs autism spectrum disorder administrative services,
8 including, but not limited to, reporting requirements, coding, and
9 reciprocity of credentialing and training between PIHPs and CMHSPs
10 to reduce administrative duplication at the PIHP, CMHSP, and
11 service provider levels.

12 (b) Require consultation with the client's evaluation
13 diagnostician and PIHP to approve the client's ongoing therapy for
14 3 years, unless the client's evaluation diagnostician recommended
15 an evaluation before the 3 years or if a clinician on the treatment
16 team recommended an evaluation for the client before the third
17 year.

18 (c) Limit the authority to perform a diagnostic evaluation for
19 Medicaid autism services to qualified licensed practitioners.
20 Qualified licensed practitioners are limited to the following:

21 (i) A physician with a specialty in psychiatry or neurology.

22 (ii) A physician with a subspecialty in developmental
23 pediatrics, development-behavioral pediatrics, or a related
24 discipline.

25 (iii) A physician with a specialty in pediatrics or other
26 appropriate specialty with training, experience, or expertise in
27 autism spectrum disorders or behavioral health.

28 (iv) A psychologist with a specialty in clinical child
29 psychology, behavioral and cognitive psychology, or clinical

1 neuropsychology, or other appropriate specialty with training,
2 experience, or expertise in autism spectrum disorders or behavioral
3 health.

4 (v) A clinical social worker with at least 1 year of
5 experience working within his or her scope of practice who is
6 qualified and experienced in diagnosing autism spectrum disorders.

7 (vi) An advanced practice registered nurse with training,
8 experience, or expertise in autism spectrum disorders or behavioral
9 health.

10 (vii) A physician's assistant with training, experience, or
11 expertise in autism spectrum disorders or behavioral health.

12 (d) Require that a client whose initial diagnosis was
13 performed by a diagnostician with master's level credentials have
14 their diagnosis and treatment recommendations reviewed by a
15 physician, psychiatric nurse practitioner, physician's assistant
16 with training, experience, or expertise in autism spectrum
17 disorders or behavioral health, or fully credentialed psychologist.

18 (e) Allow and expand the utilization of telemedicine and
19 telepsychiatry to increase access to diagnostic evaluation
20 services.

21 (f) Coordinate with the department of insurance and financial
22 services on oversight for compliance with the Paul Wellstone and
23 Pete Domenici mental health parity and addiction equity act of
24 2008, Public Law 110-343, as it relates to autism spectrum disorder
25 services, to ensure appropriate cost sharing between public and
26 private payers.

27 (g) Require that Medicaid eligibility be confirmed through
28 prior evaluations conducted by physicians, psychiatric nurse
29 practitioners, physician's assistant with training, experience, or

1 expertise in autism spectrum disorders or behavioral health, or
2 fully credentialed psychologists to the extent possible.

3 (h) Maintain regular statewide provider trainings on autism
4 spectrum disorder standard clinical best practice guidelines for
5 treatment and diagnostic services.

6 (3) By March 1 of the current fiscal year, the department
7 shall report to the report recipients required in section 246 of
8 this part on total autism services spending broken down by PIHP and
9 CMHSP for the previous fiscal year and current fiscal year and
10 total administrative costs broken down by PIHP, CMHSP, and the type
11 of administrative cost for the previous fiscal year and current
12 fiscal year.

13 Sec. 962. For the purposes of special projects involving high-
14 need children or adults, including the not guilty by reason of
15 insanity population, the department may contract directly with
16 providers of services to these identified populations.

17 Sec. 964. By October 1 of the current fiscal year, the
18 department shall provide a report to the report recipients required
19 in section 246 of this part on the standardized fee schedule,
20 rather than comparison rates, for Medicaid behavioral health
21 services and supports. The report must also include the adequacy
22 standards to be used in all contracts with PIHPs and CMHSPs. In the
23 development of the standardized fee schedule, rather than
24 comparison rates, for Medicaid behavioral health services and
25 supports during the current fiscal year, the department must
26 prioritize and support essential service providers and must develop
27 a standardized fee schedule for revenue code 0204.

28 Sec. 965. From the funds appropriated in part 1, the
29 department and the PIHPs shall maintain the comparison rates and

1 any associated reimbursement rates of the bundled rate H0020 for
2 the administration and services of methadone at not less than
3 \$19.00.

4 Sec. 972. From the funds appropriated in part 1 for behavioral
5 health program administration, the department shall allocate not
6 less than \$3,000,000.00 general fund/general purpose revenue and
7 any associated federal match or federal grant funding, including,
8 but not limited to, associated federal 988 grant funding for the
9 mental health telephone access line known as the Michigan crisis
10 and access line (MiCAL), to provide primary coverage in regions
11 where a regional national suicide prevention lifeline center does
12 not provide coverage and for statewide secondary coverage, to
13 establish and make available to the public MiCAL in accordance with
14 section 165 of the mental health code, 1974 PA 258, MCL 330.1165.

15 Sec. 974. The department and PIHPs shall allow an individual
16 with an intellectual or developmental disability who receives
17 supports and services from a CMHSP to instead receive supports and
18 services from another provider if the individual shows that he or
19 she is eligible and qualified to receive supports and services from
20 another provider. Other providers may include, but are not limited
21 to, MIChoice and program of all-inclusive care for the elderly
22 (PACE).

23 Sec. 977. From the funds appropriated in part 1 for community
24 substance use disorder prevention, education, and treatment,
25 \$300,000.00 is allocated as grants to high schools specifically
26 designated for students recovering from a substance use disorder in
27 accordance with section 273a of the mental health code, 1974 PA
28 258, MCL 330.1273a.

29 Sec. 978. From the funds appropriated in part 1 for community

1 substance use disorder prevention, education, and treatment and
2 recovery community organizations, the department shall allocate
3 \$3,000,000.00, with \$1,800,000.00 allocated on a 1-time basis, as
4 grants for recovery community organizations to offer or expand
5 recovery support center services or recovery community center
6 services to individuals seeking long-term recovery from substance
7 use disorders in accordance with section 273b of the mental health
8 code, 1974 PA 258, MCL 330.1273b.

9 Sec. 995. (1) From the funds appropriated in part 1 for mental
10 health diversion council, the department shall allocate
11 \$3,850,000.00 to continue to implement the jail diversion pilot
12 programs intended to address the recommendations of the mental
13 health diversion council.

14 (2) By March 1 of the current fiscal year, the department
15 shall report to the report recipients required in section 246 of
16 this part on the planned allocation of the funds appropriated for
17 mental health diversion council.

18 Sec. 996. From the funds appropriated in part 1 for family
19 support subsidy, the department shall make monthly payments of
20 \$300.36 to the parents or legal guardians of children approved for
21 the family support subsidy by a CMHSP.

22 Sec. 997. The population data used in determining the
23 distribution of substance use disorder block grant funds shall be
24 from the most recent federal data from the United States Census
25 Bureau.

26 Sec. 998. For distribution of state general funds to CMHSPs,
27 if the department decides to use census data, the department shall
28 use the most recent federal data from the United States Census
29 Bureau.

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BEHAVIORAL HEALTH SERVICES

Sec. 1001. By December 31 of the current fiscal year, each CMHSP shall submit a report to the department that identifies populations being served by the CMHSP broken down by program eligibility category. The report shall also include the percentage of the operational budget that is related to program eligibility enrollment. By February 15 of the current fiscal year, the department shall submit the report described in this section to the report recipients required in section 246 of this part.

Sec. 1003. The department shall notify the Community Mental Health Association of Michigan when developing policies and procedures that will impact PIHPs or CMHSPs.

Sec. 1004. The department shall provide the report recipients required in section 246 of this part any rebased formula changes to either Medicaid behavioral health services or non-Medicaid mental health services 90 days before implementation. The notification shall include a table showing the changes in funding allocation by PIHP for Medicaid behavioral health services or by CMHSP for non-Medicaid mental health services.

Sec. 1005. (1) From the funds appropriated in part 1 for health homes, the department shall maintain the number of behavioral health homes and maintain the number of substance use disorder health homes in place by PIHP region as of September 30 of the previous fiscal year. The department may expand the number of behavioral health homes and the number of substance use disorder health homes in at least 1 additional PIHP region.

(2) On a quarterly basis, the department shall provide a report to the report recipients required in section 246 of this

1 part on the number of individuals being served and expenditures
2 incurred by each PIHP region by site.

3 Sec. 1008. PIHPs and CMHSPs shall do all of the following:

4 (a) Work to reduce administration costs by ensuring that PIHP
5 and CMHSP responsible functions are efficient in allowing optimal
6 transition of dollars to those direct services considered most
7 effective in assisting individuals served. Any consolidation of
8 administrative functions must demonstrate, by independent analysis,
9 a reduction in dollars spent on administration resulting in greater
10 dollars spent on direct services. Savings resulting from increased
11 efficiencies shall not be applied to PIHP and CMHSP net assets,
12 internal service fund increases, building costs, increases in the
13 number of PIHP and CMHSP personnel, or other areas not directly
14 related to the delivery of improved services.

15 (b) Take an active role in managing mental health care by
16 ensuring consistent and high-quality service delivery throughout
17 its network and promote a conflict-free care management
18 environment.

19 (c) Ensure that direct service rate variances are related to
20 the level of need or other quantifiable measures to ensure that the
21 most money possible reaches direct services.

22 (d) Whenever possible, promote fair and adequate direct care
23 reimbursement, including fair wages for direct service workers.

24 Sec. 1010. (1) The funds appropriated in part 1 for behavioral
25 health community supports and services must be used to reduce
26 waiting lists at state-operated hospitals and centers through cost-
27 effective community-based and residential services, including, but
28 not limited to, assertive community treatment (ACT), forensic
29 assertive community treatment (FACT), crisis stabilization units in

1 accordance with chapter 9A of the mental health code, 1974 PA 258,
2 MCL 330.1971 to 330.1979, and psychiatric residential treatment
3 facilities in accordance with section 137a of the mental health
4 code, 1974 PA 258, MCL 330.1137a.

5 (2) From the funds appropriated in part 1 for behavioral
6 health community supports and services, the department shall
7 allocate \$30,450,000.00 to reimburse private providers for
8 intensive psychiatric treatments and services outside of state-
9 operated hospitals and centers and support efforts related to the
10 oversight of community-based programs placement.

11 (3) If the private provider has an existing wait list for
12 intensive psychiatric treatments and services, any reimbursements
13 to private providers under this section must not be conditional on
14 private providers giving wait-list priority to state-paid
15 individuals.

16 Sec. 1012. The department shall pursue any and all federal
17 Medicaid waivers, or partial waivers, to maximize the use of
18 federal Medicaid reimbursements for substance use disorder services
19 and treatments for justice-involved individuals, including
20 prerelease services and reentry benefits. By March 9 of the current
21 fiscal year, the department shall provide a report on the types of
22 substance use disorder waivers submitted by the department, whether
23 those waivers have been approved by the Centers for Medicare and
24 Medicaid Services, and the steps the department will take to
25 request any and all federal Medicaid waivers to maximize the use of
26 federal Medicaid reimbursements for substance use disorder services
27 and treatments to the report recipients required in section 246 of
28 this part.

29 Sec. 1014. (1) From the funds appropriated in part 1 to

1 agencies providing physical and behavioral health services to
2 multicultural populations, the department shall award grants in
3 accordance with the requirements of subsection (2). This state is
4 not liable for any spending above the contract amount. The
5 department shall not release funds until reporting requirements
6 under section 1014 of article 6 of 2022 PA 166 are satisfied.

7 (2) The department shall require each contractor described in
8 subsection (1) that receives greater than \$1,000,000.00 in state
9 grant funding to comply with performance-related metrics to
10 maintain their eligibility for funding. The performance-related
11 metrics shall include, but not be limited to, all of the following:

12 (a) Each contractor or subcontractor shall have accreditations
13 that attest to their competency and effectiveness as behavioral
14 health and social service agencies.

15 (b) Each contractor or subcontractor shall have a mission that
16 is consistent with the purpose of the multicultural agency.

17 (c) Each contractor shall validate that any subcontractors
18 utilized within these appropriations share the same mission as the
19 lead agency receiving funding.

20 (d) Each contractor or subcontractor shall demonstrate cost-
21 effectiveness.

22 (e) Each contractor or subcontractor shall ensure their
23 ability to leverage private dollars to strengthen and maximize
24 service provision.

25 (f) Each contractor or subcontractor shall provide timely and
26 accurate reports regarding the number of clients served, units of
27 service provision, and ability to meet their stated goals.

28 (3) The department shall require an annual report from the
29 contractors described in subsection (2). The annual report, due 60

1 days following the end of the contract period, must include
2 specific information on services and programs provided, the client
3 base to which the services and programs were provided, information
4 on any wraparound services provided, and the expenditures for those
5 services. By February 1 of the current fiscal year, the department
6 shall provide the annual reports to the report recipients required
7 in section 246 of this part.

8 Sec. 1015. From the funds appropriated in part 1 for federal
9 mental health block grant, the department shall, to the extent
10 possible, provide grants, pursuant to federal laws, rules, and
11 regulations, to local public entities that provide mental health
12 services and to 1 private entity that has a statewide contract to
13 provide community-based mental health services.

14

15 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

16 Sec. 1051. The department shall continue a revenue recapture
17 project to generate additional revenues from third parties related
18 to cases that have been closed or are inactive. A portion of
19 revenues collected through project efforts may be used for
20 departmental costs and contractual fees associated with these
21 retroactive collections and to improve ongoing departmental
22 reimbursement management functions.

23 Sec. 1052. The purpose of gifts and bequests for patient
24 living and treatment environments is to use additional private
25 funds to provide specific enhancements for individuals residing at
26 state-operated facilities. Use of the gifts and bequests shall be
27 consistent with the stipulation of the donor. The expected
28 completion date for the use of gifts and bequests donations is
29 within 3 years unless otherwise stipulated by the donor.

1 Sec. 1055. (1) The department shall not implement any closures
2 or consolidations of state hospitals, centers, or agencies until
3 CMHSPs or PIHPs have programs and services in place for those
4 individuals currently in those facilities and a plan for service
5 provision for those individuals who would have been admitted to
6 those facilities.

7 (2) All closures or consolidations are dependent upon adequate
8 department-approved CMHSP and PIHP plans that include a discharge
9 and aftercare plan for each individual currently in the facility. A
10 discharge and aftercare plan shall address the individual's housing
11 needs. A homeless shelter or similar temporary shelter arrangements
12 are inadequate to meet the individual's housing needs.

13 (3) Four months after the certification of closure required in
14 section 19(6) of the state employees' retirement act, 1943 PA 240,
15 MCL 38.19, the department shall provide a closure plan to the
16 report recipients required in section 246 of this part.

17 (4) Upon the closure of state-run operations and after
18 transitional costs have been paid, the remaining balances of funds
19 appropriated for that operation shall be transferred to CMHSPs or
20 PIHPs responsible for providing services for individuals previously
21 served by the operations.

22 Sec. 1056. The department may collect revenue for patient
23 reimbursement from first- and third-party payers, including
24 Medicaid and local county CMHSP payers, to cover the cost of
25 placement in state hospitals and centers. The department is
26 authorized to adjust financing sources for patient reimbursement
27 based on actual revenues earned. If the revenue collected exceeds
28 current year expenditures, the revenue may be carried forward with
29 approval of the state budget director. The revenue carried forward

1 shall be used as a first source of funds in the subsequent year.

2 Sec. 1058. Effective October 1 of the current fiscal year, the
3 department, in consultation with the department of technology,
4 management, and budget, may maintain a bid process to identify 1 or
5 more private contractors to provide food service and custodial
6 services for the administrative areas at any state hospital
7 identified by the department as capable of generating savings
8 through the outsourcing of such services.

9 Sec. 1059. (1) The department shall identify specific outcomes
10 and performance measures for state-operated hospitals and centers,
11 including, but not limited to, the following:

12 (a) The average wait time from the time of the receipt of the
13 court order for treatment for individuals determined incompetent to
14 stand trial until admission to the center for forensic psychiatry.

15 (b) The average wait time from the time of the receipt of the
16 court order for treatment for individuals determined incompetent to
17 stand trial until admission to other state-operated psychiatric
18 facilities.

19 (c) The most recent 12-month average number of individuals on
20 the first day of each month waiting to receive admission into the
21 center for forensic psychiatry.

22 (d) The most recent 12-month average number of individuals on
23 the first day of each month waiting to receive admission into the
24 other state-operated hospitals and centers.

25 (e) The average wait time for individuals awaiting admission
26 into the other state-operated hospitals and centers through the
27 civil admissions process.

28 (f) The number of individuals determined not guilty by reason
29 of insanity or incompetent to stand trial by an order of a probate

1 court that have been determined to be ready for discharge to the
2 community, and the average wait time between being determined to be
3 ready for discharge to the community and actual community
4 placement.

5 (g) The number of individuals denied admission into the center
6 for forensic psychiatry.

7 (h) The number of individuals denied admission into the other
8 state-operated hospitals and centers.

9 (2) By April 1 of the current fiscal year, the department
10 shall report to the report recipients required in section 246 of
11 this part on the outcomes and performance measures in subsection
12 (1).

13 Sec. 1060. By March 1 of the current fiscal year, the
14 department shall provide a report on mandatory overtime, staff
15 turnover, and staff retention at the state psychiatric hospitals
16 and centers to the report recipients required in section 246 of
17 this part. The report shall include, but is not limited to, the
18 following:

19 (a) The number of direct care and clinical staff positions
20 that are currently vacant by hospital, and how that compares to the
21 number of vacancies during the previous fiscal year.

22 (b) A breakdown of voluntary and mandatory overtime hours
23 worked by position and by hospital, and how that compares to the
24 breakdown of voluntary and mandatory overtime hours during the
25 previous fiscal year.

26 (c) The ranges of wages paid by position and by hospital, and
27 how that compares to wages paid during the previous fiscal year.

28 Sec. 1063. (1) From the funds appropriated in part 1 for
29 Hawthorn Center - psychiatric hospital - children and adolescents,

1 the department shall maintain a psychiatric transitional unit and
 2 children's transition support team. These programs shall augment
 3 the continuum of behavioral health services for high-need youth and
 4 provide additional continuity of care and transition into
 5 supportive community-based services.

6 (2) Outcomes and performance measures for these programs
 7 include, but are not limited to, the following:

8 (a) The rate of rehospitalization for youth served through the
 9 program at 30 and 180 days.

10 (b) The measured change in the Child and Adolescent Functional
 11 Assessment Scale for children served through these programs.

12

13 **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

14 Sec. 1140. From the funds appropriated in part 1 for primary
 15 care services, \$400,000.00 shall be allocated to free health
 16 clinics operating in the state. The department shall distribute the
 17 funds equally to each free health clinic. For the purpose of this
 18 appropriation, "free health clinics" means nonprofit organizations
 19 that use volunteer health professionals to provide care to
 20 uninsured individuals.

21 Sec. 1143. From the funds appropriated in part 1 for primary
 22 care services, the department shall allocate no less than
 23 \$675,000.00 for island primary health care access and services
 24 including island clinics, in the following amounts:

25 (a) Beaver Island, \$250,000.00.

26 (b) Mackinac Island, \$250,000.00.

27 (c) Drummond Island, \$150,000.00.

28 (d) Bois Blanc Island, \$25,000.00.

29 Sec. 1145. The department will take steps necessary to work

1 with Indian Health Service, tribal health program facilities, or
2 Urban Indian Health Program facilities that provide services under
3 a contract with a Medicaid managed care entity to ensure that those
4 facilities receive the maximum amount allowable under federal law
5 for Medicaid services.

6 Sec. 1147. From the funds appropriated in part 1 for cellular
7 therapy for Versiti Michigan, \$750,000.00 shall be allocated to
8 Versiti Michigan. The funds shall be used to enhance the collection
9 of fetal umbilical cord blood and stem cells for transplant, expand
10 cord blood laboratory capabilities, expand the diversity of
11 collections, and build information technology infrastructure.

12 Sec. 1151. (1) The department shall coordinate with the
13 department of licensing and regulatory affairs, the department of
14 the attorney general, all appropriate law enforcement agencies, and
15 the Medicaid health plans to work with local substance use disorder
16 agencies and addiction treatment providers to help inform Medicaid
17 beneficiaries of all medically appropriate treatment options for
18 opioid addiction when their treating physician stops prescribing
19 prescription opioid medication for pain, and to address other
20 appropriate recommendations of the prescription drug and opioid
21 abuse task force outlined in its report of October 2015.

22 (2) By October 1 of the current fiscal year, the department
23 shall submit a report to the senate and house appropriations
24 subcommittees on the department budget, the senate and house fiscal
25 agencies, the senate and house policy offices, and the state budget
26 office on how the department is working with local substance use
27 disorder agencies and addiction treatment providers to ensure that
28 Medicaid beneficiaries are informed of all available and medically
29 appropriate treatment options for opioid addiction when their

1 treating physician stops prescribing prescription opioid medication
2 for pain, and to address other appropriate recommendations of the
3 task force. The report shall include any potential barriers to
4 medication-assisted treatment, as recommended by the Michigan
5 medication-assisted treatment guidelines, for Medicaid
6 beneficiaries in both office-based opioid treatment and opioid
7 treatment program facility settings.

8 Sec. 1153. (1) From the funds appropriated in part 1 for crime
9 victim justice assistance grants, the department shall allocate
10 \$102,600.00 of state general fund/general purpose revenue for a
11 sexual assault nurse examiners program at a hospital in a city with
12 a population between 21,600 and 21,700 according to the most recent
13 federal decennial census within a county with a population between
14 64,300 and 64,400 according to the most recent federal decennial
15 census. Funds must be used to support staff compensation and
16 training, victim needs, and community awareness, education, and
17 prevention programs.

18 (2) The crime victim services commission may review the uses
19 of funds appropriated in this section to determine if it merits
20 utilization of the crime victim's rights fund on an ongoing basis
21 in subsequent fiscal years.

22 Sec. 1155. (1) From the funds appropriated in part 1 for the
23 uniform statewide sexual assault evidence kit tracking system, in
24 accordance with the final report of the Michigan sexual assault
25 evidence kit tracking and reporting commission, \$369,500.00 is
26 allocated to contract for the administration of a uniform statewide
27 sexual assault evidence kit tracking system. The system shall
28 include the following:

29 (a) A uniform statewide system to track the submission and

1 status of sexual assault evidence kits.

2 (b) A uniform statewide system to audit untested kits that
3 were collected on or before March 1, 2015 and were released by
4 victims to law enforcement.

5 (c) Secure electronic access for victims.

6 (d) The ability to accommodate concurrent data entry with kit
7 collection through various mechanisms, including web entry through
8 computer or smartphone, and through scanning devices.

9 (2) By March 30 of the current fiscal year, the department
10 shall submit to the report recipients required in section 246 of
11 this part a status report on the administration of the uniform
12 statewide sexual assault evidence kit tracking system, including
13 operational status and any known issues regarding implementation.

14 (3) The sexual assault evidence tracking fund established in
15 section 1451 of 2017 PA 158 shall continue to be maintained in the
16 department of treasury. Money in the sexual assault evidence
17 tracking fund at the close of a fiscal year remains in the sexual
18 assault evidence tracking fund, does not revert to the general
19 fund, and shall be appropriated as provided by law for the
20 development and implementation of a uniform statewide sexual
21 assault evidence kit tracking system as described in subsection
22 (1).

23 (4) By September 30 of the current fiscal year, the department
24 shall submit to the report recipients required in section 246 of
25 this part a report on the findings of the annual audit of the
26 proper submission of sexual assault evidence kits as required by
27 the sexual assault kit evidence submission act, 2014 PA 227, MCL
28 752.931 to 752.935. The report must include, but is not limited to,
29 a detailed county-by-county compilation of the number of sexual

1 assault evidence kits that were properly submitted and the number
2 that met or did not meet deadlines established in the sexual
3 assault kit evidence submission act, 2014 PA 227, MCL 752.931 to
4 752.935, the number of sexual assault evidence kits retrieved by
5 law enforcement after analysis, and the physical location of all
6 released sexual assault evidence kits collected by health care
7 providers in that year, as of the date of the annual draft report
8 for each reporting agency.

9 Sec. 1157. From the funds appropriated in part 1 for child
10 advocacy centers - supplemental grants, the department shall
11 allocate \$2,000,000.00 to continue to provide additional funding to
12 child advocacy centers to support the general operations of child
13 advocacy centers. The purpose of this additional funding is to
14 increase the amount of services provided to children and their
15 families who are victims of abuse over the amount provided in the
16 previous fiscal year.

17 Sec. 1158. From the funds appropriated in part 1 for crime
18 victim rights sustaining grants, the department shall allocate
19 \$20,000,000.00 from the crime victim's rights sustaining fund to
20 supplement the loss of federal crime victim rights funding. The
21 department must distribute these funds consistent with the regular
22 allocation formula for crime victim justice grants and crime victim
23 rights services grants.

24 Sec. 1159. (1) From the funds appropriated in part 1 for
25 community health programs, the department shall establish new
26 infrastructure to support preventative health supports and services
27 to regions with high health care access and outcome disparities.
28 Eligible expenditures from this line must include:

29 (a) Financial support for the creation and operation of

1 community-based health clinics. These clinics shall provide
2 preventative health services and be established in communities with
3 high social vulnerability and health disparities and be operated in
4 cooperation with trusted community partners with demonstrated
5 experience in serving as an access point for preventative health
6 services.

7 (b) Operation of mobile health units to provide preventative
8 health services for persons residing in areas with high disparities
9 in health care outcome and access.

10 (2) By March 1 of the current fiscal year, the department
11 shall submit to the report recipients required in section 246 of
12 this part a report on the outcome of community health programs. The
13 report must include, but is not limited to, all of the following:

14 (a) The list of communities served.

15 (b) The types of preventative health services offered by the
16 community-based health clinics and mobile health units.

17 (c) The number of vaccinations administered.

18 (d) A spending report from the grant recipients.

19

20 **EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY**

21 Sec. 1180. From the funds appropriated in part 1 for
22 epidemiology administration and for childhood lead program, the
23 department shall maintain a public health drinking water unit and
24 maintain enhanced efforts to monitor child blood lead levels. The
25 public health drinking water unit shall ensure that appropriate
26 investigations of potential health hazards occur for all community
27 and noncommunity drinking water supplies where chemical exceedances
28 of action levels, health advisory levels, or maximum contaminant
29 limits are identified. The goals of the childhood lead program

1 shall include improving the identification of affected children,
2 the timeliness of case follow-up, and attainment of nurse care
3 management for children with lead exposure, and to achieve a long-
4 term reduction in the percentage of children in this state with
5 elevated blood lead levels.

6 Sec. 1181. From the funds appropriated in part 1 for
7 epidemiology administration, the department shall maintain a vapor
8 intrusion response unit. The vapor intrusion response unit shall
9 assess risks to public health at vapor intrusion sites and respond
10 to vapor intrusion risks where appropriate. The goals of the vapor
11 intrusion response unit shall include reducing the number of
12 residents of this state exposed to toxic substances through vapor
13 intrusion and improving health outcomes for individuals that are
14 identified as having been exposed to vapor intrusion.

15 Sec. 1182. By April 1 of the current fiscal year, the
16 department shall provide a report to the house and senate
17 appropriations subcommittees on the department budget, the house
18 and senate fiscal agencies, and the state budget office on the
19 expenditures and activities undertaken by the lead abatement
20 program in the previous fiscal year from the funds appropriated in
21 part 1 for the healthy homes program. The report shall include, but
22 is not limited to, a funding allocation schedule, the expenditures
23 by category of expenditure and by subcontractor, the revenues
24 received, a description of program elements, the number of housing
25 units abated of lead-based paint hazards, and a description of
26 program accomplishments and progress.

27 Sec. 1186. (1) From the funds appropriated in part 1 for
28 emergency medical services program, the department shall allocate
29 \$2,000,000.00 for a statewide stroke and STEMI system of care for

1 time-sensitive emergencies. This system must be integrated into the
2 statewide trauma care system within the emergency medical services
3 system and must include at least all of the following:

4 (a) The designation of facilities as stroke and STEMI
5 facilities based on a verification that national certification or
6 accreditation standards have been met.

7 (b) A requirement that a hospital is not required to be
8 designated as providing certain levels of care for stroke or STEMI.

9 (c) The development and utilization of stroke and STEMI
10 registries that utilize nationally recognized data platforms with
11 confidentiality standards.

12 (2) By March 1 of the current fiscal year, the department
13 shall provide a report to the report recipients required in section
14 246 of this part on the expenditures and activities undertaken by
15 the statewide stroke and STEMI system of care for time-sensitive
16 emergencies in the previous fiscal year from the funds appropriated
17 under section 1186(1) of article 6 of 2021 PA 87. The report must
18 include, but is not limited to, a funding allocation schedule,
19 expenditures by category of expenditure and by vendor or grantee,
20 and a description of program accomplishments and progress.

21 (3) For the purposes of this section, "STEMI" means an ST-
22 elevation myocardial infarction.

23

24 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

25 Sec. 1220. The amount appropriated in part 1 for
26 implementation of the 1993 additions of or amendments to sections
27 9161, 16221, 16226, 17014, 17015, and 17515 of the public health
28 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
29 333.17015, and 333.17515, shall be used to reimburse local health

1 departments for costs incurred related to the implementation of
2 section 17015(18) of the public health code, 1978 PA 368, MCL
3 333.17015.

4 Sec. 1221. If a county that has participated in a district
5 health department or an associated arrangement with other local
6 health departments takes action to cease to participate in that
7 arrangement after October 1 of the current fiscal year, the
8 department may assess a penalty from the local health department's
9 operational accounts in an amount equal to no more than 6.25% of
10 the local health department's essential local public health
11 services funding. This penalty shall only be assessed to the local
12 county that requests the dissolution of the health department.

13 Sec. 1222. (1) Funds appropriated in part 1 for essential
14 local public health services shall be prospectively allocated to
15 local health departments to support immunizations, infectious
16 disease control, sexually transmitted disease control and
17 prevention, hearing screening, vision services, food protection,
18 public water supply, private groundwater supply, and on-site sewage
19 management. Food protection shall be provided in consultation with
20 the department of agriculture and rural development. Public water
21 supply, private groundwater supply, and on-site sewage management
22 shall be provided in consultation with the department of
23 environment, Great Lakes, and energy.

24 (2) Distributions in subsection (1) shall be made only to
25 counties that maintain local spending in the current fiscal year of
26 at least the amount expended in fiscal year 1992-1993 for the
27 services described in subsection (1).

28 (3) By February 1 of the current fiscal year, the department
29 shall provide a report to the report recipients required in section

1 246 of this part on the planned allocation of the funds
2 appropriated for essential local public health services.

3 Sec. 1227. The department shall establish criteria for all
4 funds allocated for health and wellness initiatives. The criteria
5 must include a requirement that all programs funded be evidence-
6 based and supported by research, include interventions that have
7 been shown to demonstrate outcomes that lower cost and improve
8 quality, and be designed for statewide impact. Preference must be
9 given to programs that utilize the funding as match for additional
10 resources, including, but not limited to, federal sources.

11 Sec. 1231. (1) From the funds appropriated for local health
12 services, up to \$4,750,000.00 shall be allocated for grants to
13 local public health departments to support PFAS response and
14 emerging public health threat activities. A portion of the funding
15 shall be allocated by the department in a collaborative fashion
16 with local public health departments in jurisdictions experiencing
17 PFAS contamination. The remainder of the funding shall be allocated
18 to address infectious and vector-borne disease threats, and other
19 environmental contamination issues such as vapor intrusion,
20 drinking water contamination, and lead exposure. The funding shall
21 be allocated to address issues including, but not limited to,
22 staffing, planning and response, and creation and dissemination of
23 materials related to PFAS contamination issues and other emerging
24 public health issues and threats.

25 (2) By March 1 of the current fiscal year, the department
26 shall provide a report to the report recipients required in section
27 246 of this part on actual expenditures in the previous fiscal year
28 and planned spending in the current fiscal year of the funds
29 described in subsection (1), including recipient entities, amount

1 of allocation, general category of allocation, and detailed uses.

2 Sec. 1232. The department may work to ensure that the United
3 States Department of Defense reimburses the state for costs
4 associated with PFAS and environmental contamination response at
5 military training sites and support facilities.

6 Sec. 1233. General fund and state restricted fund
7 appropriations in part 1 shall not be expended for PFAS and
8 environmental contamination response where federal funding or
9 private grant funding is available for the same expenditures.

10 Sec. 1239. The department shall participate in and give
11 necessary assistance to the Michigan PFAS action response team
12 (MPART) pursuant to Executive Order No. 2019-03. The department
13 shall collaborate with MPART and other departments to carry out
14 appropriate activities, actions, and recommendations as coordinated
15 by MPART. Efforts shall be continuous to ensure that the
16 department's activities are not duplicative with activities of
17 another department or agency.

18 Sec. 1240. From the funds appropriated in part 1 for chronic
19 disease control and health promotion administration, \$70,000.00 is
20 allocated to support a rare disease advisory council and
21 responsibilities of the council, which may include all of the
22 following:

23 (a) Developing a list of rare diseases.

24 (b) Posting the list of rare diseases on the department's
25 website.

26 (c) Updating the list of rare diseases.

27 (d) Annually investigating and reporting to the legislature on
28 1 rare disease on the list, and including legislative
29 recommendations in the report.

1

FAMILY HEALTH SERVICES

3 Sec. 1301. (1) Before April 1 of the current fiscal year, the
4 department shall submit a report to the report recipients required
5 in section 246 of this part on planned allocations from the amounts
6 appropriated in part 1 for local MCH services, prenatal care
7 outreach and service delivery support, family planning local
8 agreements, and pregnancy prevention programs. Using applicable
9 federal definitions, the report shall include information on all of
10 the following:

11 (a) Funding allocations.

12 (b) Actual number of women, children, and adolescents served
13 and amounts expended for each group for the previous fiscal year.

14 (c) A breakdown of the expenditure of these funds between
15 urban and rural communities.

16 (2) The department shall ensure that the distribution of funds
17 through the programs described in subsection (1) takes into account
18 the needs of rural communities.

19 (3) As used in this section, "rural" means a county, city,
20 village, or township with a population of 30,000 or less, including
21 those entities if located within a metropolitan statistical area.

22 Sec. 1306. (1) From the funds appropriated in part 1 for the
23 drinking water declaration of emergency, the department shall
24 allocate funds to address needs in a city in which a declaration of
25 emergency was issued because of drinking water contamination. These
26 funds may support, but are not limited to, the following
27 activities:

28 (a) Nutrition assistance, nutritional and community education,
29 food bank resources, and food inspections.

1 (b) Epidemiological analysis and case management of
2 individuals at risk of elevated blood lead levels.

3 (c) Support for child and adolescent health centers,
4 children's health care access program, and pathways to potential
5 programming.

6 (d) Nursing services, breastfeeding education, evidence-based
7 home visiting programs, intensive services, and outreach for
8 children exposed to lead coordinated through local community mental
9 health organizations.

10 (e) Department local office operations costs.

11 (f) Lead poisoning surveillance, investigations, treatment,
12 and abatement.

13 (g) Nutritional incentives provided to local residents through
14 the double up food bucks expansion program.

15 (h) Genesee County health department food inspectors to
16 perform water testing at local food service establishments.

17 (i) Transportation related to health care delivery.

18 (j) Senior initiatives.

19 (k) Lead abatement contractor workforce development.

20 (2) From the funds appropriated in part 1 for the drinking
21 water declaration of emergency, the department shall allocate
22 \$300,000.00 for Revive Community Health Center for health support
23 services as the center pursues certification as a federally
24 qualified health center.

25 (3) From the funds appropriated in part 1 for the drinking
26 water declaration of emergency, the department shall allocate
27 \$500,000.00 for rides to wellness through the Flint mass
28 transportation authority.

29 Sec. 1308. From the funds appropriated in part 1 for prenatal

1 care outreach and service delivery support, not less than
2 \$500,000.00 of funding shall be allocated for evidence-based
3 programs to reduce infant mortality. The funds shall be used for
4 enhanced support and education to nursing teams or other teams of
5 qualified health professionals, client recruitment in areas
6 designated as underserved for obstetrical and gynecological
7 services and other high-need communities, strategic planning to
8 expand and sustain programs, and marketing and communications of
9 programs to raise awareness, engage stakeholders, and recruit
10 nurses.

11 Sec. 1311. From the funds appropriated in part 1 for prenatal
12 care outreach and service delivery support, not less than
13 \$2,750,000.00 state general fund/general purpose funds shall be
14 allocated for a rural home visit program. Equal consideration shall
15 be given to all eligible evidence-based providers in all regions in
16 contracting for rural home visitation services.

17 Sec. 1312. (1) From the funds appropriated in part 1 for
18 prenatal care and premature birth avoidance grant, the department
19 shall allocate \$1,000,000.00 through a competitive process for
20 grants to improve health outcomes before, during, and after
21 pregnancy and to reduce racial and ethnic differences in infant
22 death rates and negative maternal outcomes after fulfilling
23 contract obligations between the department and a federal Healthy
24 Start Program located in a county with a population between 600,000
25 and 700,000 according to the most recent federal decennial census.
26 To be eligible to receive funding, organizations must be a
27 partnership between various health agencies, and provide support to
28 underserved populations for women's health, prenatal care, and
29 premature birth avoidance.

1 (2) By March 1 of the current fiscal year, the department must
2 submit to the legislature a spending report from the grant
3 recipients.

4 Sec. 1313. (1) The department shall continue developing an
5 outreach program on fetal alcohol syndrome services, targeting
6 health promotion, prevention, and intervention.

7 (2) The department shall explore federal grant funding to
8 address prevention services for fetal alcohol syndrome and reduce
9 alcohol consumption among pregnant women.

10 (3) By February 1 of the current fiscal year, the department
11 shall provide a report to the report recipients required in section
12 246 of this part on planned spending of appropriations within the
13 department budget for fetal alcohol syndrome projects and services,
14 including appropriation line item, agency or recipient entities,
15 amount and purpose of allocation, and detailed uses. The report
16 shall include a summary of outcomes accomplished by the funding
17 investments and metrics used to determine outcomes, if available.

18 Sec. 1314. The department shall seek to enhance education and
19 outreach efforts that encourage women of childbearing age to seek
20 confirmation at the earliest indication of possible pregnancy and
21 initiate continuous and routine prenatal care upon confirmation of
22 pregnancy. The department shall seek to ensure that department
23 programs, policies, and practices promote prenatal and obstetrical
24 care by doing the following:

25 (a) Supporting access to care.

26 (b) Reducing and eliminating barriers to care.

27 (c) Supporting recommendations for best practices.

28 (d) Encouraging optimal prenatal habits such as prenatal
29 medical visits, use of prenatal vitamins, and cessation of use of

1 tobacco, alcohol, or drugs.

2 (e) Tracking of birth outcomes to study improvements in
3 prevalence of neonatal substance exposure, fetal alcohol syndrome,
4 and other preventable neonatal disease.

5 (f) Tracking of maternal increase in healthy behaviors
6 following childbirth.

7 Sec. 1315. (1) From the funds appropriated in part 1 for
8 dental programs, \$150,100.00 shall be allocated to the Michigan
9 Dental Association for the administration of a volunteer dental
10 program that provides dental services to the uninsured.

11 (2) By February 1 of the current fiscal year, the department
12 shall report to the report recipients required in section 246 of
13 this part the number of individual patients treated, number of
14 procedures performed, approximate total market value of those
15 procedures, and the location of service based on county and agency
16 within the county from the previous fiscal year.

17 Sec. 1316. The department shall use revenue from mobile
18 dentistry facility permit fees received under section 21605 of the
19 public health code, 1978 PA 368, MCL 333.21605, to offset the costs
20 of processing and issuing mobile dentistry facility permits.

21 Sec. 1317. (1) From the funds appropriated in part 1 for
22 dental programs, \$2,750,000.00 of general fund/general purpose
23 revenue and any associated federal match shall be distributed to
24 local health departments who partner with a qualified nonprofit
25 provider of dental services for the purpose of providing high-
26 quality dental homes for seniors, children, adults enrolled in
27 Medicaid, and individuals who are low-income and uninsured.

28 (2) In order to be considered a qualified nonprofit provider
29 of dental services, the provider must demonstrate the following:

1 (a) An effective health insurance enrollment process for
2 uninsured patients.

3 (b) An effective process of charging patients on a sliding
4 scale based on the patient's ability to pay.

5 (c) Utilization of additional fund sources including, but not
6 limited to, federal Medicaid matching funds.

7 (3) Providers shall report to the department by September 30
8 of the current fiscal year on outcomes and performance measures for
9 the program under this section including, but not limited to, the
10 following:

11 (a) The number of uninsured patients who visited a
12 participating dentist over the previous year, broken down between
13 adults and children.

14 (b) The number of patients assisted with health insurance
15 enrollment, broken down between adults and children.

16 (c) A 5-year trend of the number of uninsured patients being
17 served, broken down between adults and children.

18 (d) The number of unique patient visits by center.

19 (e) The number of unique Medicaid or Healthy Michigan plan
20 patients served broken down by center.

21 (f) The number of children, seniors, and veterans served
22 broken down by center.

23 (g) The total value of services rendered by the organization
24 broken down by center.

25 (4) Within 15 days after receipt of the report required in
26 subsection (3), the department shall provide a copy of the report
27 to the report recipients required in section 246 of this part.

28 Sec. 1322. The department shall provide a report by April 15
29 of the current fiscal year to the house and senate appropriations

1 subcommittees on the department budget, the house and senate fiscal
2 agencies, the house and senate policy offices, and the state budget
3 office on state immunization policy and practices. The report shall
4 include all of the following items:

- 5 (a) A list of recommended vaccinations.
- 6 (b) The basis and rationale for inclusion of each listed item.
- 7 (c) The indicators, measures, and performance outcomes that
8 document improvement in human health for each listed item.

9 Sec. 1341. The department shall utilize income eligibility and
10 verification guidelines established by the Food and Nutrition
11 Service agency of the United States Department of Agriculture in
12 determining eligibility of individuals for the special supplemental
13 nutrition program for women, infants, and children (WIC) as stated
14 in current WIC policy.

15 Sec. 1342. (1) From the funds appropriated in part 1 for
16 family, maternal, and child health administration, \$500,000.00
17 shall be allocated for a school children's healthy exercise program
18 to promote and advance physical health for school children in
19 kindergarten through grade 8. The department shall recommend model
20 programs for sites to implement that incorporate evidence-based
21 best practices. The department shall grant the funds appropriated
22 in part 1 for before- and after-school programs. The department
23 shall establish guidelines for program sites, which may include
24 schools, community-based organizations, private facilities,
25 recreation centers, or other similar sites. The program format
26 shall encourage local determination of site activities and shall
27 encourage local inclusion of youth in the decision-making regarding
28 site activities. Program goals shall include children experiencing
29 improved physical health and access to physical activity

1 opportunities, the reduction of obesity, providing a safe place to
2 play and exercise, and nutrition education. To be eligible to
3 participate, program sites shall provide a 20% match to the state
4 funding, which may be provided in full, or in part, by a
5 corporation, foundation, or private partner. The department shall
6 seek financial support from corporate, foundation, or other private
7 partners for the program or for individual program sites.

8 (2) By February 1 of the current fiscal year, the department
9 shall submit to the report recipients required in section 246 of
10 this part a report on the program sites awarded grant funds and a
11 spending report from each program site.

12 Sec. 1343. (1) From the funds appropriated in part 1 for
13 dental programs, the department shall allocate \$1,760,000.00 of
14 state and local funds plus any private contributions received to
15 support the program to establish and maintain a dental oral
16 assessment program to provide assessments to school children as
17 provided in section 9316 of the public health code, 1978 PA 368,
18 MCL 333.9316.

19 (2) By December 31 of the current fiscal year, the department
20 must submit to the legislature a report that provides a summary on
21 the number of dental screenings that occurred within each school
22 district.

23 Sec. 1348. From the funds appropriated in part 1, the
24 department shall submit a report by February 18 of the current
25 fiscal year to the report recipients required in section 246 of
26 this part on the program outcomes of any healthy moms healthy
27 babies programs that are established.

28 Sec. 1349. Subject to federal approval, from the funds
29 appropriated in part 1 for immunization program, the department

1 shall allocate \$740,000.00 of general fund/general purpose plus any
2 available work project funds and federal match through an
3 administered contract with oversight from behavioral and physical
4 health and aging services administration and public health
5 administration. The funds shall be used to support a statewide
6 media campaign for improving this state's immunization rates.

7

8 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

9 Sec. 1360. The department may do 1 or more of the following:

10 (a) Provide special formulas for eligible clients with
11 specified metabolic and allergic disorders.

12 (b) Provide medical care and treatment to eligible patients
13 with cystic fibrosis who are 26 years of age or older.

14 (c) Provide medical care and treatment to eligible patients
15 with hereditary coagulation defects, commonly known as hemophilia,
16 who are 26 years of age or older.

17 (d) Provide human growth hormone to eligible patients.

18 (e) Provide mental health care for mental health needs that
19 result from, or are a symptom of, the individual's qualifying
20 medical condition.

21 (f) Provide medical care and treatment to eligible patients
22 with sickle cell disease who are 26 years of age or older.

23 Sec. 1361. From the funds appropriated in part 1 for medical
24 care and treatment, the department may spend those funds for the
25 continued development and expansion of telemedicine capacity to
26 allow families with children in the children's special health care
27 services program to access specialty providers more readily and in
28 a more timely manner. The department may spend funds to support
29 chronic complex care management of children enrolled in the

1 children's special health care services program to minimize
2 hospitalizations and reduce costs to the program while improving
3 outcomes and quality of life.

4

5 **AGING SERVICES**

6 Sec. 1402. The department may encourage the Food Bank Council
7 of Michigan to collaborate directly with each area agency on aging
8 and any other organizations that provide senior nutrition services
9 to secure the food access of older adults.

10 Sec. 1403. (1) By April 1 of the current fiscal year, the
11 department shall require each area agency on aging region to report
12 data to the aging services agency and to the report recipients
13 required in section 246 of this part on home-delivered meals
14 waiting lists. The report must include data on all of the
15 following:

16 (a) The recipient's degree of frailty.

17 (b) The recipient's inability to prepare his or her own meals
18 safely.

19 (c) Whether the recipient has another care provider available.

20 (d) Any other qualifications normally necessary for the
21 recipient to receive home-delivered meals.

22 (2) The data required in the report under subsection (1) must
23 be recorded only for individuals who have applied for participation
24 in the home-delivered meals program and who are initially
25 determined as likely to be eligible for home-delivered meals.

26 Sec. 1404. From the funds appropriated in part 1 for community
27 services, the department shall allocate \$5,000,000.00 to area
28 agencies on aging for home and community-based services.

29 Sec. 1417. The department shall provide to the report

1 recipients required in section 246 of this part a report by March
2 30 of the current fiscal year that contains all of the following:

3 (a) The total allocation of state resources made to each area
4 agency on aging by individual program and administration.

5 (b) Detailed expenditures by each area agency on aging by
6 individual program and administration including both state-funded
7 resources and locally funded resources.

8 Sec. 1421. From the funds appropriated in part 1 for community
9 services, \$1,100,000.00 shall be allocated to area agencies on
10 aging for locally determined needs.

11

12 **HEALTH AND AGING SERVICES ADMINISTRATION**

13 Sec. 1501. (1) By October 1 of the current fiscal year, the
14 department shall report on the findings of section 1501(1) of
15 article 6 of 2022 PA 166, and submit the provider reimbursement
16 rate comparison tables to the report recipients required in section
17 246 of this part, unless the report was submitted before September
18 30, 2022. The provider reimbursement rate comparison tables shall
19 include, but not be limited to, all of the following:

20 (a) Medicaid reimbursement rates, as of October 1, 2022,
21 itemized by current procedural terminology (CPT) code, by provider
22 type.

23 (b) Medicare reimbursement rates for Michigan Locality 01, as
24 of October 1 2022, itemized by CPT code, by provider type.

25 (c) Comparison between Medicaid and Medicare reimbursement
26 rates by CPT code detailing the current Medicaid reimbursement
27 rates as a percentage of the current Medicare reimbursement rates
28 for Michigan Locality 01, by provider type.

29 (2) As used in this section, "provider type" means all of the

1 following categories of procedure codes, fee screens, or other
2 billing reimbursement information administered by the department:

- 3 (a) Ambulance.
- 4 (b) Chiropractors.
- 5 (c) Dental.
- 6 (d) Family planning.
- 7 (e) Genetic counselors.
- 8 (f) Hearing services and hearing aid dealers.
- 9 (g) Home health.
- 10 (h) Hospice.
- 11 (i) Independent diagnostic testing facilities.
- 12 (j) Laboratory.
- 13 (k) Maternal infant health program.
- 14 (l) Medical suppliers, including, orthotists, prosthetists, and
15 durable medical equipment dealers.
- 16 (m) Non-physician behavioral health.
- 17 (n) Physicians, practitioners, and medical clinics.
- 18 (o) Portable X-ray suppliers.
- 19 (p) Private duty nurse.
- 20 (q) Occupational, physical, and speech therapies.
- 21 (r) Urgent care centers.
- 22 (s) Vision.

23 Sec. 1505. By March 1 of the current fiscal year, the
24 department shall submit a report to the report recipients required
25 in section 246 of this part on the actual reimbursement savings and
26 cost offsets that have resulted from the funds appropriated in part
27 1 for the office of inspector general and third party liability
28 efforts in the previous fiscal year.

29 Sec. 1507. From the funds appropriated in part 1 for office of

1 inspector general, the inspector general shall audit and recoup
2 inappropriate or fraudulent payments from Medicaid managed care
3 organizations to health care providers. Unless authorized by
4 federal or state law, the department shall not fine, temporarily
5 halt operations of, disenroll as a Medicaid provider, or terminate
6 a managed care organization or health care provider from providing
7 services due to the discovery of an inappropriate payment found
8 during the course of an audit.

9 Sec. 1509. Due to the circumstances found in the department's
10 Medicaid non-emergency medical transportation (NEMT) services
11 program by the office of the auditor general (OAG) audit number
12 391-0715-20, the department shall submit a report to the report
13 recipients required in section 246 of this part by May 1 of the
14 current fiscal year on corrective actions taken to correct
15 deficiencies identified in the audit. The report must include, but
16 is not limited to, the following information:

17 (a) The results of periodic random samplings of NEMT broker
18 records to ensure compliance with provider eligibility
19 documentation requirements.

20 (b) Actions taken and improvements made as a result of the
21 formal vendor correction action plan implemented between the
22 department and the department of technology, management, and budget
23 with emphasis on improvements made in on-time performance, medical
24 needs form deficiencies, and efforts made for active and ongoing
25 monitoring.

26 (c) The results of periodic random samplings of NEMT broker
27 records to review documentation requirements with attention paid to
28 trip logs, medical needs forms, and any other information used to
29 support NEMT encounter claims.

1 (d) The results of periodic random samplings of Medicaid
2 health plans to ensure that NEMT encounter data is complete and
3 accurate and encounter claims are valid.

4 (e) The amount, if any, of monetary penalties or liquidated
5 damages assessed due to insufficient NEMT claims monitoring
6 procedures.

7 (f) The rationale and any funding limitations that prevent the
8 department from establishing performance standards and collecting
9 performance data for NEMT services for beneficiaries not covered
10 through a Medicaid health plan contract or an NEMT broker.

11 Sec. 1510. Due to the circumstances found in the department's
12 Medicaid and Children's Health Insurance Program (CHIP) eligibility
13 determinations processes by the office of the auditor general (OAG)
14 audit number 391-0710-19, the department shall submit a report to
15 the report recipients required in section 246 of this part by May 1
16 of the current fiscal year on corrective actions taken to reduce
17 improper payments to ineligible beneficiaries, to maintain proper
18 documentation and case files, and improvements made to the
19 department's internal controls. The report must include, but is not
20 limited to, the following information:

21 (a) The number of beneficiaries by type of assistance (TOA)
22 group whose TOA group was subsequently changed after initial
23 determination and the reasons initial classifications were
24 incorrect in the previous fiscal year.

25 (b) The number of beneficiaries and the total amount of
26 payments made that were ineligible for federal reimbursement, not
27 due to a mistaken TOA category in the previous fiscal year.

28 (c) For the previous 3 audit cycles, the total amount and
29 percentage of federal reimbursement identified as improper payments

1 by the Federal Payment Error Rate Measurement audit.

2 (d) For each of the previous 5 fiscal years, the department's
3 estimate of the net amount of federal reimbursement and state
4 spending made in error.

5 (e) A list of all of the sources that the department uses to
6 verify income for Medicaid and CHIP eligibility.

7 (f) A description of the training implemented for caseworkers
8 to improve initial TOA eligibility determinations.

9 (g) The total number of beneficiaries in the previous fiscal
10 year who received full health care coverage but did not have a
11 valid Social Security number.

12 (h) A list of all changes made to ensure all Medicaid and CHIP
13 beneficiaries have a valid Social Security number to receive full
14 health care coverage.

15 (i) The total number of beneficiaries in the previous fiscal
16 year who received full health care coverage but did not have an
17 acceptable alien status.

18 (j) A list of all changes made to ensure all Medicaid and CHIP
19 beneficiaries have an acceptable alien status to receive full
20 health care coverage.

21 (k) Status update on the establishment of the Medicaid
22 Eligibility Quality Assurance case review process to provide a
23 timelier monitoring process.

24 Sec. 1512. The updated Medicaid utilization and net cost
25 report shall continue to separate nonclinical administrative costs
26 from actual claims and encounter costs.

27 Sec. 1518. The department shall coordinate with the department
28 of licensing and regulatory affairs to ensure that, upon receipt of
29 the order of suspension of a licensed adult foster care home, home

1 for the aged, or nursing home, the department of licensing and
 2 regulatory affairs shall provide notice to the department, to the
 3 house and senate appropriations subcommittees on the department
 4 budget, and to the members of the house and senate that represent
 5 the legislative districts of the county in which the facility lies.

6 Sec. 1519. By February 15 of the current fiscal year, the
 7 department shall provide a report to the report recipients required
 8 in section 246 of this part on the department's efforts to maximize
 9 the utilization of Medicaid reimbursements for maternal health
 10 services, including, but not limited to, CenteringPregancy models,
 11 perinatal quality collaboratives, and hospital incentives to
 12 improve maternal care. The report must also include any identified
 13 barriers in maximizing the utilization of Medicaid reimbursements
 14 for maternal health services.

15

16 **HEALTH SERVICES**

17 Sec. 1601. The cost of remedial services incurred by residents
 18 of licensed adult foster care homes and licensed homes for the aged
 19 shall be used in determining financial eligibility for the
 20 medically needy. Remedial services include basic self-care and
 21 rehabilitation training for a resident.

22 Sec. 1605. The protected income level for Medicaid coverage
 23 determined pursuant to section 106(1)(b) (iii) of the social welfare
 24 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
 25 assistance standard.

26 Sec. 1606. For the purpose of guardian and conservator
 27 charges, the department may deduct up to \$83.00 per month as an
 28 allowable expense against a recipient's income when determining
 29 Medicaid eligibility and patient pay amounts.

1 Sec. 1607. (1) An applicant for Medicaid, whose qualifying
2 condition is pregnancy, shall immediately be presumed to be
3 eligible for Medicaid coverage unless the preponderance of evidence
4 in her application indicates otherwise. The applicant who is
5 qualified as described in this subsection shall be allowed to
6 select or remain with the Medicaid participating obstetrician of
7 her choice.

8 (2) All qualifying applicants shall be entitled to receive all
9 medically necessary obstetrical and prenatal care without
10 preauthorization from a health plan. All claims submitted for
11 payment for obstetrical and prenatal care shall be paid at the
12 Medicaid fee-for-service rate in the event a contract does not
13 exist between the Medicaid participating obstetrical or prenatal
14 care provider and the managed care plan. The applicant shall
15 receive a listing of Medicaid physicians and managed care plans in
16 the immediate vicinity of the applicant's residence.

17 (3) In the event that an applicant, presumed to be eligible
18 under subsection (1), is subsequently found to be ineligible, a
19 Medicaid physician or managed care plan that has been providing
20 pregnancy services to an applicant under this section is entitled
21 to reimbursement for those services until they are notified by the
22 department that the applicant was found to be ineligible for
23 Medicaid.

24 (4) If the preponderance of evidence in an application
25 indicates that the applicant is not eligible for Medicaid, the
26 department shall refer that applicant to the nearest public health
27 clinic or similar entity as a potential source for receiving
28 pregnancy-related services.

29 (5) The department shall develop an enrollment process for

1 pregnant women covered under this section that facilitates the
2 selection of a managed care plan at the time of application.

3 (6) The department shall mandate enrollment of women, whose
4 qualifying condition for Medicaid is pregnancy, into Medicaid
5 managed care plans.

6 (7) The department shall encourage physicians to provide
7 women, whose qualifying condition for Medicaid is pregnancy, with a
8 referral to a Medicaid participating dentist at the first
9 pregnancy-related appointment.

10 Sec. 1611. (1) For care provided to Medicaid recipients with
11 other third-party sources of payment, Medicaid reimbursement shall
12 not exceed, in combination with such other resources, including
13 Medicare, those amounts established for Medicaid-only patients. The
14 Medicaid payment rate shall be accepted as payment in full. Other
15 than an approved Medicaid co-payment, no portion of a provider's
16 charge shall be billed to the recipient or any person acting on
17 behalf of the recipient. This section does not affect the level of
18 payment from a third-party source other than the Medicaid program.
19 The department shall require a nonenrolled provider to accept
20 Medicaid payments as payment in full.

21 (2) Notwithstanding subsection (1), Medicaid reimbursement for
22 hospital services provided to dual Medicare/Medicaid recipients
23 with Medicare part B coverage only shall equal, when combined with
24 payments for Medicare and other third-party resources, if any,
25 those amounts established for Medicaid-only patients, including
26 capital payments.

27 Sec. 1616. (1) By October 1 of the current fiscal year, the
28 department shall seek federal authority to formally enroll and
29 recognize community health workers as providers and to utilize

1 Medicaid matching funds for community health worker services,
2 including the potential of leveraging of a Medicaid state plan
3 amendment, waiver authorities, or other means to secure financing
4 for community health worker services. The appropriate federal
5 approval must allow for community health worker services on a
6 statewide basis and must not be a limited geography waiver. The
7 authority should allow the application of community health worker
8 services statewide and maximize their utility by providing
9 financing that includes fee-for-service reimbursement, value-based
10 payment, or a combination of both fee-for-service reimbursement and
11 value-based payment for all services commensurate to their scope of
12 training and abilities as provided by evidence-based research and
13 programs.

14 (2) By September 30 of the current fiscal year, the department
15 shall report to the report recipients required in section 246 of
16 this part on the progress of meeting the requirements in subsection
17 (1).

18 Sec. 1620. (1) For fee-for-service Medicaid claims, the
19 professional dispensing fee for drugs indicated as specialty
20 medications on the Michigan pharmaceutical products list is \$20.02
21 or the pharmacy's submitted dispensing fee, whichever is less.

22 (2) For fee-for-service Medicaid claims, for drugs not
23 indicated as specialty drugs on the Michigan pharmaceutical
24 products list, the professional dispensing fee for medications is
25 as follows:

26 (a) For medications indicated as preferred on the department's
27 preferred drug list, \$10.80 or the pharmacy's submitted dispensing
28 fee, whichever is less.

29 (b) For medications not on the department's preferred drug

1 list, \$10.64 or the pharmacy's submitted dispensing fee, whichever
2 is less.

3 (c) For medications indicated as nonpreferred on the
4 department's preferred drug list, \$9.00 or the pharmacy's submitted
5 dispensing fee, whichever is less.

6 (3) The department shall require a prescription co-payment for
7 Medicaid recipients not enrolled in the Healthy Michigan plan or
8 with an income less than 100% of the federal poverty level of \$1.00
9 for a generic drug or any drug indicated as preferred on the
10 department's preferred drug list and \$3.00 for a brand-name drug
11 not indicated as preferred on the department's preferred drug list,
12 except as prohibited by federal or state law or regulation.

13 (4) The department shall require a prescription co-payment for
14 Medicaid recipients enrolled in the Healthy Michigan plan with an
15 income of at least 100% of the federal poverty level of \$4.00 for a
16 generic drug or any drug indicated as preferred on the department's
17 preferred drug list and \$8.00 for a brand-name drug not indicated
18 as preferred on the department's preferred drug list, except as
19 prohibited by federal or state law or regulation.

20 Sec. 1625. The department shall not enter into any contract
21 with a Medicaid managed care organization that relies on a pharmacy
22 benefit manager that does not do all of the following:

23 (a) For pharmacies with not more than 7 retail outlets,
24 utilizes a pharmacy reimbursement methodology of the national
25 average drug acquisition cost plus a professional dispensing fee
26 comparable to the applicable professional dispensing fee provided
27 under section 1620. The pharmacy benefit manager or the involved
28 pharmacy services administrative organization shall not receive any
29 portion of the additional professional dispensing fee. The

1 department shall identify the pharmacies this subdivision applies
2 to and provide the list of applicable pharmacies to the Medicaid
3 managed care organizations.

4 (b) For pharmacies with not more than 7 retail outlets,
5 utilizes a pharmacy reimbursement methodology, when a national
6 average drug acquisition cost price is not available, for brand
7 drugs of the lesser of the wholesale acquisition cost, the average
8 wholesale price less 16.7% plus a professional dispensing fee
9 comparable to the applicable professional dispensing fee provided
10 under section 1620, or the usual and customary charge by the
11 pharmacy. The department shall identify the pharmacies this
12 subdivision applies to and provide the list of applicable
13 pharmacies to the Medicaid managed care organizations.

14 (c) For pharmacies with not more than 7 retail outlets,
15 utilizes a pharmacy reimbursement methodology, when a national
16 average drug acquisition cost price is not available, for generic
17 drugs of the lesser of wholesale acquisition cost plus a
18 professional dispensing fee comparable to the applicable
19 professional dispensing fee provided under section 1620, average
20 wholesale price less 30.0% plus a professional dispensing fee
21 comparable to the applicable professional dispensing fee provided
22 under section 1620, or the usual and customary charge by the
23 pharmacy. The department shall identify the pharmacies this
24 subdivision applies to and provide the list of applicable
25 pharmacies to the Medicaid managed care organizations.

26 (d) Reimburses for a legally valid claim at a rate not less
27 than the rate in effect at the time the original claim adjudication
28 as submitted at the point of sale.

29 (e) Agrees to move to a transparent "pass-through" pricing

1 model, in which the pharmacy benefit manager discloses the
2 administrative fee as a percentage of the professional dispensing
3 costs to the department.

4 (f) Agrees to not create new pharmacy administration fees and
5 to not increase current fees more than the rate of inflation. This
6 subdivision does not apply to any federal rule or action that
7 creates a new fee.

8 (g) Agrees to not terminate an existing contract with a
9 pharmacy with not more than 7 retail outlets for the sole reason of
10 the additional professional dispensing fee authorized under this
11 section.

12 Sec. 1626. (1) By January 15 of the current fiscal year, each
13 pharmacy benefit manager that receives reimbursements, either
14 directly or through a Medicaid health plan, from the funds
15 appropriated in part 1 for medical services must submit all of the
16 following information to the department for the previous fiscal
17 year:

18 (a) The total number of prescriptions that were dispensed.

19 (b) The aggregate fiscal year paid pharmacy claims repriced
20 using the wholesale acquisition cost for each drug on its
21 formulary.

22 (c) The aggregate amount of rebates, discounts, and price
23 concessions that the pharmacy benefit manager received for each
24 drug on its formulary. The amount of rebates shall include any
25 utilization discounts the pharmacy benefit manager receives from a
26 manufacturer.

27 (d) The aggregate amount of administrative fees that the
28 pharmacy benefit manager received from all pharmaceutical
29 manufacturers.

1 (e) The aggregate amount identified in subdivisions (b) and
2 (c) that were retained by the pharmacy benefit manager and did not
3 pass through to the department or to the Medicaid health plan.

4 (f) The aggregate amount of reimbursements the pharmacy
5 benefit manager pays to contracting pharmacies.

6 (g) Any other information considered necessary by the
7 department.

8 (2) By March 1 of the current fiscal year, the department
9 shall submit the information provided under subsection (1) to the
10 report recipients required in section 246 of this part.

11 (3) Any nonaggregated information submitted under this section
12 shall be confidential and shall not be disclosed to any person by
13 the department. Such information is not considered a public record
14 of the department.

15 Sec. 1628. From the funds appropriated in part 1 for hospital
16 services and therapy and Healthy Michigan plan, the department
17 shall continue to allocate \$3,000,000.00 in general fund/general
18 purpose revenue and any associated federal match to maintain the
19 Medicaid reimbursement rate for dental services provided at
20 ambulatory surgical centers and outpatient hospitals. The funding
21 provided in this section must be used to maintain the minimum rate
22 for dental services provided in ambulatory surgical centers at
23 \$1,495.00 and maintain the minimum rate for dental services
24 provided in outpatient hospitals at \$2,300.00.

25 Sec. 1629. The department shall utilize maximum allowable cost
26 pricing for generic drugs that is based on wholesaler pricing to
27 providers that is available from at least 2 wholesalers who deliver
28 in this state.

29 Sec. 1630. By November 1 of the current fiscal year, the

1 department must report on the progress of the implementation of the
2 Medicaid dental redesign to the report recipients required in
3 section 246 of this part.

4 Sec. 1631. (1) The department shall require co-payments on
5 dental, podiatric, and vision services provided to Medicaid
6 recipients, except as prohibited by federal or state law or
7 regulation.

8 (2) Except as otherwise prohibited by federal or state law or
9 regulation, the department shall require Medicaid recipients not
10 enrolled in the Healthy Michigan plan or with an income less than
11 100% of the federal poverty level to pay not less than the
12 following co-payments:

13 (a) Two dollars for a physician office visit.

14 (b) Three dollars for a hospital emergency room visit.

15 (c) Fifty dollars for the first day of an inpatient hospital
16 stay.

17 (d) Two dollars for an outpatient hospital visit.

18 (3) Except as otherwise prohibited by federal or state law or
19 regulation, the department shall require Medicaid recipients
20 enrolled in the Healthy Michigan plan with an income of at least
21 100% of the federal poverty level to pay the following co-payments:

22 (a) Four dollars for a physician office visit.

23 (b) Eight dollars for a hospital emergency room visit.

24 (c) One hundred dollars for the first day of an inpatient
25 hospital stay.

26 (d) Four dollars for an outpatient hospital visit or any other
27 medical provider visit to the extent allowed by federal or state
28 law or regulation.

29 Sec. 1641. An institutional provider that is required to

1 submit a cost report under the Medicaid program shall submit cost
2 reports completed in full within 5 months after the end of its
3 fiscal year.

4 Sec. 1644. (1) From the funds appropriated in part 1, the
5 department shall increase the direct care wage by \$2.50 per hour,
6 of which \$1.00 per hour is on a 1-time basis, to direct care
7 workers employed by skilled nursing facilities for the current
8 fiscal year. This funding must include all costs incurred by the
9 employer, including payroll taxes, due to the wage increase. As
10 used in this subsection, "direct care workers" means a registered
11 professional nurse, licensed practical nurse, competency-evaluated
12 nursing assistant, and respiratory therapist.

13 (2) From the funds appropriated in part 1, the department
14 shall increase the direct care wage by \$2.50 per hour, of which
15 \$1.00 per hour is on a 1-time basis, to direct care workers
16 employed by licensed adult foster care facilities and licensed
17 homes for the aged that provide Medicaid-funded fee-for-service
18 personal care services that were not eligible for any direct care
19 worker pay adjustment under Medicaid-funded managed care. This
20 funding must include all costs incurred by the employer, including
21 payroll taxes, due to the wage increase.

22 Sec. 1646. The department and nursing facility representatives
23 shall evaluate the quality measure incentive program's
24 effectiveness on quality, measured by the change in the CMS 5-star
25 quality measure domain rating since the implementation of quality
26 measure incentive program. By March 1 of the current fiscal year,
27 the department shall report to the report recipients required in
28 section 246 of this part on the findings of the evaluation.

29 Sec. 1657. (1) Reimbursement for Medicaid to screen and

1 stabilize a Medicaid recipient, including stabilization of a
2 psychiatric crisis, in a hospital emergency room shall not be made
3 contingent on obtaining prior authorization from the recipient's
4 HMO. If the recipient is discharged from the emergency room, the
5 hospital shall notify the recipient's HMO within 24 hours of the
6 diagnosis and treatment received.

7 (2) If the treating hospital determines that the recipient
8 will require further medical service or hospitalization beyond the
9 point of stabilization, that hospital shall receive authorization
10 from the recipient's HMO prior to admitting the recipient.

11 (3) Subsections (1) and (2) do not require an alteration to an
12 existing agreement between an HMO and its contracting hospitals and
13 do not require an HMO to reimburse for services that are not
14 considered to be medically necessary.

15 Sec. 1662. (1) The department shall ensure that an external
16 quality review of each contracting HMO is performed that results in
17 an analysis and evaluation of aggregated information on quality,
18 timeliness, and access to health care services that the HMO or its
19 contractors furnish to Medicaid beneficiaries.

20 (2) The department shall require Medicaid HMOs to provide
21 EPSDT utilization data through the encounter data system, and HEDIS
22 well child health measures in accordance with the National
23 Committee for Quality Assurance prescribed methodology.

24 (3) The department shall provide a copy of the analysis of the
25 Medicaid HMO annual audited HEDIS reports and the annual external
26 quality review report to the report recipients required in section
27 246 of this part within 30 days after the department's receipt of
28 the final reports from the contractors.

29 Sec. 1670. (1) The appropriation in part 1 for the MICHild

1 program is to be used to provide comprehensive health care to all
2 children under age 19 who reside in families with income at or
3 below 212% of the federal poverty level, who are uninsured and have
4 not had coverage by other comprehensive health insurance within 6
5 months of making application for MICHild benefits, and who are
6 residents of this state. The department shall develop detailed
7 eligibility criteria through the behavioral and physical health and
8 aging services administration public concurrence process,
9 consistent with the provisions of this part and part 1.

10 (2) The department may provide up to 1 year of continuous
11 eligibility to children eligible for the MICHild program unless the
12 family fails to pay the monthly premium, a child reaches age 19, or
13 the status of the children's family changes and its members no
14 longer meet the eligibility criteria as specified in the state
15 plan.

16 (3) The department may make payments on behalf of children
17 enrolled in the MICHild program as described in the MICHild state
18 plan approved by the United States Department of Health and Human
19 Services, or from other medical services.

20 Sec. 1673. The department may establish premiums for MICHild
21 eligible individuals in families with income at or below 212% of
22 the federal poverty level. The monthly premiums shall be \$10.00 per
23 month.

24 Sec. 1677. The MICHild program shall provide, at a minimum,
25 all benefits available under the Michigan benchmark plan that are
26 delivered through contracted providers and consistent with federal
27 law, including, but not limited to, the following medically
28 necessary services:

29 (a) Inpatient mental health services, other than substance use

1 disorder treatment services, including services furnished in a
2 state-operated mental hospital and residential or other 24-hour
3 therapeutically planned structured services.

4 (b) Outpatient mental health services, other than substance
5 use disorder services, including services furnished in a state-
6 operated mental hospital and community-based services.

7 (c) Durable medical equipment and prosthetic and orthotic
8 devices.

9 (d) Dental services as outlined in the approved MIChild state
10 plan.

11 (e) Substance use disorder treatment services that may include
12 inpatient, outpatient, and residential substance use disorder
13 treatment services.

14 (f) Care management services for mental health diagnoses.

15 (g) Physical therapy, occupational therapy, and services for
16 individuals with speech, hearing, and language disorders.

17 (h) Emergency ambulance services.

18 Sec. 1682. (1) In addition to the appropriations in part 1,
19 the department is authorized to receive and spend penalty money
20 received as the result of noncompliance with Medicaid certification
21 regulations. Penalty money, characterized as private funds,
22 received by the department shall increase authorizations and
23 allotments in the long-term care accounts.

24 (2) Any unexpended penalty money, at the end of the year,
25 shall carry forward to the following year.

26 (3) By March 1 of the current fiscal year, the department
27 shall report to the report recipients required in section 246 of
28 this part on penalty money received by the department as described
29 in subsection (1). The report shall include, but is not limited to,

1 the following information:

2 (a) The amount of penalty monies received by the department
3 received in the previous fiscal year listed by the assessed entity.

4 (b) A list of the entities who were assessed penalties in the
5 previous fiscal year with the rationale for each penalty.

6 Sec. 1692. (1) The department is authorized to pursue
7 reimbursement for eligible services provided in Michigan schools
8 from the federal Medicaid program. The department and the state
9 budget director are authorized to negotiate and enter into
10 agreements, together with the department of education, with local
11 and intermediate school districts regarding the sharing of federal
12 Medicaid services funds received for these services. The department
13 is authorized to receive and disburse funds to participating school
14 districts pursuant to such agreements and state and federal law.

15 (2) From the funds appropriated in part 1 for health services
16 school-based services payments, the department is authorized to do
17 all of the following:

18 (a) Finance activities within the behavioral and physical
19 health and aging services administration related to this project.

20 (b) Reimburse participating school districts pursuant to the
21 fund-sharing ratios negotiated in the state-local agreements
22 authorized in subsection (1).

23 (c) Offset general fund costs associated with the Medicaid
24 program.

25 Sec. 1693. The special Medicaid reimbursement appropriation in
26 part 1 may be increased if the department submits a Medicaid state
27 plan amendment pertaining to this line item at a level higher than
28 the appropriation. The department is authorized to appropriately
29 adjust financing sources in accordance with the increased

1 appropriation.

2 Sec. 1694. From the funds appropriated in part 1 for special
3 Medicaid reimbursement, \$2,621,400.00 of general fund/general
4 purpose revenue and any associated federal match shall be
5 distributed for poison control services to an academic health care
6 system that has a high indigent care volume.

7 Sec. 1697. The department shall require that Medicaid health
8 plans administering Healthy Michigan plan benefits maintain a
9 network of dental providers in sufficient numbers, mix, and
10 geographic locations throughout their respective service areas in
11 order to provide adequate dental care for Healthy Michigan plan
12 enrollees.

13 Sec. 1698. From the funds appropriated in part 1 for dental
14 services, the department shall maintain the rates on the
15 department's dental fee schedule for adult fee-for-service Medicaid
16 claims.

17 Sec. 1699. (1) The department may make separate payments in
18 the amount of \$45,000,000.00 directly to qualifying hospitals
19 serving a disproportionate share of indigent patients and to
20 hospitals providing GME training programs. If direct payment for
21 GME and DSH is made to qualifying hospitals for services to
22 Medicaid recipients, hospitals shall not include GME costs or DSH
23 payments in their contracts with HMOs.

24 (2) The department shall allocate \$45,000,000.00 in DSH
25 funding using the distribution methodology used in fiscal year
26 2003-2004.

27 Sec. 1700. By December 1 of the current fiscal year, the
28 department shall report to the report recipients required in
29 section 246 of this part on the distribution of funding provided,

1 and the net benefit if the special hospital payment is not financed
2 with general fund/general purpose revenue, to each eligible
3 hospital during the previous fiscal year from the following special
4 hospital payments:

5 (a) DSH, separated out by unique DSH pool.

6 (b) GME.

7 (c) Special rural hospital payments provided under section
8 1802(2) of this part.

9 (d) Lump-sum payments to rural hospitals for obstetrical care
10 provided under section 1802(1) of this part.

11 Sec. 1702. From the funds appropriated in part 1, the
12 department shall maintain the rates in place as of September 30,
13 2023 for private duty nursing services for Medicaid beneficiaries
14 under the age of 21. These additional funds must be used to attract
15 and retain highly qualified registered nurses and licensed
16 practical nurses to provide private duty nursing services so that
17 medically fragile individuals can be cared for in the most homelike
18 setting possible.

19 Sec. 1704. (1) From the funds appropriated in part 1 for
20 health plan services, the department shall maintain the Medicaid
21 adult dental benefit for pregnant women enrolled in a Medicaid
22 program.

23 (2) By April 15 of the current fiscal year, the department
24 shall report to the report recipients required in section 246 of
25 this part on the following:

26 (a) The number of pregnant women enrolled in Medicaid who
27 visited a dentist over the previous fiscal year.

28 (b) The number of dentists statewide who participate in
29 providing dental services to pregnant women enrolled in Medicaid.

1 Sec. 1757. The department shall obtain proof from all Medicaid
2 recipients that they are United States citizens or otherwise
3 legally residing in this country and that they are residents of
4 this state before approving Medicaid eligibility.

5 Sec. 1764. The department shall annually certify whether rates
6 paid to Medicaid health plans and specialty PIHPs are actuarially
7 sound in accordance with federal requirements and shall provide a
8 copy of the rate certification and approval of rates paid to
9 Medicaid health plans and specialty PIHPs for any fiscal year by
10 October 1 for Medicaid capitation rate certifications and by
11 February 15, May 15, and August 15 for any Medicaid capitation rate
12 amendments to the report recipients required in section 246 of this
13 part. Following the rate certification, the department shall ensure
14 that no new or revised state Medicaid policy bulletin that is
15 promulgated materially impacts the capitation rates that have been
16 certified.

17 Sec. 1775. (1) By March 1 of the current fiscal year, the
18 department shall submit a report to the report recipients required
19 in section 246 of this part on progress in implementing changes to
20 the waiver to implement managed care for individuals who are
21 eligible for both Medicare and Medicaid, known as MI Health Link.
22 This report must include progress updates on the transition to dual
23 eligible special needs plans, in compliance with CMS regulations.

24 (2) The department shall ensure the existence of an ombudsman
25 program that is not associated with any project service manager or
26 provider to assist MI Health Link beneficiaries with navigating
27 complaint and dispute resolution mechanisms and to identify
28 problems in the demonstrations and in the complaint and dispute
29 resolution mechanisms.

1 Sec. 1786. From the funds appropriated in part 1, the
2 department shall maintain Medicaid reimbursement for the
3 administration of injectable vaccines at \$16.13 and administration
4 of oral vaccines at \$12.25.

5 Sec. 1788. From the funds appropriated in part 1, the
6 department shall provide Medicaid reimbursement rates, including
7 Medicaid reimbursements from the ambulance provider quality
8 assurance assessment, for ground ambulance services at not less
9 than 100% of the Medicare allowable rates for Locality 01 for those
10 services in effect on January 1, 2023.

11 Sec. 1790. The department shall maintain the current
12 practitioner rates paid for current procedural terminology (CPT)
13 codes 90791 through 90899 for psychiatric procedures through
14 Medicaid fee-for-service and through the comprehensive Medicaid
15 health plans for psychiatric procedures provided for Medicaid
16 recipients under the age of 21.

17 Sec. 1791. From the funds appropriated in part 1 for health
18 plan services and physician services, the department shall provide
19 Medicaid reimbursement rates for neonatal services at 100% of the
20 Medicare rate received for those services in effect on the date the
21 services are provided to eligible Medicaid recipients. The current
22 procedural terminology (CPT) codes that are eligible for this
23 reimbursement rate increase are 99468, 99469, 99471, 99472, 99475,
24 99476, 99477, 99478, 99479, and 99480.

25 Sec. 1792. By April 30 of the current fiscal year, the
26 department shall evaluate pharmacy encounter data through the first
27 2 quarters of the fiscal year to determine, in consultation with
28 the Medicaid health plans, if rates must be recertified. By May 30
29 of the current fiscal year, the department shall report the

1 evaluation results to the report recipients required in section 246
2 of this part and the Medicaid health plans.

3 Sec. 1801. From the funds appropriated in part 1 for physician
4 services and health plan services, the department shall continue
5 the increase to Medicaid rates for primary care services provided
6 only by primary care providers. Providers performing a service and
7 whose primary practice is as a non-primary-care subspecialty are
8 not eligible for the increase. The department shall establish
9 policies that most effectively limit the increase to primary care
10 providers for primary care services only. As used in this section,
11 "primary care provider" means a physician, or a practitioner
12 working in collaboration with a physician, who is either licensed
13 under part 170 or part 175 of the public health code, 1978 PA 368,
14 MCL 333.17001 to 333.17097 and 333.17501 to 333.17556, and working
15 as a primary care provider in general practice or board-eligible or
16 certified with a specialty designation of family medicine, general
17 internal medicine, or pediatric medicine, or a provider who
18 provides the department with documentation of equivalency.

19 Sec. 1802. (1) From the funds appropriated in part 1 for
20 hospital services and therapy, \$7,995,200.00 in general
21 fund/general purpose revenue shall be provided as lump-sum payments
22 to noncritical access hospitals that qualified for rural hospital
23 access payments in fiscal year 2013-2014 and that provide
24 obstetrical care in the current fiscal year. Payment amounts shall
25 be based on the volume of obstetrical care cases and newborn care
26 cases for all such cases billed by each qualified hospital in the
27 most recent year for which data is available. Payments shall be
28 made by January 1 of the current fiscal year.

29 (2) From the funds appropriated in part 1 for hospital

1 services and therapy and Healthy Michigan plan, \$13,904,800.00 in
2 general fund/general purpose revenue and any associated federal
3 match shall be awarded as rural access payments to noncritical
4 access hospitals that meet criteria established by the department
5 for services to low-income rural residents. One of the
6 reimbursement components of the distribution formula shall be
7 assistance with labor and delivery services. The department shall
8 ensure that the rural access payments described in this subsection
9 are distributed in a manner that ensures both of the following:

10 (a) A hospital does not receive more than 10.0% of the total
11 rural access funding referenced in this subsection.

12 (b) The methodology for distribution under this subsection and
13 its applicable data that are used to determine the payment amounts
14 are provided to each hospital by August 1 of the current fiscal
15 year.

16 (3) The department shall publish the distribution of payments
17 for the current fiscal year and the previous fiscal year.

18 Sec. 1804. The department may utilize the federal public
19 assistance reporting information system to continue to work to
20 identify Medicaid recipients who are veterans and who may be
21 eligible for federal veterans' health care benefits or other
22 benefits and shall continue to refer veterans to the department of
23 military and veterans affairs for assistance in securing additional
24 benefits.

25 Sec. 1810. In advance of the annual rate setting development,
26 Medicaid health plans shall be given at least 60 days to dispute
27 and correct any discarded encounter data before rates are
28 certified. The department shall notify each contracting Medicaid
29 health plan of any encounter data that have not been accepted for

1 the purposes of rate setting.

2 Sec. 1812. By June 1 of the current fiscal year, and using the
3 most recent available cost reports, the department shall complete a
4 report of all direct and indirect costs associated with residency
5 training programs for each hospital that receives funds
6 appropriated in part 1 for graduate medical education or through
7 the MiDocs consortium. The report shall be submitted to the report
8 recipients required in section 246 of this part.

9 Sec. 1820. (1) In order to avoid duplication of efforts, the
10 department shall utilize applicable national accreditation review
11 criteria to determine compliance with corresponding state
12 requirements for Medicaid health plans that have been reviewed and
13 accredited by a national accrediting entity for health care
14 services.

15 (2) The department shall continue to comply with state and
16 federal law and shall not initiate an action that negatively
17 impacts beneficiary safety.

18 (3) As used in this section, "national accrediting entity"
19 means the National Committee for Quality Assurance, the URAC,
20 formerly known as the Utilization Review Accreditation Commission,
21 or other appropriate entity, as approved by the department.

22 Sec. 1837. The department shall continue, and expand where
23 appropriate, utilization of telemedicine and telepsychiatry as
24 strategies to increase access to services for Medicaid recipients.

25 Sec. 1846. From the funds appropriated in part 1 for graduate
26 medical education, the department shall distribute the funds with
27 an emphasis on the following health care workforce goals:

28 (a) The encouragement of the training of physicians in
29 specialties, including primary care, that are necessary to meet the

1 future needs of residents of this state.

2 (b) The training of physicians in settings that include
3 ambulatory sites and rural locations.

4 (c) The training of practitioners providing pediatric
5 psychiatry services.

6 Sec. 1850. The department may allow Medicaid health plans to
7 assist with maintaining eligibility through outreach activities to
8 ensure continuation of Medicaid eligibility and enrollment in
9 managed care. This may include mailings, telephone contact, or
10 face-to-face contact with beneficiaries enrolled in the individual
11 Medicaid health plan. Health plans may offer assistance in
12 completing paperwork for beneficiaries enrolled in their plan.

13 Sec. 1854. The funds appropriated in part 1 for program of
14 all-inclusive care for the elderly (PACE) must support a current
15 fiscal year enrollment cap that is not less than 7,553.

16 Sec. 1855. From the funds appropriated in part 1 for program
17 of all-inclusive care for the elderly (PACE), to the extent that
18 funding is available in the PACE line item and unused program slots
19 are available, the department may do the following:

20 (a) Increase the number of slots for an already-established
21 local PACE program if the local PACE program has provided
22 appropriate documentation to the department indicating its ability
23 to expand capacity to provide services to additional PACE clients.

24 (b) Suspend the 10 member per month individual PACE program
25 enrollment increase cap in order to allow unused and unobligated
26 slots to be allocated to address unmet demand for PACE services.

27 Sec. 1856. (1) From the funds appropriated in part 1 for
28 hospice services, \$5,000,000.00 shall be expended to provide room
29 and board for Medicaid recipients who meet hospice eligibility

1 requirements and receive services at Medicaid enrolled hospice
2 residences in this state. The department shall distribute funds
3 through grants based on the total beds located in all eligible
4 residences that have been providing these services as of October 1,
5 2017. Any eligible grant applicant may inform the department of the
6 applicant's request to reduce the grant amount allocated for the
7 applicant's residence and the funds shall be distributed
8 proportionally to increase the total grant amount of the remaining
9 grant-eligible residences. Grant amounts shall be paid out monthly
10 with 1/12 of the total grant amount distributed each month to the
11 grantees.

12 (2) By September 15 of the current fiscal year, each Medicaid-
13 enrolled hospice with a residence that receives funds under this
14 section shall provide a report to the department on the utilization
15 of the grant funding provided in subsection (1). The report shall
16 be provided in a format prescribed by the department and shall
17 include the following:

- 18 (a) The number of patients served.
19 (b) The number of days served.
20 (c) The daily room and board rates for the patients served.
21 (d) If there is not sufficient funding to cover the total room
22 and board need, the number of patients who did not receive care due
23 to insufficient grant funding.

24 (3) If funds remain at the end of the current fiscal year, the
25 Medicaid-enrolled hospice with a residence shall return funding to
26 the state.

27 Sec. 1858. By April 1 of the current fiscal year, the
28 department shall report to the report recipients required in
29 section 246 of this part on all of the following elements related

1 to the current Medicaid pharmacy carve-out of pharmaceutical
2 products as provided for in section 109h of the social welfare act,
3 1939 PA 280, MCL 400.109h:

4 (a) The number of prescriptions paid by the department during
5 the previous fiscal year.

6 (b) The total amount of expenditures for prescriptions paid by
7 the department during the previous fiscal year.

8 (c) The number of and total expenditures for prescriptions
9 paid for by the department for generic equivalents during the
10 previous fiscal year.

11 Sec. 1859. The department shall partner with the Michigan
12 Association of Health Plans (MAHP) and Medicaid health plans to
13 develop and implement strategies for the use of information
14 technology services for Medicaid research activities. The
15 department shall make available state medical assistance program
16 data, including Medicaid behavioral data, to MAHP and Medicaid
17 health plans or any vendor considered qualified by the department
18 for the purpose of research activities consistent with this state's
19 goals of improving health; increasing the quality, reliability,
20 availability, and continuity of care; and reducing the cost of care
21 for the eligible population of Medicaid recipients.

22 Sec. 1860. By March 1 of the current fiscal year, the
23 department shall provide a report to the report recipients required
24 in section 246 of this part on uncollected co-pays and premiums in
25 the Healthy Michigan plan. The report shall include information on
26 the number of participants who have not paid their co-pays and
27 premiums, the total amount of uncollected co-pays and premiums, and
28 steps taken by the department and health plans to ensure greater
29 collection of co-pays and premiums.

1 Sec. 1862. From the funds appropriated in part 1, the
2 department shall maintain payment rates for Medicaid obstetrical
3 services at 95% of Medicare levels effective October 1, 2014.

4 Sec. 1870. (1) From the funds appropriated in part 1 for
5 hospital services and therapy, the department shall appropriate
6 \$6,400,000.00 in general fund/general purpose revenue plus any
7 contributions from public entities, up to \$5,000,000.00, and any
8 associated federal match to the MiDocs consortium to create new
9 primary care residency slots in underserved communities. The new
10 primary care residency slots must be in 1 of the following
11 specialties: family medicine, general internal medicine, general
12 pediatrics, general OB-GYN, psychiatry, or general surgery.

13 (2) The department shall seek any necessary approvals from CMS
14 to allow the department to implement the program described in this
15 section.

16 (3) Assistance with repayment of medical education loans, loan
17 interest payments, or scholarships provided by MiDocs shall be
18 contingent upon a minimum 2-year commitment to practice in an
19 underserved community in this state post-residency.

20 (4) The MiDocs shall work with the department to integrate the
21 Michigan inpatient psychiatric admissions discussion (MIPAD)
22 recommendations and, when possible, prioritize training
23 opportunities in state psychiatric hospitals and community mental
24 health organizations.

25 (5) The department shall maintain the MiDocs initiative
26 advisory council to help support implementation of the program
27 described in this section, and provide oversight. The advisory
28 council shall be composed of the MiDocs consortium, the Michigan
29 Area Health Education Centers, the Michigan Primary Care

1 Association, the Michigan Center for Rural Health, the Michigan
2 Academy of Family Physicians, and any other appointees designated
3 by the department.

4 (6) By September 1 of the current fiscal year, MiDocs shall
5 report to the report recipients required in section 246 of this
6 part on the following:

7 (a) Audited financial statement of per-resident costs.

8 (b) Education and clinical quality data.

9 (c) Roster of trainees, including areas of specialty and
10 locations of training.

11 (d) Medicaid revenue by training site.

12 (7) Outcomes and performance measures for this program
13 include, but are not limited to, the following:

14 (a) Increasing this state's ability to recruit, train, and
15 retain primary care physicians and other select specialty
16 physicians in underserved communities.

17 (b) Maximizing training opportunities with community health
18 centers, rural critical access hospitals, solo or group private
19 practice physician practices, schools, and other community-based
20 clinics, in addition to required rotations at inpatient hospitals.

21 (c) Increasing the number of residency slots for family
22 medicine, general internal medicine, general pediatrics, general
23 OB-GYN, psychiatry, and general surgery.

24 (8) Unexpended and unencumbered funds up to a maximum
25 \$6,400,000.00 in general fund/general purpose revenue plus any
26 contributions from public entities, up to \$5,000,000.00, and any
27 associated federal match remaining in accounts appropriated in part
28 1 for hospital services and therapy are designated as work project
29 appropriations, and any unencumbered or unallotted funds shall not

1 lapse at the end of the fiscal year and shall be available for
2 expenditures for the MiDocs consortium to create new primary care
3 residency slots in underserved communities under this section until
4 the work project has been completed. All of the following are in
5 compliance with section 451a(1) of the management and budget act,
6 1984 PA 431, MCL 18.1451a:

7 (a) The purpose of the work project is to fund the cost of the
8 MiDocs consortium to create new primary care residency slots in
9 underserved communities.

10 (b) The work project will be accomplished by contracting with
11 the MiDocs consortium to oversee the creation of new primary care
12 residency slots.

13 (c) The total estimated completion cost of the work project is
14 \$20,200,000.00.

15 (d) The tentative completion date is September 30, 2028.

16 Sec. 1871. The funds appropriated in part 1 for the Healthy
17 Michigan plan healthy behaviors incentives program shall only
18 provide reductions in cost-sharing responsibilities and shall not
19 include other financial rewards such as gift cards.

20 Sec. 1872. From the funds appropriated in part 1 for personal
21 care services, the department shall maintain the monthly Medicaid
22 personal care supplement paid to adult foster care facilities and
23 homes for the aged that provide personal care services to Medicaid
24 recipients in place during the previous fiscal year.

25 Sec. 1874. The department shall ensure, in counties where
26 program of all-inclusive care for the elderly or PACE services are
27 available, that the program of all-inclusive care for the elderly
28 (PACE) is included as an option in all options counseling and
29 enrollment brokering for aging services and managed care programs,

1 including, but not limited to, Area Agencies on Aging, centers for
2 independent living, and the MiChoice home and community-based
3 waiver. Such options counseling must include approved marketing and
4 discussion materials.

5 Sec. 1879. (1) The department shall maintain a single,
6 standard preferred drug list to be used by all contracted Medicaid
7 managed health care programs. Changes to the preferred drug list
8 shall be made in consultation with all contracted managed health
9 care programs and the Michigan pharmacy and therapeutics committee
10 to ensure sufficient access to medically necessary drugs for each
11 disease state. The department has final authority over the list and
12 shall design the list to ensure access to clinically effective and
13 appropriate drug therapies and maximize federal rebates and
14 supplemental rebates.

15 (2) By July 15 of the current fiscal year, the department
16 shall submit a report to the report recipients required in section
17 246 of this part that compares the managed care pharmacy
18 expenditures, utilization, and rebates before implementing a
19 single, standard preferred drug list to managed care pharmacy
20 expenditures, utilization, and rebates after implementing a single,
21 standard preferred drug list. The report shall include data on
22 collected rebates, pharmacy utilization, and expenditures by
23 quarter for at least 8 quarters before implementing a single,
24 standard preferred drug list, and the experienced rebates, pharmacy
25 utilization, and expenditures for at least 14 quarters, and the
26 projected rebates, pharmacy utilization, and expenditures for
27 quarters 15 through 20 after implementing a single, standard
28 preferred drug list. The data shall be aggregated by the department
29 so as not to disclose the proprietary or confidential drug-specific

1 information, or the proprietary or confidential information that
2 directly or indirectly identifies financial information linked to a
3 single manufacturer.

4 Sec. 1888. The department shall establish contract performance
5 standards associated with the capitation withhold provisions for
6 Medicaid health plans at least 3 months before the implementation
7 of those standards. The determination of whether performance
8 standards have been met shall be based primarily on recognized
9 concepts such as 1-year continuous enrollment and the health care
10 effectiveness data and information set, HEDIS, audited data.

11 Sec. 1894. By March 1 of the current fiscal year, the
12 department shall report to the report recipients required in
13 section 246 of this part on the Healthy Kids Dental program. The
14 report shall include, but is not limited to, the following:

15 (a) The number of children enrolled in the Healthy Kids Dental
16 program who visited the dentist during the previous fiscal year
17 broken down by dental benefit manager.

18 (b) The number of dentists who accept payment from the Healthy
19 Kids Dental program broken down by dental benefit manager.

20 (c) The annual change in dental utilization of children
21 enrolled in the Healthy Kids Dental program broken down by dental
22 benefit manager.

23 (d) Service expenditures for the Healthy Kids Dental program
24 broken down by dental benefit manager.

25 (e) Administrative expenditures for the Healthy Kids Dental
26 program broken down by dental benefit manager.

27 Sec. 1896. From the funds appropriated in part 1, the
28 department shall establish a Medicaid recuperative care and
29 transitional services benefit for beneficiaries experiencing

1 homeless. These services, which include medical and care
2 coordination support, must be provided to eligible beneficiaries as
3 part of a hospital discharge process.

4
5 **INFORMATION TECHNOLOGY**

6 Sec. 1901. (1) The department shall provide a report on a
7 semiannual basis to the report recipients required in section 246
8 of this part on all of the following information:

9 (a) The process used to define requests for proposals for each
10 expansion of information technology projects, including timelines,
11 project milestones, and intended outcomes.

12 (b) If the department decides not to contract the services out
13 to design and implement each element of the information technology
14 expansion, the department's own project plan that includes, at a
15 minimum, the requirements in subdivision (a).

16 (c) A recommended project management plan with milestones and
17 time frames.

18 (d) The proposed benefits from implementing the information
19 technology expansion, including customer service improvement, form
20 reductions, potential time savings, caseload reduction, and return
21 on investment.

22 (e) Details on the implementation of the integrated service
23 delivery project, and the progress toward meeting the outcomes and
24 performance measures listed in section 1904(2) of this part.

25 (f) A list of projects approved in the previous 6 months and
26 the purpose for approving each project including any federal,
27 state, court, or legislative requirement for each project.

28 (2) Once an award for an expansion of information technology
29 is made, the department shall report to the report recipients

1 required in section 246 of this part a projected cost of the
2 expansion broken down by use and type of expense.

3 Sec. 1904. (1) From the funds appropriated in part 1 for the
4 technology supporting integrated service delivery line item, the
5 department shall maintain information technology tools and enhance
6 existing systems to improve the eligibility and enrollment process
7 for citizens accessing department administered programs. This
8 information technology system shall consolidate beneficiary
9 information, support department caseworker efforts in building a
10 success plan for beneficiaries, and better support department staff
11 in supporting enrollees in assistance programs.

12 (2) Outcomes and performance measures for the initiative under
13 subsection (1) include, but are not limited to, the following:

14 (a) Successful consolidation of data warehouses maintained by
15 the department.

16 (b) The amount of time a department caseworker devotes to data
17 entry when initiating an enrollee application.

18 (c) A reduction in wait times for persons enrolled in
19 assistance programs to speak with department staff and get
20 necessary changes made.

21 (d) A reduction in department caseworker workload.

22 Sec. 1905. (1) The department shall report on a semiannual
23 basis to the report recipients required in section 246 of this
24 part, the chairs of the senate and house standing committees on
25 appropriations, and the senate and house appropriations
26 subcommittees on the general government budget on all of the
27 following:

28 (a) Fiscal year-to-date information technology spending for
29 the current fiscal year by service and project and by line-item

1 appropriation.

2 (b) Planned information technology spending for the remainder
3 of the current fiscal year by service and project and by line-item
4 appropriation.

5 (c) Total fiscal year-to-date information technology spending
6 and planned spending for the current fiscal year by service and
7 project and by line-item appropriation.

8 (d) A list of all information technology projects estimated to
9 cost more than \$250,000.00 that exceed their allotted budget as
10 well as all information technology projects that have exceeded
11 their allotted budget by 25% or more.

12 (2) As used in subsection (1), "project" includes, but is not
13 limited to, all of the following major projects:

14 (a) Community health automated Medicaid processing system
15 (CHAMPS).

16 (b) Bridges and MiBridges eligibility determination.

17 (c) MiSACWIS.

18 (d) Integrated service delivery.

19 Sec. 1906. From the funds appropriated in part 1 for
20 information technology services and projects, the department shall
21 allocate \$1,750,000.00 general fund/general purpose revenue, and
22 all associated federal matching revenue, to a public and private
23 nonprofit collaboration that is designated as this state's
24 statewide health information exchange by cooperative agreement, to
25 implement health information technology strategies for health
26 information exchange development, data management, and population
27 health at a statewide level.

28 Sec. 1909. (1) From the funds appropriated in part 1 for child
29 support automation, the department shall only encumber or expend

1 funds for the operation, maintenance, and improvements of the
2 Michigan child support enforcement system (MiCSES).

3 (2) From the funds appropriated in part 1 for bridges
4 information system, the department shall only encumber or expend
5 funds for the operation, maintenance, and improvements of Bridges
6 and MIBridges.

7 (3) From the funds appropriated in part 1 for technology
8 supporting integrated service delivery, the department shall only
9 encumber or expend funds for the operation, maintenance, and
10 improvements of integrated service delivery.

11 (4) From the funds appropriated in part 1 for Michigan
12 Medicaid information system, the department shall only encumber or
13 expend funds for the operation, maintenance, and improvements of
14 the community health automated Medicaid processing system (CHAMPS).

15 (5) From the funds appropriated in part 1 for Michigan
16 statewide automated child welfare information system, the
17 department shall only encumber or expend funds for the operation,
18 maintenance, and improvements of MiSACWIS.

19 (6) From the funds appropriated in part 1 for comprehensive
20 child welfare information system, the department shall only
21 encumber or expend funds for the operation, maintenance, and
22 improvements to the comprehensive child welfare information system.

23 (7) From the funds appropriated in part 1 for comprehensive
24 child welfare information system, the department shall allocate
25 \$15,183,800.00 to develop a new information system to replace
26 MiSACWIS consistent with the plan provided by the department to the
27 United States District Court for Eastern District of Michigan as a
28 part of the settlement. The development of the comprehensive child
29 welfare information system shall adhere to department of

1 technology, management, and budget and IT Investment Fund (ITIF)
2 policies and practices, including use of the state unified
3 information technology environment methodology and agile
4 development. The project team shall also participate in and comply
5 with the enterprise portfolio management office process and product
6 quality assurance. To ensure full transparency, the project shall
7 be included in the ITIF portfolio for executive, legislative, and
8 external reporting purposes. As a component of the ITIF portfolio,
9 the project is subject to governance and oversight by the IT
10 investment management board.

11

12 **ONE-TIME APPROPRIATIONS**

13 Sec. 1911. From the funds appropriated in part 1 for
14 adolescent hair loss reimbursement fund, the department shall
15 allocate \$1,000,000.00 to compensate state certified hair
16 restoration technicians who provide cranial hair prosthesis to an
17 eligible individual who is less than 19 years of age, is a resident
18 of this state, and has cranial hair loss as a result of a medical
19 condition or as a result of a treatment for a medical condition.
20 The amount of reimbursement shall not exceed \$1,000.00 per
21 individual, per fiscal year.

22 Sec. 1912. (1) From the funds appropriated in part 1 for
23 alternative payment study, the department shall allocate
24 \$100,000.00 to contract with a third party to evaluate the merits
25 of transitioning the Medicaid reimbursement methodology for FQHCs
26 from a prospective payment system to an alternative payment
27 methodology. The alternative payment methodology must be a
28 population-based capitated payment system that is based on a per-
29 patient per-month reimbursement for each Medicaid recipient

1 assigned to each federally qualified health center.

2 (2) By March 1 of the current fiscal year, the department
3 shall report on the findings of the evaluation required under
4 subsection (1) to the report recipients required in section 246 of
5 this part.

6 Sec. 1913. From the funds appropriated in part 1 for ARP -
7 behavioral health professional recruitment and retention, the
8 department shall allocate \$5,000,000.00 to implement programs
9 intended to improve recruitment and retention of behavioral health
10 professionals.

11 Sec. 1914. (1) From the funds appropriated in part 1 for ARP -
12 behavioral health workforce expansion - accelerated degree program,
13 the department shall allocate \$10,000,000.00 to provide \$30,000.00
14 grants per individual to at least 300 individuals who have obtained
15 a bachelor's degree in social work that agree to immediately enter
16 an accelerated, 1-year, master's of social work program. Grant
17 recipients must also commit to a minimum of 2 years of public
18 sector behavioral health work in the state, immediately following
19 completion of an accelerated, 1-year, master's of social work
20 program, in areas including, but not limited to, community mental
21 health, substance use disorder programs, crisis intervention, local
22 crisis call centers, mobile crisis care, crisis stabilization,
23 psychiatric emergency services, and rapid postcrisis care.

24 (2) The unexpended funds appropriated in part 1 for public
25 behavioral health workforce student recruitment are designated as a
26 work project appropriation, and any unencumbered or unallotted
27 funds shall not lapse at the end of the fiscal year and shall be
28 available for expenditures under this section until the project has
29 been completed. The following are in compliance with section 451a

1 of the management and budget act, 1984 PA 431, MCL 18.1451a:

2 (a) The purpose of the work project is to accelerate the
3 introduction of new behavioral health providers into the public
4 sector behavioral health workforce.

5 (b) The work project will be accomplished by providing grants
6 to individuals with a bachelor's degree in social work that agree
7 to immediately enter an accelerated, 1-year, master's of social
8 work program.

9 (c) The total estimated completion cost of the work project is
10 \$10,000,000.00.

11 (d) The tentative completion date is September 30, 2027.

12 Sec. 1915. (1) From the funds appropriated in part 1 for ARP -
13 home energy, the department shall expend \$50,000,000.00 to support
14 deep energy retrofits, home heating and cooling upgrades, and
15 access to renewable energy systems.

16 (2) The unexpended funds appropriated in part 1 for ARP - home
17 energy are designated as a work project appropriation, and any
18 unencumbered or unallotted funds shall not lapse at the end of the
19 fiscal year and shall be available for expenditures for projects
20 under this section until the projects have been completed. The
21 following is in compliance with section 451a of the management and
22 budget act, 1984 PA 431, MCL 18.1451a:

23 (a) The purpose of the project is to support deep energy
24 retrofits, home heating and cooling upgrades, and access to
25 renewable energy systems.

26 (b) The project will be accomplished by utilizing state
27 employees or contracts with service providers, or both.

28 (c) The total estimated cost of the project is \$50,000,000.00.

29 (d) The tentative completion date is September 30, 2026.

1 Sec. 1916. (1) From the funds appropriated in Part 1 for ARP -
2 local water utility affordability, the department shall allocate
3 \$40,000,000.00 to support efforts by community water systems to
4 ensure the affordability of water. Eligible expenditures from these
5 funds will be income based and must include:

- 6 (a) Capping or lowering utility bills.
- 7 (b) Reducing consumer debt.
- 8 (c) Improving in-home plumbing.
- 9 (d) Protecting participating residents from water shutoffs.

10 (2) The unexpended funds appropriated in part 1 for ARP -
11 local water utility affordability are designated as a work project
12 appropriation, and any unencumbered or unallotted funds shall not
13 lapse at the end of the fiscal year and shall be available for
14 expenditures for projects under this section until the projects
15 have been completed. The following is in compliance with section
16 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

17 (a) The purpose of the project is to provide assistance to
18 low-income water utility consumers at risk of losing water service
19 for their home.

20 (b) The project will be accomplished by utilizing state
21 employees or contracts with service providers, or both.

22 (c) The total estimated cost of the project is \$40,000,000.00.

23 (d) The tentative completion date is September 30, 2026.

24 Sec. 1917. (1) The funds appropriated in part 1 for ARP - pre-
25 weatherization shall be used to improve homes, reduce energy usage,
26 and lower utility bills.

27 (2) The unexpended funds appropriated in part 1 for ARP - pre-
28 weatherization are designated as a work project appropriation, and
29 any unencumbered or unallotted funds shall not lapse at the end of

1 the fiscal year and shall be available for expenditures for
2 projects under this section until the projects have been completed.
3 The following is in compliance with section 451a of the management
4 and budget act, 1984 PA 431, MCL 18.1451a:

5 (a) The purpose of the project is to improve homes, reduce
6 energy usage, and lower utility bills.

7 (b) The project will be accomplished by utilizing state
8 employees or contracts with service providers, or both.

9 (c) The total estimated cost of the project is \$25,000,000.00.

10 (d) The tentative completion date is September 30, 2026.

11 Sec. 1918. From the funds appropriated in part 1 for
12 behavioral health patient health information tool, the department
13 shall allocate \$3,000,000.00 to create and administer an online and
14 interactive version of the protected health information consent
15 tool and make any revisions to the tool to reflect any recent
16 legislative changes. The contracting entity that receives the funds
17 appropriated in this section shall also develop accompanying
18 trainings and resources for users. Additionally, the contracting
19 entity that receives the funds appropriated in this section shall
20 work closely with the Michigan health information network and the
21 department to develop the technical specifications for integrating
22 the protected health information consent tool with other relevant
23 systems and applications, including, but not limited to,
24 CareConnect 360.

25 Sec. 1919. From the funds appropriated in part 1 for
26 biomedical research and science education, the department shall
27 allocate \$1,000,000.00 as a grant to an independent biomedical
28 research and science education organization in a county with a
29 population between 600,000 and 700,000 and in a city with a

1 population over 185,000 according to the most recent federal
2 decennial census to be used for matching federal funds, private and
3 nonprofit grants, and private contributions.

4 Sec. 1920. From the funds appropriated in part 1 for certified
5 community behavioral health clinic expansion, the department shall
6 allocate \$9,000,000.00 to provide grants to local health clinics in
7 this state that meet the basic federal criteria for certified
8 community behavioral health clinics (CCBHC) for the purpose of
9 expanding the statewide CCBHC demonstration project in accordance
10 with the Michigan Medicaid state plan.

11 Sec. 1921. From the funds appropriated in part 1 for
12 children's rehabilitation hospital, the department shall allocate
13 \$10,000,000.00 to a rehabilitation hospital originally established
14 in 1911 that is headquartered in a city with a population of
15 between 190,000 and 200,000 according to the most recent federal
16 decennial census for construction of a children's rehabilitation
17 hospital.

18 Sec. 1922. (1) From the funds appropriated in part 1 for
19 complex medical condition center, the department shall allocate
20 \$350,000.00 as a grant to a nonprofit organization that operates a
21 facility in a county with a population of between 600,000 and
22 700,000 according to the most recent federal decennial census and
23 where children up to age 26 with weak immune systems can fulfill
24 their social, emotional, and physical needs. The facility must
25 provide a safe and infection-controlled environment consisting of
26 MERV 14 air filtration, building pressurization, antimicrobial
27 surfaces, and other hospital-grade features. Programming must be
28 specifically designed for children with complex medical conditions
29 and their immediate family to interact socially and to feel a sense

1 of belonging through the use of therapeutic, evidence-based, and
2 organizational-led activities targeted to address both behavioral
3 and physical health outcomes.

4 (2) The nonprofit organization shall partner with the largest
5 provider-owned nonprofit Medicaid health maintenance organization
6 headquartered in the same county for which the nonprofit
7 organization is providing services to identify and enroll 100
8 qualifying children up to age 26 for programmatic services. The
9 provider-owned nonprofit Medicaid health maintenance organization
10 shall be responsible for the collection of data and metric
11 identification for each of the 100 enrollees, including, but not
12 limited to, utilization trends and health outcomes associated with
13 isolation and loneliness, mental health concerns, emergency
14 department visits, and hospitalizations.

15 (3) The provider-owned nonprofit Medicaid health maintenance
16 organization shall create and utilize a new pilot program code to
17 track the metrics identified in subsection (2). This program code
18 shall encompass a group of services provided by the nonprofit
19 organization, some of which align with existing reimbursable
20 service codes such as care management and group therapy already
21 authorized under this state's Medicaid program, and select other
22 services, including, but not limited to, play therapy, parent
23 support services, and transportation services for which no program
24 code exists currently or program codes are not currently authorized
25 under this state's Medicaid program as reimbursable. Under the
26 terms of this grant, the pilot program code shall include the full
27 bundle of services, including those nonreimbursable services. The
28 following existing codes shall be included in the new pilot program
29 code, group therapy: 90853, and care management: 99487, 99495,

1 99496, 98968, 98962, 99484, G9001, G9002, and G9007. All of the
2 following services without existing codes must be required:

3 (a) Social support or social support programming.

4 (b) Play therapy or recreation therapy.

5 (c) Educational support services.

6 (d) Parent or caregiver respite or support.

7 (4) By September 30 of the current fiscal year, the grant
8 recipient shall submit a report to the department, demonstrating
9 the effectiveness of the program in fulfilling the social,
10 emotional, and physical needs of the patients served by the grant
11 recipient. This report must include the data and metrics identified
12 in subsection (2).

13 (5) The department shall explore Medicaid waiver options
14 available from the Centers for Medicare and Medicaid, which, upon
15 approval, would authorize the department to expend Medicaid funds
16 on similar supports and services as those offered under this
17 program and pilot program code for Medicaid recipients.

18 Sec. 1923. From the funds appropriated in part 1 for
19 community-based coverage entity, the department shall allocate
20 \$1,200,000.00 to a health care coverage program located in a county
21 with a population between 175,000 and 176,000 according to the most
22 recent federal decennial census, for low-income workers in a
23 "three-share model" where costs are shared between local
24 businesses, local workers, and the public. The funds appropriated
25 in this section must, at a minimum, be used to support the public
26 share of the health coverage program.

27 Sec. 1924. (1) From the funds appropriated in part 1 for
28 community health programs, the department shall allocate funds to
29 address disparities in health care access and outcomes. Eligible

1 expenditures from this line shall include:

2 (a) Information technology adjustments and other necessary
3 changes to improve the ability of department staff to access and
4 understand data related to disparate health access and outcomes.

5 (b) Grants to support eligible applicants for funds to support
6 the creation of community-based health clinics.

7 (c) Grants to support eligible application for funds to
8 support local healthy community zones.

9 (d) Planning, evaluation, and technical assistance associated
10 with the development of local healthy community zones.

11 (2) The unexpended funds appropriated in part 1 for community
12 health programs are designated as a work project appropriation, and
13 any unencumbered or unallotted funds shall not lapse at the end of
14 the fiscal year and shall be available for expenditures for
15 projects under this section until the projects have been completed.
16 The following is in compliance with section 451a of the management
17 and budget act, 1984 PA 431, MCL 18.1451a:

18 (a) The purpose of the project is to fund efforts to reduce
19 disparities in health care access and outcomes.

20 (b) The project will be accomplished by utilizing state
21 employees or contracts with service providers, or both.

22 (c) The total estimated cost of the project is \$20,750,000.00.

23 (d) The tentative completion date is September 30, 2028.

24 Sec. 1925. (1) From the funds appropriated in part 1 for
25 community health residency programs, the department shall allocate
26 \$2,000,000.00 to implement a residency program in a nonprofit
27 health center in a city with a population of between 61,000 and
28 63,000 and within a county with a population between 1,270,000 and
29 1,275,000 according to the most recent federal decennial census.

1 (2) The unexpended portion of funds appropriated in part 1 for
2 the residency program is designated as a work project
3 appropriation. Any unencumbered or unallotted funds shall not lapse
4 at the end of the fiscal year and shall be available for
5 expenditure for the project under this section until the project
6 has been completed. The following is in compliance with section
7 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

8 (a) The purpose of the work project is to provide funding for
9 the start-up costs and ensure the first cohort graduates within
10 three years while awaiting federal funding.

11 (b) The total estimated cost of the work project is
12 \$2,000,000.00 of general fund/general purpose revenue.

13 (c) The estimated completion date is September 30, 2028.

14 Sec. 1926. From the funds appropriated in part 1 for community
15 information exchange, the department shall allocate \$2,000,000.00
16 to Michigan 2-1-1, a nonprofit corporation organized under the laws
17 of this state that is exempt from federal income tax under section
18 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and
19 whose mission is to coordinate and support a statewide 2-1-1
20 system, to support programmatic and technical innovations through
21 new continuum of service delivery models.

22 Sec. 1927. (1) From the funds appropriated in part 1 for
23 community violence prevention community grant program, the
24 department's office of community violence intervention shall expend
25 \$18,000,000.00 to support community providers of violence
26 intervention services.

27 (2) Not more than \$4,000,000.00 in private revenue may be used
28 to support the programs detailed in subsection (1).

29 (3) The unexpended funds appropriated in part 1 for community

1 violence prevention - community grant program are designated as a
2 work project appropriation. Unencumbered or unallotted funds shall
3 not lapse at the end of the fiscal year and shall be available for
4 expenditures under this section until the project has been
5 completed. The following are in compliance with section 451a of the
6 management and budget act, 1984 PA 431, MCL 18.1451a:

7 (a) The purpose of the project is to provide grant funding for
8 community violence intervention and gun prevention programs.

9 (b) The project will be accomplished by utilizing state
10 employees or contracts with service providers, or both.

11 (c) The estimated cost of the project is \$18,000,000.00.

12 (d) The tentative completion date is September 30, 2028.

13 Sec. 1928. (1) From the funds appropriated in part 1 for
14 community violence prevention gun safety and training, the
15 department's office of community violence intervention shall expend
16 \$2,000,000.00 to support initiatives to prevent injuries and
17 fatalities related to misuse of firearms. Eligible expenditures
18 from these funds include:

19 (a) Distribution of trigger locks and gun safety boxes to
20 households where a child is present.

21 (b) Education and outreach materials and services to
22 interested private community organizations, firearm retailers, and
23 operators of gun ranges related to suicide prevention.

24 (c) Other gun violence prevention programs demonstrated to be
25 effective in reducing firearm injury or death.

26 (2) Not more than \$1,000,000.00 in private revenue may be used
27 to support the programs detailed in subsection (1).

28 (3) The unexpended funds appropriated in part 1 for community
29 violence prevention - gun safety and training are designated as a

1 work project appropriation. Unencumbered or unallotted funds shall
2 not lapse at the end of the fiscal year and shall be available for
3 expenditures under this section until the project has been
4 completed. The following are in compliance with section 451a of the
5 management and budget act, 1984 PA 431, MCL 18.1451a:

6 (a) The purpose of the project is to support initiatives
7 intended to reduce firearm injury and death.

8 (b) The project will be accomplished by utilizing state
9 employees or contracts with service providers, or both.

10 (c) The estimated cost of the project is \$2,000,000.00.

11 (d) The tentative completion date is September 30, 2028.

12 Sec. 1929. From the funds appropriated in part 1 for court-
13 operated facility construction, the department shall allocate
14 \$25,000,000.00 to a county with a population between 95,000 and
15 96,000 according to the most recent federal decennial census to
16 construct a 32-bed court-operated facility for youth involved in
17 the court system.

18 Sec. 1930. (1) The crime victim's rights sustaining fund is
19 created within the department.

20 (2) From the funds appropriated in part 1 for the crime
21 victim's rights sustaining fund, \$60,000,000.00 shall be deposited
22 into the crime victim's rights sustaining fund.

23 (3) Funds may be spent from the crime victim's rights
24 sustaining fund only upon appropriation or legislative transfer
25 pursuant to section 393(2) of the management and budget act, 1984
26 PA 431, MCL 18.1393.

27 (4) Interest and earnings from the investment of funds
28 deposited in the crime victim's rights sustaining fund shall be
29 deposited in the general fund.

1 (5) Funds in the crime victim's rights sustaining fund at the
2 close of the fiscal year shall remain in the crime victim's rights
3 sustaining fund and shall not lapse to the general fund.

4 (6) As used in this section, "crime victim's rights sustaining
5 fund" means the crime victim's rights sustaining fund created in
6 subsection (1).

7 Sec. 1931. From the funds appropriated in part 1 for crisis
8 residential unit, the department shall allocate \$500,000.00 to a
9 nonprofit hospital headquartered within a city with a population
10 between 14,700 and 14,725 within a county with a population between
11 67,500 and 70,000 according to the most recent federal decennial
12 census to renovate a health care facility to become a 6-bed crisis
13 residential unit for individuals of a lower acuity who require
14 behavioral health supports.

15 Sec. 1932. From the funds appropriated in part 1 for crisis
16 stabilization capacity, the department shall allocate \$4,000,000.00
17 to a mental health authority serving 3 counties with a combined
18 population between 473,000 and 475,000 according to the most recent
19 federal decennial census to increase crisis stabilization capacity.

20 Sec. 1933. From the funds appropriated in part 1 for critical
21 access hospital renovation, the department shall allocate
22 \$12,000,000.00 to a critical access hospital located in a county
23 with a population between 3,750 and 5,750 according to the most
24 recent federal decennial census to implement multiple
25 infrastructure renovations, including all of the following, to
26 improve patient care:

27 (a) Remodeling and upgrading family clinics to meet current
28 codes and practices.

29 (b) Expanding operating room and recovery facilities for basic

1 orthopedic surgeries.

2 (c) Improving windows, parking lots, and other areas.

3 Sec. 1934. (1) From the funds appropriated in part 1 for
4 diaper assistance payments, \$1,500,000.00 of TANF revenue must be
5 allocated as grants to diaper assistance programs, maternity homes,
6 and other nonprofit agencies that distribute diapers free of charge
7 and were established as of January 1, 2020.

8 (2) By March 1 of the current fiscal year, the department
9 shall provide to the report recipients required in section 246 of
10 this part a report on the distribution of diaper assistance grant
11 funds that includes, but is not limited to, the names and locations
12 of grant recipients, the total amount of grant funding distributed
13 to each recipient, and the total amount of private revenue that
14 each grant recipient received in addition to diaper assistance
15 grant funds.

16 Sec. 1935. From the funds appropriated in part 1 for direct
17 care worker supervisory training, the department shall allocate
18 \$2,500,000.00 for a grant to an association in this state that
19 supports assisted living services, for the purpose of developing
20 and implementing a training program for direct care supervisory
21 staff working in adult foster care and homes for the aged.

22 Sec. 1936. From the funds appropriated in part 1 for early
23 detection and education of teenage heart ailments, the department
24 shall allocate \$75,000.00 to a foundation supporting early
25 detection and education of teenage heart ailments. The funding must
26 be used to provide free heart screening clinics to teenagers and
27 automatic external defibrillators to youth-centered facilities.

28 Sec. 1937. (1) From the funds appropriated in part 1 for first
29 responder and public safety staff mental health, the department

1 shall allocate \$5,000,000.00 toward a program to support
2 firefighters, police officers, emergency medical services
3 personnel, public safety tele-communicators, local correctional
4 officers, juvenile detention employees, prosecutors, and
5 individuals working on special teams such as internet sex crimes,
6 sexual crimes against children, or traffic fatalities suffering
7 from post-traumatic stress syndrome and other mental health
8 conditions. The grant program must primarily provide grants to
9 behavioral health providers and may also include funding to the
10 Michigan crisis and action line established under section 165 of
11 the mental health code, 1974 PA 258, MCL 330.1165, to improve
12 information and referrals for these services. The program must
13 coordinate and integrate with the Michigan crisis and access line
14 established under section 165 of the mental health code, 1974 PA
15 258, MCL 330.1165.

16 (2) The unexpended funds appropriated in part 1 for first
17 responder and public safety staff mental health are designated as a
18 work project appropriation. Unencumbered or unallotted funds shall
19 not lapse at the end of the fiscal year and shall be available for
20 expenditures under this section until the project has been
21 completed. All of the following are in compliance with section 451a
22 of the management and budget act, 1984 PA 431, MCL 18.1451a:

23 (a) The purpose of the project is to ensure that first
24 responder and public safety staff who are dealing with post-
25 traumatic stress syndrome and other mental health conditions have
26 access to enhanced mental health services.

27 (b) The project will be accomplished by utilizing state
28 employees, contracting with vendors, or working with local
29 partners.

1 (c) The estimated cost of the project is \$5,000,000.00.

2 (d) The tentative completion date is September 30, 2027.

3 Sec. 1938. From the funds appropriated in part 1 for Food Bank
4 Council of Michigan, the department shall allocate \$20,850,000.00
5 to do all of the following:

6 (a) Increase the amount of surplus agricultural products
7 purchased and distributed by the Food Bank Council of Michigan.

8 (b) Increase access to food for older adults residing in this
9 state.

10 (c) Support the food and other resources (FOR) helpline.

11 Sec. 1939. (1) From the funds appropriated in part 1 for food
12 deserts, the department shall allocate \$10,000,000.00 to provide a
13 grant to a regional retailers association to aid grocers,
14 convenience stores, and gas stations located in this state to
15 provide and increase access to healthy food and beverage options.

16 (2) As a provision of this grant, the department shall require
17 the grantee to report on the name and location of each grocer,
18 convenience store, and gas station supported by the grant described
19 in subsection (1), and a listing of food and beverages provided as
20 "healthy food and beverage options" by the retailers that were
21 supported by this grant.

22 (3) No later than September 30 of the current fiscal year, the
23 department shall report on the information provided in subsection
24 (2) to the report recipients required in section 246 of this part.

25 Sec. 1940. (1) From the funds appropriated in part 1 for
26 foster care respite services, the department shall allocate
27 \$13,895,500.00 to provide supplemental respite care services for
28 licensed foster parents and unlicensed relative caregivers caring
29 for children in foster care in addition to respite services that

1 are already provided through Medicaid.

2 (2) By March 1 of the current fiscal year, the department
3 shall provide the report recipients required in section 246 of this
4 part a report on the total number of licensed foster parents and
5 unlicensed relative caregivers that were provided respite services,
6 the average amount of respite time per week, and the total amount
7 of funding spent on respite services during the first 6 months of
8 the current fiscal year.

9 Sec. 1941. From the funds appropriated in part 1 for
10 genemarkers, the department shall allocate \$1,600,000.00 to Ferris
11 State University to develop and provide for a test that identifies
12 genetic risk factors correlated with opioid use disorder.

13 Sec. 1942. (1) From the funds appropriated in part 1 for
14 health centers careers training program, the department shall
15 allocate \$6,000,000.00 for training and employment of new health
16 care workers through on-the-job training and registered
17 apprenticeship programs.

18 (2) The unexpended funds appropriated in part 1 for health
19 centers careers training program shall be designated as a work
20 project appropriation. Unencumbered or unallotted funds shall not
21 lapse at the end of the fiscal year and shall be available for
22 expenditures under this section until the project has been
23 completed. The following are in compliance with section 451a of the
24 management and budget act, 1984 PA 431, MCL 18.1451a:

25 (a) The purpose of the project is to sustain on-the-job
26 training and registered apprenticeship programs that surmount
27 barriers to entering health professions and rapidly grow the health
28 care workforce needed to serve low-income and medically underserved
29 communities.

1 (b) The project will be accomplished by contracts with service
2 providers.

3 (c) The estimated cost of the project is \$6,000,000.00.

4 (d) The tentative completion date is September 30, 2027.

5 Sec. 1943. From the funds appropriated in part 1 for healthy
6 community grant, the department shall allocate \$3,000,000.00 to a
7 nonprofit providing recreational therapy, healthy living, and
8 substance use intervention services within a county with a
9 population greater than 1,700,000 according to the most recent
10 federal decennial census. The nonprofit must use the funding for
11 all of the following:

12 (a) To support youth with intellectual and developmental
13 disabilities and autism spectrum disorder to develop and master
14 life skills.

15 (b) To improve nutrition education services to address healthy
16 food access and prevent obesity.

17 (c) To prevent substance abuse for youth fighting drug and
18 alcohol misuse.

19 Sec. 1944. From the funds appropriated in part 1 for health
20 homes program, the department shall allocate \$12,500,000.00 to
21 address water distribution needs and to expand lead investigation,
22 abatement, and testing activities.

23 Sec. 1945. (1) From the funds appropriated in part 1 for
24 inclusive health care, the department shall allocate \$15,000,000.00
25 as grants to nonprofit organizations to provide LGBTQ+-focused
26 health-related programming to support individuals of all sexual
27 orientations and gender identities.

28 (2) By March 1 of the current fiscal year, the department
29 shall provide to the report recipients required in section 246 of

1 this part a report containing a list of the request for proposal
2 recipients, a spending report from each organization, and program
3 outcomes, including, but not limited to, the following:

4 (a) The number of individuals being served.

5 (b) A list of health care services provided through each
6 organization.

7 Sec. 1946. (1) From the funds appropriated in part 1 for
8 inpatient psychiatric reimbursement supplement, the department
9 shall allocate \$8,000,000.00 to supplement Medicaid reimbursement
10 rates for inpatient psychiatric services so the Medicaid
11 reimbursement rates meet or exceed 95% of the upper payment limit
12 after the existing Medicaid managed care organization supplemental
13 payment per diem is included. The department must also concurrently
14 implement the tiered rate methodology approved by the workgroup
15 created in section 1513 of 2019 PA 67 to determine an equitable and
16 adequate reimbursement methodology for Medicaid inpatient
17 psychiatric hospital care. Medicaid managed care organizations must
18 include this supplemental increase in their reimbursement rates to
19 inpatient psychiatric facilities.

20 (2) As used in this section, "upper payment limit" means the
21 upper payment limit established under 42 CFR 447.272 for inpatient
22 hospital services and 42 CFR 447.321 for outpatient hospital
23 services.

24 Sec. 1947. From the funds appropriated in part 1 for level 1
25 and level 2 trauma centers, the department shall allocate
26 \$12,000,000.00 for the purpose of recognizing increased costs for
27 hospitals to maintain a high-level trauma status. The funds
28 appropriated in this section must be distributed based on a formula
29 that is agreed to by the department and the Michigan Health and

1 Hospital Association.

2 Sec. 1948. From the funds appropriated in part 1 for maternal
3 health services, the department shall allocate \$10,000,000.00 to
4 support prenatal health care providers operating in this state to
5 expand services for existing group-based prenatal care programs
6 that include 1 or more health care professionals leading small
7 groups of expectant mothers - in the same phase of pregnancy - in
8 discussions and other health services that promote the well-being
9 and health of mothers and babies.

10 Sec. 1949. From the funds appropriated in part 1 for maternal
11 health services, the department shall allocate \$5,000,000.00 to
12 support hospitals in this state to administer and expand a data-
13 driven maternal safety and quality improvement initiative, based on
14 interdisciplinary, consensus-based practices to improve maternal
15 safety and outcomes. The initiative expansion must focus on
16 mitigating pregnancy-associated injury and death, work to improve
17 outcomes for underserved groups, and address problems related to
18 substance use disorders.

19 Sec. 1950. From the funds appropriated in part 1 for maternal
20 health services, the department shall allocate \$5,500,000.00 to
21 support grants to local collaboratives to enhance their ability to
22 coordinate and improve maternal and infant health outcomes. Local
23 collaboratives must be a part of a perinatal quality collaborative
24 that provides for screening and treatment for perinatal substance
25 use disorder.

26 Sec. 1951. From the funds appropriated in part 1 for maternal
27 health services, the department shall allocate \$420,000.00 in
28 general fund/general purpose revenue to support a 9.5% inflationary
29 increase to maintain sustainability at existing nurse family

1 partnership sites in a county with a population between 250,000 and
2 270,000 according to the most recent federal decennial census and
3 to include an additional outreach worker position.

4 Sec. 1952. From the funds appropriated in part 1 for Medicaid
5 outreach, the department shall allocate \$450,000.00 as a grant to a
6 Michigan branch of a national foundation that specializes in the
7 prevention of kidney disease, to support the expansion of Medicaid
8 outreach and chronic disease management awareness statewide.

9 Sec. 1953. From the funds appropriated in part 1 for Michigan
10 Child Care Collaborative program, the department shall allocate
11 \$4,696,100.00 to a program that provides behavioral health
12 consultations to primary care providers in this state who are
13 managing patients with behavioral health problems. The funding must
14 be used to assist providers managing patients through the age of 26
15 or women contemplating pregnancy, pregnant, or postpartum.

16 Sec. 1954. (1) From the funds appropriated in part 1 for
17 Michigan relief plan, the department shall allocate \$3,500,000.00
18 to provide a grant to a 1-to-1 youth mentoring organization, that
19 operates across 13 agencies in this state, to support costs
20 associated with training and placing adult volunteers that will
21 provide mentoring to youth in need.

22 (2) As a provision of this grant, the department shall require
23 the grantee to report on the number of volunteers trained, where in
24 this state the volunteers serve, and the outcomes resulting from
25 the grant funding.

26 (3) By September 30 of the current fiscal year, the department
27 shall report the information required in subsection (2) to the
28 report recipients required in section 246 of this part.

29 Sec. 1955. From the funds appropriated in part 1 for mobile

1 mammography, the department shall allocate \$1,000,000.00 to a
2 nonprofit, faith-based hospital in a city with a population between
3 198,000 and 200,000 according to the most recent federal decennial
4 census to provide a new mobile mammography unit to support patients
5 in underserved rural and urban areas.

6 Sec. 1956. (1) From the funds appropriated in part 1 for
7 narcotics awareness program, the department shall allocate
8 \$5,000,000.00 to a nonprofit organization organized under the laws
9 of this state that is exempt from federal income tax under section
10 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and
11 with headquarters in a charter township with a population between
12 100,000 and 105,000 according to the most recent federal decennial
13 census within a county with a population between 700,000 and
14 1,000,000 according to the most recent federal decennial census. To
15 be eligible to receive funding, the nonprofit organization must
16 have a stated mission to offer community-based, compassionate,
17 best-practice/evidence-based services to those suffering from
18 addiction, as well as their loved ones, and to erase the stigma of
19 addiction and instill compassion and hope.

20 (2) The unexpended funds appropriated in part 1 for narcotics
21 awareness program are designated as a work project appropriation.
22 Unencumbered or unallotted funds shall not lapse at the end of the
23 fiscal year and shall be available for expenditures under this
24 section until the project has been completed. The following are in
25 compliance with section 451a of the management and budget act, 1984
26 PA 431, MCL 18.1451a:

27 (a) The purpose of the project is to offer community-based,
28 compassionate, best-practice/evidence-based services to those
29 suffering from addiction, as well as their loved ones, and to erase

1 the stigma of addiction and instill compassion and hope.

2 (b) The project will be accomplished by a nonprofit 501(c)(3)
3 organization.

4 (c) The estimated cost of the project is \$5,000,000.00.

5 (d) The tentative completion date is September 30, 2027.

6 Sec. 1957. (1) From the funds appropriated in part 1 for
7 Native American health services, the department shall allocate
8 \$7,000,000.00 for a grant to an organization that specializes in
9 American Indian health services and has a clientele that is
10 comprised of a majority of Medicaid recipients to build a medical,
11 behavioral health, and community wellness center located in a city
12 with a population greater than 600,000 and located within a county
13 with a population greater than 1,500,000 according to the most
14 recent decennial census.

15 (2) As a provision of the grant described in subsection (1),
16 the department shall require the grantee to provide periodic
17 updates on the construction of the facility until it is open and
18 operational.

19 (3) By September 30 of the current fiscal year, the department
20 shall report on the updates described in subsection (2) to the
21 report recipients required in section 246 of this part.

22 Sec. 1958. (1) From the funds appropriated in part 1 for
23 nursing facility rate transition support, the department shall
24 allocate funding to assist long-term care providers in
25 transitioning to a new nursing facility reimbursement model, as
26 follows:

27 (a) Not more than \$50,000,000.00 shall be allocated toward the
28 transition support described in this subsection in the current
29 fiscal year.

1 (b) No more than \$10,000,000.00 shall be allocated toward
2 information technology improvements to support implementation of a
3 new Medicaid nursing facility reimbursement model.

4 (2) The unexpended funds appropriated in part 1 for nursing
5 facility rate transition support are designated as a work project
6 appropriation. Unencumbered or unallotted funds shall not lapse at
7 the end of the fiscal year and shall be available for expenditures
8 under this section until the project has been completed. The
9 following is in compliance with section 451a of the management and
10 budget act, 1984 PA 431, MCL 18.1451a:

11 (a) The purpose of the project is to aid the transition away
12 from cost-settlement-based nursing facility reimbursement.

13 (b) The project shall be accomplished by the department.

14 (c) The total estimated cost of the project is
15 \$110,000,000.00.

16 (d) The tentative completion date is September 30, 2026.

17 Sec. 1959. (1) From the funds appropriated in part 1 for
18 psychiatric GME, the department shall allocate \$8,000,000.00 as a
19 grant to a health system in this state that is comprised of a
20 health system that is located in a city with a population between
21 190,000 and 200,000 and within a county with a population between
22 650,000 and 700,000 according to the most recent federal decennial
23 census, and a health system located in a city with a population
24 between 75,000 and 80,000 and within a county with a population
25 between 1,200,000 and 1,300,000 according to the most recent
26 federal decennial census.

27 (2) The grant described in subsection (1) must support one or
28 more outpatient health clinics that participate in psychiatric
29 graduate medical education training and provide wrap-around

1 behavioral health services to individuals discharged from inpatient
2 services.

3 Sec. 1960. From the funds appropriated in part 1 for rural
4 obstetric services, the department shall allocate \$1,500,000.00 to
5 a nonprofit Michigan health care system organized under the laws of
6 this state that is exempt from federal income tax under section
7 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and
8 that is located in a county with a population between 31,000 and
9 32,000 according to the most recent federal decennial census, for
10 the purpose of providing obstetric services to residents in the
11 upper thumb area of this state.

12 Sec. 1961. From the funds appropriated in part 1 for safe
13 opioid use task force, the department shall allocate \$500,000.00 to
14 the Michigan Osteopathic Association for its task force on safe
15 opioid use.

16 Sec. 1962. From the funds appropriated in part 1 for senior
17 nutrition services, the department shall allocate \$1,000,000.00 to
18 the area agencies on aging to support home-delivered meals
19 programming for older adults residing in this state.

20 Sec. 1963. From the funds appropriated in part 1 for sickle
21 cell center, the department shall allocate \$2,500,000.00 to the
22 Sickle Cell Disease Association of America, to the Sickle Cell
23 Center of Excellence.

24 Sec. 1964. (1) From the funds appropriated in part 1 for
25 skilled lactation care, the department shall allocate \$5,500,000.00
26 to a nonprofit organization organized under the laws of this state
27 that is exempt from federal income tax under section 501(c)(3) of
28 the internal revenue code of 1986, 26 USC 501, to provide
29 breastfeeding services, including skilled lactation care, through

1 local, community-based organizations.

2 (2) By March 1 of the current fiscal year, the department
3 shall provide to the report recipients required in section 246 of
4 this part a report of the community-based organization recipients,
5 the counties served through the services, and program outcomes,
6 including, but not limited to, the following:

7 (a) The number of women accessing breastfeeding support
8 groups, doula services, and lactation or safe sleep counseling.

9 (b) The number of meals prepared and delivered to postpartum
10 clients.

11 (c) A spending report from each community-based organization.

12 Sec. 1965. From the funds appropriated in part 1 for substance
13 use rehabilitation services, the department shall allocate
14 \$3,500,000.00 to the Sacred Heart Rehabilitation Center for the
15 purchase of a new building to continue to provide addiction
16 treatment programming.

17 Sec. 1966. From the funds appropriated in part 1 for tobacco
18 prevention and cessation programs, the department shall allocate
19 \$2,500,000.00 to a cancer advocacy nonprofit to support tobacco
20 control programs.

21 Sec. 1967. From the funds appropriated in part 1 for
22 university autism center, the department shall allocate
23 \$4,000,000.00 to Western Michigan University's Kalamazoo Autism
24 Center for the expansion and development of services to include
25 evidence-based biobehavioral assessment treatment services for
26 children with severe intellectual developmental disabilities and
27 severe problem behaviors.

28 Sec. 1968. From the funds appropriated in part 1 for
29 university dental clinic, the department shall allocate

1 \$2,000,000.00 as a grant to a university operating a dental clinic
2 in this state that provides essential dental education and services
3 to low-income residents, and that is located in a city with a
4 population greater than 600,000 according to the most recent
5 federal decennial census.

6 Sec. 1969. (1) The funds appropriated in part 1 for water
7 quality projects shall be used to support public health, data
8 sharing infrastructure, filter distribution and inspection, and
9 faucet and full plumbing replacement activities in significantly
10 overburdened communities as defined under parts 53 and 54 of the
11 natural resources and environmental protection act, 1994 PA 451,
12 MCL 324.5301 to 324.5316 and 324.5401 to 324.5418.

13 (2) The unexpended portion of funds appropriated for water
14 quality projects is considered a work project appropriation and any
15 unencumbered or unallotted funds shall not lapse at the end of the
16 fiscal year and shall be available for expenditure for the project
17 under this section until the project has been completed. The
18 following is in compliance with section 451a of the management and
19 budget act, 1984 PA 431, MCL 18.1451a:

20 (a) The purpose of the project is to improve public health
21 data sharing capabilities, distribute and inspect lead-reducing
22 filters, and replace lead-containing faucets and plumbing in
23 significantly overburdened communities and support the department's
24 administration of this process.

25 (b) The project will be accomplished by utilizing state
26 resources, contracts, or grants.

27 (c) The total estimated cost of the project is \$20,000,000.00.

28 (d) The tentative completion date is September 30, 2028.

29 Sec. 1970. From the funds appropriated in part 1 for youth

1 mental health center, the department shall allocate \$2,500,000.00
2 to a township with a population between 98,000 and 99,000 and
3 within a county with a population between 1,700,000 and 1,800,000
4 according to the most recent federal decennial census, for building
5 renovations to house programming for youth with histories of
6 trauma, substance use, and juvenile delinquency.

7 Sec. 1971. From the funds appropriated in part 1 for
8 behavioral health services, the department shall allocate
9 \$2,000,000.00 to a nonprofit organization organized under the laws
10 of this state that is exempt from federal income tax under section
11 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is
12 located in a city with a population between 138,000 and 140,000
13 that is located in a county with a population between 881,000 and
14 882,000, according to the most recent federal decennial census. To
15 be eligible for funds under this section, an organization must have
16 current experience providing support services to immigrant children
17 and families from Afghanistan, Iraq, Syria, Yemen, and other Middle
18 Eastern countries, and Ukraine.