

Act No. 119  
Public Acts of 2023  
Approved by the Governor\*  
July 31, 2023  
Filed with the Secretary of State  
August 1, 2023  
EFFECTIVE DATE: August 1, 2023

\*Item Vetoes

**ARTICLE 9  
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

**Sec. 1003. (26)**

Entire Subsection. (Page 242)

**ARTICLE 16  
SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**

**Sec. 511. (3)(h)**

Entire Subdivision. (Page 368)

**STATE OF MICHIGAN  
102ND LEGISLATURE  
REGULAR SESSION OF 2023**

Introduced by Rep. Witwer

**ENROLLED HOUSE BILL No. 4437**

AN ACT to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, the legislative branch, and capital outlay for the fiscal years ending September 30, 2023 and September 30, 2024; to provide for certain conditions on the appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

*The People of the State of Michigan enact:*

ARTICLE 6  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
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:

<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
<b>APPROPRIATION SUMMARY</b>		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	15,855.5	
Average population	798.0	
<b>GROSS APPROPRIATION</b>		<b>\$ 35,734,583,000</b>
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		14,676,900
<b>ADJUSTED GROSS APPROPRIATION</b>		<b>\$ 35,719,906,100</b>
Federal revenues:		
Social security act, temporary assistance for needy families		570,248,300
Capped federal revenues		515,551,100
Coronavirus state fiscal recovery fund		2,500,000
Total other federal revenues		24,718,521,800
Special revenue funds:		
Total local revenues		162,620,500
Total private revenues		179,694,600
Michigan merit award trust fund		61,268,700
Total other state restricted revenues		3,045,365,700
<b>State general fund/general purpose</b>		<b>\$ 6,464,135,400</b>

For Fiscal Year  
Ending Sept. 30,  
2024

<b>Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>			
Full-time equated unclassified positions	6.0		
Full-time equated classified positions	945.4		
Unclassified salaries—FTEs	6.0	\$	1,363,300
Administrative hearings officers			9,995,400
Child welfare institute—FTEs	55.0		9,313,800
Demonstration projects—FTEs	7.0		7,070,800
Departmental administration and management—FTEs	660.4		108,031,300
Legal services			100,000
Office of inspector general—FTEs	197.0		25,869,800
Property management			61,762,900
Terminal leave payments			7,091,300
Training and program support—FTEs	26.0		3,637,700
Warehouse operations			1,400,000
Worker's compensation			8,265,500
<b>GROSS APPROPRIATION</b>		\$	<b>243,901,800</b>
Appropriated from:			
Interdepartmental grant revenues:			
IDG from department of education			1,939,800
IDG from department of technology, management, and budget - office of retirement services			600
Federal revenues:			
Social security act, temporary assistance for needy families			27,456,600
Capped federal revenues			19,632,800
Total other federal revenues			73,685,700
Special revenue funds:			
Total local revenues			86,000
Total private revenues			3,846,900
Total other state restricted revenues			1,337,300
<b>State general fund/general purpose</b>		\$	<b>115,916,100</b>
<b>Sec. 103. CHILD SUPPORT ENFORCEMENT</b>			
Full-time equated classified positions	193.7		
Child support enforcement operations—FTEs	187.7	\$	25,679,000
Child support incentive payments			24,409,600
Legal support contracts			131,600,300
State disbursement unit—FTEs	6.0		7,362,800
<b>GROSS APPROPRIATION</b>		\$	<b>189,051,700</b>
Appropriated from:			
Federal revenues:			
Capped federal revenues			14,839,600
Total other federal revenues			148,956,600
<b>State general fund/general purpose</b>		\$	<b>25,255,500</b>
<b>Sec. 104. COMMUNITY SERVICES AND OUTREACH</b>			
Full-time equated classified positions	56.0		
Bureau of community services and outreach—FTEs	24.0	\$	3,485,900
Community services and outreach administration—FTEs	20.0		7,292,300
Community services block grant			25,840,000
Diaper assistance grant			4,404,400
Homeless programs—FTE	1.0		24,002,500
Housing and support services			13,031,000
Kids' food basket			525,000
Runaway and homeless youth grants			13,126,100
School success partnership program			1,525,000
Weatherization assistance			20,505,000
Weatherization assistance - IIJA—FTEs	11.0		40,000,000
<b>GROSS APPROPRIATION</b>		\$	<b>153,737,200</b>

For Fiscal Year  
Ending Sept. 30,  
2024

Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families	\$	18,665,800
Capped federal revenues		96,708,000
Total other federal revenues		14,329,000
Special revenue funds:		
<b>State general fund/general purpose</b>	<b>\$</b>	<b>24,034,400</b>
<b>Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE</b>		
Full-time equated classified positions	4,111.2	
Adoption subsidies	\$	228,608,800
Adoption support services—FTEs	10.0	41,597,900
Attorney general contract		5,191,100
Child abuse and neglect - children's justice act—FTE	1.0	627,000
Child care fund		265,968,500
Child care fund - indirect cost allotment		3,500,000
Child protection		2,050,300
Child welfare administration travel		390,000
Child welfare field staff - noncaseload compliance—FTEs	353.0	41,187,200
Child welfare licensing—FTEs	59.0	7,352,900
Child welfare medical/psychiatric evaluations		9,428,500
Children's protective services - caseload staff—FTEs	1,615.0	170,557,800
Children's protective services supervisors—FTEs	387.0	47,831,200
Children's services administration—FTEs	212.2	26,881,900
Children's trust fund—FTEs	12.0	4,910,900
Contractual services, supplies, and materials		9,567,600
Court-appointed special advocates		1,000,000
Education planners—FTEs	15.0	1,990,000
Family preservation and prevention services administration—FTEs	9.0	1,405,200
Family preservation programs—FTEs	34.0	56,987,700
Foster care payments		284,357,600
Foster care services - caseload staff—FTEs	966.0	97,767,400
Foster care services supervisors—FTEs	227.0	30,935,600
Guardianship assistance program		12,384,200
Interstate compact		179,600
Peer coaches—FTEs	45.5	6,267,400
Performance-based funding implementation—FTEs	3.0	553,800
Permanency resource managers—FTEs	28.0	3,482,400
Prosecuting attorney contracts		8,142,800
Raise the age fund		13,150,000
Second line supervisors and technical staff—FTEs	126.0	19,801,300
Settlement monitor		2,709,800
Strong families/safe children		12,600,000
Title IV-E compliance and accountability office—FTEs	4.0	457,000
Youth in transition—FTEs	4.5	8,178,500
<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>1,428,001,900</b>
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education		244,400
Federal revenues:		
Social security act, temporary assistance for needy families		322,909,800
Capped federal revenues		105,467,300
Total other federal revenues		268,687,500
Special revenue funds:		
Local funds - county chargeback		33,295,400

			For Fiscal Year Ending Sept. 30, 2024
Private - collections		\$	1,500,000
Children's trust fund			2,895,300
Total other state restricted revenues			2,000,000
<b>State general fund/general purpose</b>		<b>\$</b>	<b>691,002,200</b>
<b>Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE</b>			
Full-time equated classified positions	132.5		
Bay Pines Center—FTEs	53.0	\$	6,485,300
Committee on juvenile justice administration—FTEs	2.5		362,600
Committee on juvenile justice grants			3,000,000
Community support services—FTEs	3.0		1,507,600
County juvenile officers			3,977,600
Juvenile justice, administration and maintenance—FTEs	21.0		3,801,200
Shawono Center—FTEs	53.0		6,523,700
<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>25,658,000</b>
Appropriated from:			
Federal revenues:			
Capped federal revenues			7,709,400
Total other federal revenues			220,000
Special revenue funds:			
Local funds - state share education funds			1,362,600
Local funds - county chargeback			5,158,900
<b>State general fund/general purpose</b>		<b>\$</b>	<b>11,207,100</b>
<b>Sec. 107. PUBLIC ASSISTANCE</b>			
Full-time equated classified position	1.0		
Emergency services local office allocations		\$	8,813,500
Family independence program			53,625,600
Family independence program - clothing allowance			10,000,000
Family independence program - small child supplemental payment			6,240,100
Food assistance program benefits			5,273,474,400
Food Bank Council of Michigan			12,045,000
Indigent burial			3,869,100
Low-income home energy assistance program			174,951,600
Michigan energy assistance program—FTE	1.0		50,000,000
Refugee assistance program			7,954,200
State disability assistance payments			4,463,700
State supplementation			54,491,100
State supplementation administration			1,806,100
<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>5,661,734,400</b>
Appropriated from:			
Federal revenues:			
Social security act, temporary assistance for needy families			67,196,600
Capped federal revenues			182,905,800
Total other federal revenues			5,268,764,400
Special revenue funds:			
Child support collections			8,798,900
Low-income energy assistance fund			50,000,000
Public assistance recoupment revenue			4,868,300
Supplemental security income recoveries			992,400
<b>State general fund/general purpose</b>		<b>\$</b>	<b>78,208,000</b>
<b>Sec. 108. LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES</b>			
Full-time equated classified positions	5,758.5		
Administrative support workers—FTEs	167.0	\$	14,515,000
Adult services local office staff—FTEs	550.0		66,489,700
Contractual services, supplies, and materials			25,033,700

			For Fiscal Year Ending Sept. 30, 2024
Donated funds positions—FTEs	237.0		28,462,200
Elder Law of Michigan MiCAFE contract		\$	350,000
Electronic benefit transfer (EBT)			9,714,000
Employment and training support services			4,219,100
Food assistance reinvestment—FTEs	16.0		7,438,300
Local office policy and administration—FTEs	125.0		19,597,300
Local office staff travel			8,252,400
Medical/psychiatric evaluations			1,120,100
Nutrition education—FTEs	2.0		33,037,700
Pathways to potential—FTEs	231.0		25,390,700
Public assistance local office staff—FTEs	4,430.5		485,275,200
SSI advocacy legal services grant			375,000
<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>729,270,400</b>
Appropriated from:			
Interdepartmental grant revenues:			
IDG from department of corrections			120,200
IDG from department of education			7,766,600
Federal revenues:			
Social security act, temporary assistance for needy families			73,233,900
Capped federal revenues			55,328,300
Total other federal revenues			276,575,100
Special revenue funds:			
Local funds - donated funds			4,253,600
Private funds - donated funds			9,759,300
Private revenues			250,000
<b>State general fund/general purpose</b>		<b>\$</b>	<b>301,983,400</b>
<b>Sec. 109. DISABILITY DETERMINATION SERVICES</b>			
Full-time equated classified positions	628.4		
Disability determination operations—FTEs	624.3	\$	122,603,000
Retirement disability determination—FTEs	4.1		636,200
<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>123,239,200</b>
Appropriated from:			
Interdepartmental grant revenues:			
IDG from department of technology, management, and budget - office of retirement services			812,800
Federal revenues:			
Total other federal revenues			118,628,300
<b>State general fund/general purpose</b>		<b>\$</b>	<b>3,798,100</b>
<b>Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS</b>			
Full-time equated classified positions	82.0		
Behavioral health program administration—FTEs	45.0	\$	54,084,900
Community substance use disorder prevention, education, and treatment—FTEs	9.0		79,599,700
Family support subsidy			12,654,900
Federal and other special projects			2,535,600
Gambling addiction—FTE	1.0		5,517,400
Mental health diversion council			3,850,000
Michigan Clinical Consultation and Care			4,609,100
Office of recipient rights—FTEs	25.0		3,400,200
Opioid response activities—FTEs	2.0		90,354,600
Protection and advocacy services support			194,400
<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>256,800,800</b>
Appropriated from:			
Federal revenues:			
Social security act, temporary assistance for needy families			12,654,900
Total other federal revenues			171,714,200

For Fiscal Year  
Ending Sept. 30,  
2024

Special revenue funds:		
Total private revenues		\$ 2,904,700
Total other state restricted revenues		31,000,600
<b>State general fund/general purpose</b>		<b>\$ 38,526,400</b>
<b>Sec. 111. BEHAVIORAL HEALTH SERVICES</b>		
Full-time equated classified positions	18.0	
Autism services		\$ 279,257,100
Behavioral health community supports and services—FTEs	7.0	43,945,200
Certified community behavioral health clinic demonstration		386,381,700
Civil service charges		297,500
Community mental health non-Medicaid services		125,578,200
Federal mental health block grant—FTEs	4.0	24,461,100
Health homes		53,400,100
Healthy Michigan plan - behavioral health		590,860,800
Medicaid mental health services		3,160,958,400
Medicaid substance use disorder services		95,264,000
Multicultural integration funding		17,284,900
Nursing home PAS/ARR-OBRA—FTEs	7.0	13,970,100
State disability assistance program substance use disorder services		2,018,800
<b>GROSS APPROPRIATION</b>		<b>\$ 4,793,677,900</b>
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		421,000
Capped federal revenues		184,500
Total other federal revenues		3,265,311,600
Special revenue funds:		
Total local revenues		10,190,500
Total other state restricted revenues		46,746,700
<b>State general fund/general purpose</b>		<b>\$ 1,470,823,600</b>
<b>Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES</b>		
Full-time equated classified positions	2,546.6	
Average population	798.0	
Caro Regional Mental Health Center - psychiatric hospital - adult—FTEs	530.7	\$ 59,884,200
Average population	145.0	
Center for forensic psychiatry—FTEs	624.5	100,265,800
Average population	240.0	
Developmental disabilities council and projects—FTEs	10.0	3,165,200
Gifts and bequests for patient living and treatment environment		1,000,000
Hawthorn Center - psychiatric hospital - children and adolescents—FTEs	371.4	52,140,300
Average population	83.0	
IDEA, federal special education		120,000
Kalamazoo Psychiatric Hospital - adult—FTEs	561.2	71,022,900
Average population	170.0	
Purchase of medical services for residents of hospitals and centers		445,600
Revenue recapture		750,100
Special maintenance		924,600
State hospital administration—FTEs	34.0	5,598,500
Walter P. Reuther Psychiatric Hospital - adult—FTEs	414.8	68,726,900
Average population	160.0	
<b>GROSS APPROPRIATION</b>		<b>\$ 364,044,100</b>
Appropriated from:		
Federal revenues:		
Total other federal revenues		46,120,600

For Fiscal Year  
Ending Sept. 30,  
2024

Special revenue funds:		
Total local revenues		\$ 23,283,200
Total private revenues		1,000,000
Total other state restricted revenues		15,189,200
<b>State general fund/general purpose</b>		<b>\$ 278,451,100</b>
<b>Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES</b>		
Full-time equated classified positions	74.3	
Cellular therapy for Versiti Michigan		\$ 750,000
Certificate of need program administration—FTEs	11.3	2,713,000
Child advocacy centers		1,407,000
Child advocacy centers - supplemental grants		2,000,000
Community health programs		10,000,000
Crime victim grants administration services—FTEs	17.0	3,038,200
Crime victim justice assistance grants		78,579,300
Crime victim rights services grants		19,869,900
Crime victim rights sustaining grants		30,000,000
Critical health and wellness center operations		1,500,000
Domestic violence prevention and treatment—FTEs	15.6	18,340,200
Human trafficking intervention services—FTE	1.0	200,000
Michigan essential health provider		3,519,600
Minority health grants and contracts—FTEs	3.0	1,145,200
Nurse education and research program—FTEs	3.0	814,900
Policy and planning administration—FTEs	19.9	2,662,300
Primary care services—FTEs	3.0	3,803,900
Rape prevention and services—FTEs	0.5	5,097,300
Rural health services		175,000
Uniform statewide sexual assault evidence kit tracking system		369,500
<b>GROSS APPROPRIATION</b>		<b>\$ 185,985,300</b>
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education		2,400
IDG from department of licensing and regulatory affairs		814,900
IDG from department of treasury, Michigan finance authority		117,700
Federal revenues:		
Social security act, temporary assistance for needy families		6,736,000
Capped federal revenues		10,704,100
Total other federal revenues		86,204,200
Special revenue funds:		
Total private revenues		865,000
Child advocacy centers fund		1,407,000
Compulsive gambling prevention fund		1,040,500
Crime victim's rights fund		18,761,500
Sexual assault victims' prevention and treatment fund		3,000,000
Total other state restricted revenues		3,264,000
<b>State general fund/general purpose</b>		<b>\$ 53,068,000</b>
<b>Sec. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY</b>		
Full-time equated classified positions	449.9	
Bioterrorism preparedness—FTEs	53.0	\$ 30,807,300
Childhood lead program—FTEs	4.5	2,330,900
Emergency medical services program—FTEs	27.0	8,974,200
Epidemiology administration—FTEs	73.5	26,094,400
Healthy homes program—FTEs	66.0	56,287,900
Laboratory services—FTEs	102.0	30,243,600



			For Fiscal Year Ending Sept. 30, 2024
Newborn screening follow-up and treatment services—FTEs	10.5		9,237,300
PFAS and environmental contamination response—FTEs	43.0		20,346,400
Vital records and health statistics—FTEs	70.4		11,393,500
<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>195,715,500</b>
Appropriated from:			
Interdepartmental grant revenues:			
IDG from department of environment, Great Lakes, and energy			1,797,800
Federal revenues:			
Capped federal revenues			81,100
Total other federal revenues			77,138,300
Special revenue funds:			
Total private revenues			1,342,600
Total other state restricted revenues			31,345,600
<b>State general fund/general purpose</b>		<b>\$</b>	<b>84,010,100</b>
<b>Sec. 115. LOCAL HEALTH AND ADMINISTRATIVE SERVICES</b>			
Full-time equated classified positions	189.1		
AIDS prevention, testing, and care programs—FTEs	79.5	\$	110,575,400
Cancer prevention and control program—FTEs	18.0		15,858,500
Chronic disease control and health promotion administration—FTEs	28.4		10,317,400
Diabetes and kidney program—FTEs	8.0		4,172,000
Essential local public health services			76,419,300
Implementation of 1993 PA 133, MCL 333.17015			20,000
Local health services—FTEs	3.3		8,704,800
Medicaid outreach cost reimbursement to local health departments			12,500,000
Public health administration—FTEs	8.0		2,104,200
Sexually transmitted disease control program—FTEs	20.0		8,483,300
Smoking prevention program—FTEs	15.0		4,621,900
Violence prevention—FTEs	8.9		13,518,800
<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>267,295,600</b>
Appropriated from:			
Federal revenues:			
Social security act, temporary assistance for needy families			2,300
Total other federal revenues			90,246,900
Special revenue funds:			
Total local revenues			5,150,000
Total private revenues			74,437,700
Total other state restricted revenues			11,790,800
<b>State general fund/general purpose</b>		<b>\$</b>	<b>85,667,900</b>
<b>Sec. 116. FAMILY HEALTH SERVICES</b>			
Full-time equated classified positions	139.1		
Child and adolescent health care and centers		\$	41,242,700
Dental programs—FTEs	5.3		5,034,200
Drinking water declaration of emergency			4,271,000
Family, maternal, and child health administration—FTEs	49.0		10,660,300
Family planning local agreements			15,810,700
Immunization program—FTEs	20.8		20,652,900
Local MCH services			7,018,100
Pregnancy prevention program			1,297,900
Prenatal care and premature birth avoidance grant			1,000,000
Prenatal care outreach and service delivery support—FTEs	19.0		43,335,800
Special projects			6,289,100
Sudden and unexpected infant death and suffocation prevention program			321,300
Women, infants, and children program administration and special projects—FTEs	45.0		19,520,800
Women, infants, and children program local agreements and food costs			231,285,000
<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>407,739,800</b>

For Fiscal Year  
Ending Sept. 30,  
2024

Appropriated from:		
Federal revenues:		
Total other federal revenues	\$	248,524,400
Special revenue funds:		
Total local revenues		42,817,700
Total private revenues		64,785,700
Total other state restricted revenues		4,049,500
<b>State general fund/general purpose</b>	<b>\$</b>	<b>47,562,500</b>
<b>Sec. 117. CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>		
Full-time equated classified positions	48.8	
Bequests for care and services—FTEs	2.8	\$ 2,087,100
Children's special health care services administration—FTEs	46.0	8,117,100
Medical care and treatment		259,525,100
Outreach and advocacy		6,722,200
<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>276,451,500</b>
Appropriated from:		
Federal revenues:		
Total other federal revenues		147,878,100
Special revenue funds:		
Total private revenues		1,044,100
Total other state restricted revenues		4,433,300
<b>State general fund/general purpose</b>	<b>\$</b>	<b>123,096,000</b>
<b>Sec. 118. AGING SERVICES</b>		
Community services	\$	55,506,900
Employment assistance		3,500,000
Nutrition services		48,054,200
Respite care program		6,468,700
Senior volunteer service programs		4,765,300
<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>118,295,100</b>
Appropriated from:		
Federal revenues:		
Total other federal revenues		63,637,400
Special revenue funds:		
Total private revenues		300,000
Michigan merit award trust fund		4,068,700
Total other state restricted revenues		2,000,000
<b>State general fund/general purpose</b>	<b>\$</b>	<b>48,289,000</b>
<b>Sec. 119. HEALTH AND AGING SERVICES ADMINISTRATION</b>		
Full-time equated classified positions	464.0	
Aging services administration—FTEs	43.0	\$ 9,515,300
Health services administration—FTEs	421.0	118,626,600
<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>128,141,900</b>
Appropriated from:		
Federal revenues:		
Total other federal revenues		84,266,700
Special revenue funds:		
Total local revenues		37,700
Total private revenues		1,721,300
Total other state restricted revenues		336,300
<b>State general fund/general purpose</b>	<b>\$</b>	<b>41,779,900</b>
<b>Sec. 120. HEALTH SERVICES</b>		
Adult home help services	\$	540,953,300
Ambulance services		21,852,500
Auxiliary medical services		6,753,000

			For Fiscal Year Ending Sept. 30, 2024
Dental clinic program		\$	1,000,000
Dental services			355,154,900
Federal Medicare pharmaceutical program			332,826,100
Health plan services			6,551,702,300
Healthy Michigan plan			5,325,052,400
Home health services			6,386,900
Hospice services			143,923,800
Hospital disproportionate share payments			45,000,000
Hospital services and therapy			820,277,800
Integrated care organizations			429,705,300
Long-term care services			2,040,743,900
Maternal and child health			17,255,500
Medicaid home- and community-based services waiver			464,832,100
Medicare premium payments			856,586,100
Personal care services			6,577,500
Pharmaceutical services			333,906,700
Physician services			224,119,800
Plan first			6,000,000
Program of all-inclusive care for the elderly			247,864,500
Recuperative care			297,600
School-based services			172,856,000
Special Medicaid reimbursement			329,863,900
Transportation			21,120,700
<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>19,302,612,600</b>
Appropriated from:			
Federal revenues:			
Total other federal revenues			13,919,433,800
Special revenue funds:			
Total local revenues			36,984,900
Total private revenues			10,687,300
Michigan merit award trust fund			57,200,000
Total other state restricted revenues			2,798,098,100
<b>State general fund/general purpose</b>		<b>\$</b>	<b>2,480,208,500</b>
<b>Sec. 121. INFORMATION TECHNOLOGY</b>			
Full-time equated classified positions	11.0		
Bridges information system—FTEs	10.0	\$	114,571,700
Child support automation			45,567,200
Comprehensive child welfare information system			8,259,800
Information technology services and projects			240,591,300
Michigan Medicaid information system—FTE	1.0		105,285,100
Michigan statewide automated child welfare information system			21,539,800
<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>535,814,900</b>
Appropriated from:			
Interdepartmental grant revenues:			
IDG from department of education			1,059,700
Federal revenues:			
Social security act, temporary assistance for needy families			24,471,400
Capped federal revenues			21,990,200
Total other federal revenues			337,235,600
Special revenue funds:			
Total private revenues			5,250,000
Total other state restricted revenues			2,010,400
<b>State general fund/general purpose</b>		<b>\$</b>	<b>143,797,600</b>

**Sec. 122. ONE-TIME APPROPRIATIONS**

Full-time equated classified positions	6.0	
Adult day center		\$ 500,000
Affordable housing project		4,000,000
Alternative payment model transition		6,000,000
ARP - behavioral health professional recruitment and retention		2,500,000
Behavioral health care services and facilities		3,000,000
Behavioral health patient health information tool		2,000,000
Behavioral health program administration		1,000,000
Behavioral health services		2,500,000
Behavioral health workforce expansion - accelerated degree program		5,000,000
Biomarker testing		3,500,000
Biomedical research and science education		1,000,000
Cancer infusion center		2,000,000
Caregiver resource center		5,000,000
Child and family campus project		6,000,000
Children's health care access program		250,000
Children's rehabilitation hospital		5,000,000
Chronic disease control and health promotion administration		130,000
Community-based coverage entity		1,200,000
Community health programs		36,000,000
Community health residency program		2,000,000
Community information exchange		2,000,000
Community opportunity hub		1,000,000
Community violence prevention - community grant program		5,000,000
Community violence prevention - gun safety and training		1,000,000
Complex medical condition center		350,000
Comprehensive child welfare information system—FTEs	6.0	6,924,000
Court-appointed special advocates		1,500,000
Crisis stabilization capacity		4,000,000
Critical access hospital renovation		7,325,000
Critical medication reserve		6,000,000
Dental programs		2,350,000
Developmental milestones toolkit		500,000
Disability and independent living program		150,000
Early detection and education of teenage heart ailments		75,000
Emergency homeless shelter repair and services grant		500,000
Environmental public health program		500,000
Farm day program		250,000
Federally qualified health center		1,500,000
First responder and public safety staff mental health		5,000,000
Food assistance delivery pilot program		5,000,000
Food market expansion		500,000
Health center		2,000,000
Health workforce development		500,000
Healthy communities grant		3,000,000
Homeless shelter operations		500,000
Hospital equipment modernization		1,000,000
Jail diversion fund		2,500,000
Kids' food basket		1,000,000
Maternal health services		10,420,000
Maternal-fetal medicine programming		8,000,000
Medicaid outreach		450,000
Medical debt relief pilot program		4,500,000

		For Fiscal Year Ending Sept. 30, 2024
Medically underserved area services	\$	700,000
Michigan Clinical Consultation and Care		2,500,000
Michigan crisis and access line		5,000,000
Michigan relief plan		2,000,000
Mobile mammography		1,000,000
Multicultural integration funding		8,600,000
Narcotics awareness program		5,000,000
Native American health services		3,000,000
Prenatal and infant allowance pilot program		16,500,000
Psychiatric GME		8,000,000
Public health operations		3,166,700
Recovery community organizations		1,800,000
Rides to wellness		250,000
Rural obstetric services		1,500,000
Safe opioid use task force		500,000
Senior citizen home renovation		1,183,300
Senior nutrition services		1,000,000
Senior university		400,000
Sickle cell center		2,500,000
Social determinants of health hub - one-time		1,500,000
Substance abuse community and school outreach		1,000,000
Substance use rehabilitation services		3,500,000
Substance use treatment center		10,000,000
Theranostics clinic		20,000,000
Tobacco prevention and cessation programs		1,500,000
University autism center		4,000,000
University dental clinic		4,000,000
Water quality projects		61,439,400
Women's health grant backfill		2,000,000
<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>347,413,400</b>
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		2,500,000
Social security act, temporary assistance for needy families		16,500,000
Total other federal revenues		10,963,400
<b>State general fund/general purpose</b>	<b>\$</b>	<b>317,450,000</b>

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 \$9,570,769,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is \$1,907,484,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
<b>CHILD SUPPORT ENFORCEMENT</b>		
Child support incentive payments	\$	10,000,000
Legal support contracts		3,000
<b>COMMUNITY SERVICES AND OUTREACH</b>		
Homeless programs		20,000
Housing and support services		117,000

For Fiscal Year  
Ending Sept. 30,  
2024

<b>CHILDREN'S SERVICES AGENCY – CHILD WELFARE</b>	
Child care fund	\$ 140,000,000
Child care fund - indirect cost allotment	3,500,000
Child welfare licensing	110,000
Child welfare medical/psychiatric evaluations	20,000
Children's trust fund	65,000
Contractual services, supplies, and materials	5,000
Family preservation programs	10,000
Foster care payments	3,000,000
Raise the age fund	12,650,000
Strong families/safe children	73,000
Youth in transition	200
<b>CHILDREN'S SERVICES AGENCY – JUVENILE JUSTICE</b>	
Bay Pines Center	42,000
Community support services	700,000
Shawono Center	5,000
<b>PUBLIC ASSISTANCE</b>	
Emergency services local office allocations	2,200,000
Family independence program	1,000
Indigent burial	6,000
Michigan energy assistance program	200,000
State disability assistance payments	150,000
<b>LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES</b>	
Contractual services, supplies, and materials	120,000
Employment and training support services	5,000
<b>DISABILITY DETERMINATION SERVICES</b>	
Disability determination operations	2,000
Retirement disability determination	100
<b>BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS</b>	
Behavioral health program administration	400,000
Community substance use disorder prevention, education, and treatment	10,000,000
Gambling addiction	1,500,000
Mental health diversion council	400,000
<b>BEHAVIORAL HEALTH SERVICES</b>	
Autism services	95,000,000
Behavioral health community supports and services	6,000
Certified community behavioral health clinic demonstration	85,000,000
Community mental health non-Medicaid services	125,578,200
Health homes	2,000,000
Healthy Michigan plan - behavioral health	59,000,000
Medicaid mental health services	1,045,000,000
Medicaid substance use disorder services	33,000,000
Nursing home PAS/ARR-OBRA	3,000,000
State disability assistance program substance use disorder services	2,018,000
<b>STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES</b>	
Caro Regional Mental Health Center - psychiatric hospital - adult	215,000
Center for forensic psychiatry	600,000
Hawthorn Center - psychiatric hospital - children and adolescents	68,000
Kalamazoo Psychiatric Hospital - adult	85,000
Walter P. Reuther Psychiatric Hospital - adult	55,000
<b>HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES</b>	
Crime victim rights services grants	11,000,000
Domestic violence prevention and treatment	100,000
Primary care services	100,000

For Fiscal Year  
Ending Sept. 30,  
2024

<b>EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY</b>	
Childhood lead program	\$ 30,000
Epidemiology administration	315,000
Healthy homes program	1,300,000
<b>LOCAL HEALTH AND ADMINISTRATIVE SERVICES</b>	
AIDS prevention, testing, and care programs	2,900,000
Cancer prevention and control program	50,000
Essential local public health services	70,000,000
Implementation of 1993 PA 133, MCL 333.17015	400
Local health services	1,140,000
Public health administration	200
Sexually transmitted disease control program	650,000
Smoking prevention program	750,000
<b>FAMILY HEALTH SERVICES</b>	
Drinking water declaration of emergency	221,000
Family planning local agreements	207,000
Immunization program	2,330,000
Pregnancy prevention program	100,000
Prenatal care outreach and service delivery support	8,800,000
<b>CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>	
Medical care and treatment	700,000
Outreach and advocacy	2,700,000
<b>AGING SERVICES</b>	
Community services	28,658,000
Nutrition services	12,597,200
Respite care program	5,700,000
Senior volunteer service programs	900,000
<b>HEALTH AND AGING SERVICES ADMINISTRATION</b>	
Aging services administration	400,000
<b>HEALTH SERVICES</b>	
Adult home help services	130,000
Ambulance services	755,000
Dental services	1,700,000
Healthy Michigan plan	1,000,000
Home health services	1,800
Hospital services and therapy	3,300,000
Long-term care services	85,000,000
Medicaid home- and community-based services waiver	15,200,000
Personal care services	23,000
Pharmaceutical services	1,000
Physician services	2,800,000
Special Medicaid reimbursement	20,000
Transportation	225,000
<b>ONE-TIME APPROPRIATIONS</b>	
Crisis stabilization capacity	4,000,000
Public health operations	3,166,700
Senior citizen home renovation	1,183,300
<b>TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT</b>	<b>\$ 1,907,484,900</b>

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

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

(a) "AIDS" means acquired immunodeficiency syndrome.

- (b) “CMHSP” means a community mental health services program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.
- (c) “CMS” means the Centers for Medicare and Medicaid Services.
- (d) “Current fiscal year” means the fiscal year ending September 30, 2024.
- (e) “Department” means the department of health and human services.
- (f) “Director” means the director of the department.
- (g) “DSH” means disproportionate share hospital.
- (h) “EPSDT” means early and periodic screening, diagnosis, and treatment.
- (i) “Federal poverty level” means the poverty guidelines published annually in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902.
- (j) “FQHC” means federally qualified health center.
- (k) “FTE” means full-time equated.
- (l) “GME” means graduate medical education.
- (m) “Health plan” means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department’s comprehensive health plan.
- (n) “HEDIS” means health care effectiveness data and information set.
- (o) “HMO” means health maintenance organization.
- (p) “IDEA” means the individuals with disabilities education act, 20 USC 1400 to 1482.
- (q) “IDG” means interdepartmental grant.
- (r) “MCH” means maternal and child health.
- (s) “Medicaid” means subchapter XIX of the social security act, 42 USC 1396 to 1396w-6.
- (t) “Medicare” means subchapter XVIII of the social security act, 42 USC 1395 to 1395III.
- (u) “MiCAFE” means Michigan’s coordinated access to food for the elderly.
- (v) “MiChild” means the program described in section 1670 of this part.
- (w) “MiSACWIS” means Michigan statewide automated child welfare information system.
- (x) “PAS/ARR-OBRA” means the preadmission screening and annual resident review required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the social security act, 42 USC 1396r.
- (y) “PFAS” means perfluoroalkyl and polyfluoroalkyl substances.
- (z) “PIHP” means an entity designated by the department as a regional entity or a specialty prepaid inpatient health plan for Medicaid mental health services, services to individuals with developmental disabilities, and substance use disorder services. Regional entities are described in section 204b of the mental health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid inpatient health plans are described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.
- (aa) “Previous fiscal year” means the fiscal year ending September 30, 2023.
- (bb) “Quarterly reports” means 4 reports shall be submitted to the required recipients by the following dates: February 1, April 1, July 1, and September 30 of the current fiscal year.
- (cc) “Semiannual basis” means March 1 and September 30 of the current fiscal year.
- (dd) “Settlement” means the settlement agreement entered in the case of *Dwayne B. v Snyder*, docket no. 2:06-cv-13548 in the United States District Court for the Eastern District of Michigan.
- (ee) “SSI” means supplemental security income.
- (ff) “Temporary assistance for needy families” or “TANF” or “title IV-A” means part A of subchapter IV of the social security act, 42 USC 601 to 619.
- (gg) “Title IV-B” means part B of title IV of the social security act, 42 USC 621 to 629m.
- (hh) “Title IV-D” means part D of title IV of the social security act, 42 USC 651 to 669b.
- (ii) “Title IV-E” means part E of title IV of the social security act, 42 USC 670 to 679c.
- (jj) “Title X” means subchapter VIII of the public health service act, 42 USC 300 to 300a-8, which establishes grants to states for family planning services.

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

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

- (a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.



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

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

Sec. 207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report must be submitted to the report recipients required in section 246 of this part. The report must include the following information:

- (a) The dates of each travel occurrence.
- (b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

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

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for federal contingency authorization. Authorized funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. Federal contingency authorization must not be made available to increase TANF authorization.

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for local contingency authorization. Authorized funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

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

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

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

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

(b) A federal grant, for which a notice of an award has been received, cannot be used, or will not be used.

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

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

Sec. 217. By February 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the detailed name and amounts of estimated federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1 for the previous fiscal year. The report must itemize, rather than aggregate, specific revenue sources deposited into the generic statewide integrated governmental management application (SIGMA) fund numbers 1200, 1274, 4000, and 5000.

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

(a) Immunizations.

(b) Communicable disease control.

(c) Sexually transmitted infection control.

(d) Tuberculosis control.

(e) Prevention of gonorrhea eye infection in newborns.

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

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

(h) Prenatal care.

(i) Mental health.

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

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

(a) A detailed description of each funded project.

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

(c) The expected project duration.

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

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

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

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

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

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

(3) The department shall submit a report by April 1 of the current fiscal year on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the joint committee on administrative rules, and to the report recipients required in section 246 of this part.

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

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

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

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

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

- (a) Tobacco tax revenue appropriations in the Medicaid program.
- (b) Project information for each project, including all of the following:
  - (i) Project name.
  - (ii) Appropriation line item and amount.
  - (iii) Target population.
  - (iv) Project description.
  - (v) Project outcomes or accomplishments.

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

Sec. 230. By December 31 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the status of the implementation of any noninflationary, noncaseload, programmatic funding increases in the current fiscal year from the previous fiscal year. The report shall confirm the implementation of already implemented funding increases and provide explanations for any planned implementation of funding increases that have not yet occurred. For any planned implementation of funding increases that have not yet occurred, the department shall provide an expected implementation date and the reasons for delayed implementation.

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

(a) Continue the direct care wage increase funded at \$2.35 per hour and provide sufficient funding to increase the wages paid to direct care workers by \$0.85 per hour more than the previous fiscal year for the services noted in DHHS Medicaid provider letter L 21-76 under the Medicaid managed care organization's relevant program.

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

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

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

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

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

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

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

Sec. 232. The department shall provide the approved spending plan for each line item receiving an appropriation in the current fiscal year to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies within 60 days after approval by the department but not later than January 15 of the current fiscal year. Compliance with this section is not met unless a line-item appropriation name is included in all places that a line-item appropriation number is listed. The spending plan shall include the following information regarding planned expenditures for each category: allocation in the previous period, change in the allocation, and new allocation. The spending plan shall include the following information regarding each revenue source for the line item: category of the fund source indicated by general fund/general purpose, state restricted, local, private, or federal. Figures included in the approved spending plan shall not be assumed to constitute the actual final expenditures, as line items may be updated on an as-needed basis to reflect changes in projected expenditures and projected revenue. The department shall supplement the spending plan information by providing a list of all active contracts and grants in the department's contract system. For amounts listed in the other contracts category of each spending plan, the department shall provide a list of all contracts and grants and amounts for the current fiscal year, and include the name of the line item and the name of the fund source related to each contract or grant and amount. For amounts listed in the all other costs category of each spending plan, the department shall provide a list detailing planned expenditures and amounts for the current fiscal year, and include the name of the line item and the name of the fund source related to each amount and expenditure.

Sec. 233. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, office, or institution.

Sec. 234. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for the short-term and long-term retention of records must be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 235. (1) No money appropriated in part 1 shall be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

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

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

(a) Report to the house and senate appropriations committees and to the report recipients required in section 246 of this part any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

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

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

Sec. 238. It is the intent of the legislature that the department maximize the efficiency of the state workforce, and, where possible, prioritize in-person work, and post its in-person, remote, or hybrid work policy on its website.

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

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

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

Sec. 242. By March 1 of the current fiscal year, the department shall submit a description of programs report to the report recipients required in section 246 of this part. The report must include the appropriation unit, the line item name and number, the appropriation history, the program name, the program overview, a financing summary, and, where applicable, the program's legal basis, effectiveness, and outcomes.

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

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

Sec. 250. (1) For any grant program or project funded in part 1 intended for a single recipient organization or local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform at least all the following activities to administer the grants described in subsection (1):

(a) Develop a standard application process, grantee reporting requirements, and any other necessary documentation including sponsorship information as specified under subsection (3).

(b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. Grant agreements shall be executed by the department only if all necessary documentation has been submitted and reviewed.

(c) Verify to the extent possible that a grant recipient will utilize funds for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement and perform its fiduciary duty and is in compliance with all applicable state and federal statutes. The department may deduct the cost of background checks performed as part of this verification from the amount of the designated grant award.

(e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days whether submitted documents by a grant recipient are sufficient or in need of additional information.

(3) A sponsor of a grant described in subsection (1) must be a legislator or the department. A legislative sponsor shall be identified through a letter submitted by that legislator's office to the department and state budget director listing the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of section and subsection of the public act that authorizes the grant, as applicable. If a legislative sponsor is not identified before January 15, 2024, the department must do 1 of the following:

(a) Identify the department as the sponsor.

(b) Decline to execute the grant agreement.

(4) An executed grant agreement under this section between the department and a grant recipient shall include at least the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. No expenditures outside of the project purpose, as stated in the executed grant agreement, shall be reimbursed from appropriations in part 1.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) At the discretion of the department, an initial disbursement of 50% to the grant recipient upon execution of the grant agreement consistent with part II, chapter 10, section 200 of the Financial Management Guide.

(e) A requirement that after the initial 50% disbursement, additional funds shall be disbursed only after verification that the initial payment has been fully expended, in accordance with the project purpose. The remaining funds shall be disbursed after the grantee has provided sufficient documentation, as determined by the department, to verify that all expenditures were made in accordance with the project purpose.

(f) A requirement for reporting from the recipient to the department that provides the status of the project and an accounting of all funds expended by the recipient, as determined by the department.

(g) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(5) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(6) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for a period of not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section shall include signed assurance by the chief executive officer or other executive officer of the grant recipient that this requirement will be met.

(7) All funds awarded shall be expended by the grant recipient, and projects completed, by September 30, 2028. If, at that time, any unexpended funds remain, those funds shall be returned by the grant recipient to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement by June 1, 2024, funds associated with that grant shall be returned to the state treasury.

(8) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.

(9) The state budget director may, on a case-by-case basis, extend the deadline in subsection (7) on request by a grant recipient. The state budget director shall notify the chairs of the house and senate appropriations committees not later than 5 days after an extension is granted.

(10) The department shall post a report in a publicly accessible location on its website not later than September 30, 2024. The report shall list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable.

(11) As applicable, the legislative sponsor of a grant described in subsection (1) shall comply with all applicable laws concerning conflicts of interest in seeking a direct grant. A legislative sponsor shall not seek a grant for a recipient if a conflict of interest exists.

(12) If the department reasonably determines the funds allocated for an executed grant agreement under this section were misused or their use misrepresented by the grant recipient, the department shall not award any additional funds under that executed grant agreement and shall refer the grant for review following internal audit protocols.

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

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

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

(2) The department shall provide reports on a semiannual basis to the report recipients required in section 246 of this part summarizing the status of any new or ongoing discussions with CMS, the United States Department of Health and Human Services, or other federal agency regarding potential or future waiver applications as well as the status of submitted waivers that have not yet received federal approval. If, at the time a semiannual report is due, there are no reportable items, then no report is required to be provided.

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

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

- (a) The total amount recovered from the legal action.
- (b) The program or service for which the money was originally expended.
- (c) Details on the disposition of the funds recovered such as the appropriation or revenue account in which the money was deposited.
- (d) A description of the facts involved in the legal action.

Sec. 274. The department, in collaboration with the state budget office, shall submit to the report recipients required in section 246 of this part 1 week after the day the governor submits to the legislature the budget for the ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2024 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:

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

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

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

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

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

Sec. 295. By April 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on funds appropriated for the healthy moms, healthy babies initiative. The report must include the budgeted amount, year-to-date expenditures, remaining balance of appropriations, and the percent of budget spent for each appropriation related to the initiative. The report must also include information on how the funds have assisted with meeting the goals and outcomes of the initiative.

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

Sec. 297. On a quarterly basis, the department shall submit a report to the senate and house appropriations committees and to the report recipients required in section 246 of this part that includes all of the following information:

- (a) The number of FTE positions by pay status and civil service classification.
- (b) A comparison by line item of the number of FTE positions authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department at the end of the reporting period.

#### **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Sec. 301. From the funds appropriated in part 1 for child welfare institute, the department shall train private child placing agency staff in the pre-service training requirements for child welfare caseworkers and supervisors. All private child placing agency staff must be provided an opportunity to complete training at their private child placing agency facilities in a virtual format. A hybrid format that includes virtual and in-person instruction must also be available to all private child placing agency staff according to the preference of a given private child placing agency.

#### **CHILD SUPPORT ENFORCEMENT**

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

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

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

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

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

(6) If the child support incentive payment to the state from the federal government is less than \$26,500,000.00, then the state and county share shall each be reduced by 50% of the shortfall.

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



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

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

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

#### **COMMUNITY SERVICES AND OUTREACH**

Sec. 450. (1) From the funds appropriated in part 1 for school success partnership program, the department shall allocate \$1,525,000.00 of TANF revenue by December 1 of the current fiscal year to support the Northeast Michigan Community Service Agency programming. The department shall require the following performance objectives be measured and reported for the duration of the state funding for the school success partnership program:

- (a) Increasing school attendance and decreasing chronic absenteeism.
- (b) Increasing academic performance based on grades with emphasis on math and reading.
- (c) Identifying barriers to attendance and success and connecting families with resources to reduce these barriers.
- (d) Increasing parent involvement.

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

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

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

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

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

Sec. 456. From the funds appropriated in part 1 for homeless programs, the department shall allocate \$10,000.00 to reimburse public service agencies that provide documentation of paying birth certificate fees on behalf of category 1 homeless clients at county clerk's offices. Public service agencies shall be reimbursed for the cost of the birth certificate fees quarterly until this allocation is fully spent.

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

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

Sec. 464. (1) From the funds appropriated in part 1 for diaper assistance grant, \$4,404,400.00 must be allocated as grants to diaper assistance programs, maternity homes, and other nonprofit agencies that distribute diapers free of charge and were established as of January 1, 2020. The funds must be used only to purchase diapering supplies and for related administrative costs. Not more than 15.0% of the funds appropriated in part 1 shall be expended for administrative purposes.

(2) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the distribution of diaper assistance grant funds that includes, but is not limited to, the names and locations of grant recipients and the total amount of grant funding distributed to each recipient.

(3) Funds appropriated for diaper assistance grant shall be considered work project funds, shall not lapse at the end of the fiscal year, and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide funding for grants for eligible entities to distribute diapers free of charge.

(b) The work project will be accomplished through partnerships with diaper assistance programs, maternity homes, and other nonprofit agencies.

(c) The total estimated cost of the work project is \$4,404,400.00.

(d) The tentative completion date is September 30, 2028.

Sec. 465. (1) From the funds appropriated in part 1 for community services and outreach administration, \$2,950,000.00 must be distributed as provided in subsection (2). The amount distributed under this subsection must not exceed 50% of the total operating expenses of the program described in subsection (2), with the remaining 50% paid by local United Way organizations and other nonprofit organizations and foundations.

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

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

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

Sec. 466. From the funds appropriated in part 1 for runaway and homeless youth grants, the department shall allocate \$5,342,100.00 to support the expansion of runaway and homeless youth capacity. The funding must be composed of \$1,146,900.00 in general fund/general purpose revenue and \$4,195,200.00 of TANF revenue. The funding must be allocated as follows:

(a) \$3,205,300.00 to cover the 18 counties that are presently unserved by any runaway and homeless youth program and to expand the capacity for counties that are underserved.

(b) \$1,068,400.00 across 19 providers statewide to provide infrastructure support for expanded staff, supervision, and training to continue to meet the complex mental health needs of the population being served.

(c) \$1,068,400.00 across 19 providers statewide to support upgrading technology and facilities to maintain safety in environments where youth are sheltered.

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

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

(2) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report describing the steps that will be taken to achieve the specific goal established under subsection (1). The report must also include an explanation of the most significant barriers that prevent long-term foster children from permanent placements.

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

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

(2) The department, in conjunction with members from both the house of representatives and senate, private child placing agencies, the courts, and counties shall continue to implement the recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding model pilot program for public and private child welfare services providers. By July 1 of the current fiscal year, the department shall provide a report on the status of the performance-based contracting model to the report recipients required in section 246 of this part as well as the senate and house standing committees that cover subject matters dealing with families and human services.

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

(2) As a condition for receiving the funding in part 1, the West Michigan Partnership of Children Consortium shall maintain a contract agreement with the department that supports a global capitated payment model. The capitated payment amount shall be based on historical averages of the number of children served in Kent County and for the costs per foster care case. The West Michigan Partnership for Children Consortium is required to manage the cost of the child population it serves. The administrative portion of the contracted agreement must reflect the cumulative annual percentage change in the Detroit Consumer Price Index from the previous year. The capitated payment amount shall be reviewed and adjusted no less than twice during the current fiscal year or due to any policy changes implemented by the department that result in a volume of placements that differ in a statistically significant manner from the amount allocated in the annual contract between the department and the West Michigan Partnership for Children Consortium as determined by an independent actuary as well as to account for changes in case volumes and any statewide rate increases that are implemented. The contract agreement requires that the West Michigan Partnership for Children Consortium shall maintain the following stipulations and conditions:

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

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

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

(3) By March 1 of the current fiscal year, the consortium shall provide to the report recipients required in section 246 of this part a report on the consortium, including, but not limited to, actual expenditures, number of children placed by agencies in the consortium, fund balance of the consortium, and the outcomes measured.

Sec. 505. By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on youth referred or committed to the department for care or supervision in the previous fiscal year that outlines the number of youth served by the department within the juvenile justice system by the type of setting for each youth.

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

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

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

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

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

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

(2) For the funds described in subsection (1), the department shall ensure that administrative delays are avoided and the local grant recipients and direct service providers receive money in an expeditious manner. The department and board shall make available the children's trust fund contract funds to grantees within 31 days of the start date of the funded project.

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

Sec. 510. (1) From the funds appropriated in part 1 for child care fund and foster care payments, the department shall allocate funds to cover a capacity model for a specified number of beds based on projected needs for privately operated child welfare and juvenile justice residential facilities. A contract entered into under this subsection must provide guaranteed payment for anticipated utilization with the condition that providers accept youth, up to the contracted capacity, who are determined through independent assessment as meeting the program entrance criteria. A contract under the capacity model must have been competitively bid and must include performance metrics. The contract rate must allow for full staffing and the ability to accommodate the highest acuity cases. By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the status of the program that includes the participating facilities under the program, the number of children placed, and the program type of the children placed.

(2) The department shall submit reports on a monthly basis to the report recipients required in section 246 of this part on the number of children awaiting placement in a child caring institution in this state. The report must include the number of children awaiting placement by child caring institution and must state the reason for the delay in placement including, but not limited to, facility bed shortages, placement process delays, or other reasons.

Sec. 511. The department shall submit reports on a semiannual basis to the report recipients required in section 246 of this part as well as the senate and house standing committees that cover subject matters dealing with families and human services on the number and percentage of children who received timely physical and mental health examinations after entry into foster care. The goal of the program is that at least 85% of children shall have an initial medical and mental health examination within 30 days after entry into foster care.

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

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

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

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

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

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

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

(3) The department shall submit an annual report by March 1 of the current fiscal year to the state court administrative office and the report recipients required in section 246 of this part on the number of Michigan children residing in out-of-state facilities in the previous fiscal year and shall include the total cost and average per diem cost of these out-of-state placements to this state, and a list of each such placement arranged by the Michigan county of residence for each child.

Sec. 514. (1) From the funds appropriated in part 1 for foster care payments, the department shall establish a statewide respite care services network available to licensed foster parents and unlicensed relative caregivers that care for children in foster care.

(2) By March 1 of the current fiscal year, the department shall provide the report recipients required in section 246 of this part a report on the total number of licensed foster parents and unlicensed relative caregivers that were provided respite services, the average amount of respite time per month, and the total amount of funding spent on respite services during the first 6 months of the current fiscal year.

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

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

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

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

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

Sec. 518. The department shall submit a report to the report recipients required in section 246 of this part by March 1 of the current fiscal year on the cumulative child care fund expenditures of in-home juvenile justice care that are eligible for the 75% state and 25% local split. Eligible in-home expenses include community-based juvenile supervision, services, and related practices, and per diem rates for the use of respite and shelter for less than 30 days. The report must include the expenditures by county and type of service provided and number of youth receiving this care and number of days of care.

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

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

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

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

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

Sec. 523. (1) By February 15 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the families first, family reunification, and families together building solutions family preservation programs. The report must provide population and outcome data based on families served and include information for each program on any innovations that may increase child safety and risk reduction.

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

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

Sec. 525. The department shall implement the same on-site evaluation processes for privately operated child welfare and juvenile justice residential facilities as is used to evaluate state-operated facilities. Penalties for noncompliance shall be the same for privately operated child welfare and juvenile justice residential facilities and state-operated facilities.

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

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

Sec. 529. From the funds appropriated in part 1 for family preservation programs, the department shall maintain the total combined funding levels of the families first, family reunification, and families together

building solutions family preservation programs at an amount not less than the amount provided as of September 30, 2021. For the current fiscal year as the department moves toward implementation of the federal family first prevention services act, Public Law 115-123, the funding available to serve families through the existing family preservation programs shall not be reduced.

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

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

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

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

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

- (a) Locate appropriate kinship family for out-of-home placement of children.
- (b) Provide support to kinship care providers and facilitate connections to programs and services to assist them in meeting the needs of children.
- (c) Assist kinship care providers in meeting state foster parent licensing requirements.
- (d) Support parents to expedite permanency planning.

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

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

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

- (a) The total number of relative care placements.
- (b) The total number of relative care placements into unlicensed relative homes.
- (c) The total number of relative care placements into licensed relative homes.
- (d) The total number of unlicensed relative providers with a relative placement that were denied a foster home license for not meeting the standards established for state licensing for foster care.
- (e) A list of the reasons from a sample of cases where relatives were denied foster home licensure as documented by the department.
- (f) The status of title IV-E claims for foster care maintenance payments and foster care administrative payments for licensed relative caregivers with placements.

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

Sec. 544. The department may require all foster care parents, caseworkers, and guardians ad litem to receive trauma-informed training that includes a human trafficking awareness component.

Sec. 546. (1) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay providers of general foster care, independent living, and trial reunification services not less than a \$55.20 administrative rate.

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

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

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

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

(2) The department shall submit a report on an annual basis to the report recipients required in section 246 of this part that includes quarterly data on the number of children enrolled in the guardianship assistance and foster care – children with serious emotional disturbance waiver programs.

Sec. 550. (1) The department shall not offset against reimbursement payments to counties or seek reimbursement from counties for charges that were received by the department more than 12 months before the department seeks to offset against reimbursement. A county shall not request reimbursement for and reimbursement payments shall not be paid for a charge that is more than 12 months after the date of service or original status determination when initially submitted by the county.

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

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

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

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

Sec. 554. From the funds appropriated in part 1 for foster care payments, the department shall allocate \$50,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that currently has locations in 3 cities and operates on a 100% volunteer basis with a board of directors consisting of up to 15 members, and are a dedicated community of individuals that give their time, talent, and resources to provide the best quality shopping environment they can to local children in need and provide clothing, shoes, toys, linens, nursery furniture, strollers, car seats, school supplies, hygiene products, and safety equipment to local foster children and their families free of charge.



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

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

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

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

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

Sec. 564. (1) The department shall maintain a clear policy for parent-child visitations. The local county offices, caseworkers, and supervisors shall meet an 85% success rate, after accounting for factors outside of the caseworkers' control.

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

(3) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the percentage of success rate for parent-child visitations and court-ordered required meetings between caseworkers referenced in subsections (1) and (2) for the previous year.

Sec. 568. (1) The department shall ensure youths transitioning out of foster care are given assistance with obtaining a driver license or state identification card and are issued a copy of their Social Security number as required by department policy. Assistance must be provided to youths who are eligible to obtain a driver license or state identification card and a Social Security card based on the youth's citizenship and legal residency status.

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

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

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

(2) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the total amount expended in the previous year for grants to private and community-based foster care service providers for home improvements or physical exams as referenced in subsection (1) and the number of grants issued.

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

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

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

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

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

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

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

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

Sec. 581. From the funds appropriated in part 1 for foster care payments, the department shall allocate \$50,000.00 for caseworkers to provide immediate assistance with urgent needs, including, but not limited to, food, clothing, and other basic necessities, for children upon removal from their home or other dangerous environment, including children who are victims of human trafficking. The department shall track the distribution of the funds and by June 1 of the current fiscal year shall submit to the report recipients required in section 246 of this part a report on the number of funds distributed and the number of children impacted.

Sec. 583. By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part as well as the senate and house standing committees that cover subject matters dealing with families and human services a report that includes all of the following:

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

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

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

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

(2) By October 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a detailed plan that addresses the status and progress toward exiting the settlement by September 30 of the current fiscal year. The report must include an update on the department's child welfare initiative.

Sec. 589. (1) From the funds appropriated in part 1 for child care fund, the department shall pay 100% of the administrative rate for all new cases referred to providers of foster care services.

(2) On a quarterly basis, the department shall submit a report on the monthly number of all foster care cases administered by the department and all foster care cases administered by private providers to the report recipients required in section 246 of this part.

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

- (a) The percent of investigations commenced within 24 hours after receiving a report.
- (b) The percent of central registry reviews performed for required individuals.
- (c) The percent of face-to-face contacts made within the established timeframe required by the department.
- (d) In appropriate cases, the percent of sibling placement evaluations completed when 1 or more children remain in the home after a child has been removed.
- (e) The percent of supervisory reviews performed in a timely manner.
- (f) The results of a department survey of child protective services investigators on the number of investigators who are concerned for their own personal safety.
- (g) The percent of investigators using the mobile application or other tool to document compliance.

Sec. 593. The department shall conduct an annual review in each county to determine if the county has adopted and implemented standard child abuse and child neglect investigation and interview protocols as required in section 8(6) of the child protection law, 1975 PA 238, MCL 722.628.

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

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

#### **PUBLIC ASSISTANCE**

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

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

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

Sec. 604. (1) From the funds appropriated in part 1 for state disability assistance payments, the department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempted from the supplemental security

income citizenship requirement who are at least 18 years of age or emancipated minors who meet 1 or more of the following requirements:

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

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

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

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

(e) Is an individual diagnosed as having AIDS.

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

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

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

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

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

(3) Except for an individual described in subsection (1)(c) or (d), an individual is not disabled for purposes of this section if the individual's drug addiction or alcoholism is a contributing factor material to the determination of disability. "Material to the determination of disability" means that, if the individual stopped using drugs or alcohol, the individual's remaining physical or mental limitations would not be disabling. If the individual's remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the individual may receive state disability assistance. Such an individual must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments. For purposes of this section, substance abuse treatment includes receipt of inpatient or outpatient services or participation in alcoholics anonymous or a similar program.

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

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

Sec. 607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but may include revenues collected during the current year that are prior year related and not a part of the department's accrued entries.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) Reimbursement for a cremation permit fee of up to \$75.00 and for mileage at the standard rate will be made available for an eligible cremation. The reimbursements under this section shall take into consideration religious preferences that prohibit cremation.

(3) The department shall submit a report to the report recipients required in section 246 of this part by January 31 of the current fiscal year on burial services payments issued from the state emergency relief program during the previous fiscal year. The report must include the number of payments by the following burial services categories:

(a) Fetus or infant less than 1 month of age.

(b) Burial with memorial service.

(c) Burial without memorial service.

(d) Cremation with memorial service.

(e) Cremation without memorial service.

(f) Transportation of a donated or unclaimed body being cremated.

(g) Cremation permit fee for an unclaimed body.

(h) Disposition of an unclaimed body.

(i) Payment where an irrevocable funeral agreement exists.

(j) An unclaimed body received by a university.

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

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

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

Sec. 619. The department shall not deny title IV-A assistance and food assistance benefits under 21 USC 862a to any individual who has been convicted of a felony that included the possession, use, or distribution of a controlled substance, for which the act that resulted in the conviction occurred after August 22, 1996, if the individual is not in violation of the individual's probation or parole requirements.

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

(2) The department shall submit a quarterly report to the report recipients required in section 246 of this part on the number of recipients who were ineligible for Medicaid after Medicaid eligibility redeterminations resumed after federal continuous enrollment requirements ended. The report must include, in a monthly data format, the number of recipients who had their eligibility examined directly, through an ex parte eligibility process or through a passive eligibility process. The report must also include all baseline and monthly reports provided to CMS for unwinding data reporting and the number of recipients who did not respond to department contact through eligibility outreach or data requests.

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

Sec. 653. From the funds appropriated in part 1 for food assistance program benefits, an individual who is the victim of domestic violence or human trafficking and does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

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

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

Sec. 660. From the funds appropriated in part 1 for Food Bank Council of Michigan, the department shall allocate \$12,045,000.00 for the procurement and distribution of the Michigan agricultural surplus system to distribute surplus produce to low-income residents of this state.

Sec. 669. From the funds appropriated in part 1 for family independence program – clothing allowance, the department shall allocate \$10,000,000.00 for the annual clothing allowance. The allowance shall be granted to all eligible children in a family independence program group.

Sec. 672. (1) The department's office of inspector general shall submit a report to the report recipients required in section 246 of this part by February 15 of the current fiscal year on department efforts to reduce inappropriate use of Michigan bridge cards and food assistance program trafficking. The department shall provide information on the number of recipients of services who used their Michigan bridge card inappropriately and the current status of each case, the number of recipients whose benefits were revoked, whether permanently or temporarily, as a result of inappropriate use, and the number of retailers that were fined or removed from the electronic benefit transfer program for permitting inappropriate use of the cards. The report shall also include the number of Michigan bridge card trafficking instances and overall welfare fraud referrals that includes such information as the number of investigations completed, fraud and intentional program violation dollar amounts identified, the number of referrals to prosecutors, the number of administrative hearing referrals and waivers, and the number of program disqualifications imposed. The report shall distinguish between savings and cost avoidance. Savings include receivables established from instances of fraud committed. Cost avoidance includes expenditures avoided due to front-end eligibility investigations and other preemptive actions undertaken in the prevention of fraud.

(2) If a fourth Michigan bridge card has been issued in a 12-month period, the department shall notify the household that they have reached the number of issued cards threshold. At their fifth and each subsequent card replacement request, a card will not be issued until the recipient has spoken directly to the local office district

manager or county director. The district manager or county director may issue a new Michigan bridge card under their authority based on their assessment of the recipient's situation and explanation.

(3) As used in this section:

(a) "Food assistance trafficking" means the buying and selling of food assistance benefits for cash or items not authorized under 7 USC 2036b.

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

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

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

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

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

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

(c) The number and percentage of employed family independence program recipients who remain employed for 6 months or more.

Sec. 678. From the funds appropriated in part 1 for family independence program – small child supplemental payment, the department shall allocate \$6,240,100.00 to provide a supplement for every child under 6 years of age to families receiving cash assistance for the current fiscal year. The total annual per-child supplement must not be less than \$400.00 per case, per child under the age of 6.

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

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

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

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

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

(a) The number of applications received.

(b) The number of applications approved.

(c) The number of applications denied.

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

(e) The number of cases opened.

(f) The number of cases closed.

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

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

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

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

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

- (c) The number of cases sanctioned because of the school truancy policy.
- (d) The number of cases closed because of the 48-month and 60-month lifetime limits.
- (e) The number of first-, second-, and third-time sanctions.
- (f) The number of children 0-5 years of age living in family independence program-sanctioned households.

Sec. 688. From the funds appropriated in part 1 for the low-income home energy assistance program, the department shall make an additional \$20.01 payment to each food assistance program case that is not currently eligible for the standard utility allowance to enable each case to receive expanded food assistance benefits through the program commonly known as the heat and eat program.

#### **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

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

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

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

Sec. 708. (1) As a condition of receiving funds appropriated in part 1 for the child care fund line item, by October 15 of the current fiscal year, counties shall have an approved service spending plan for the current fiscal year. Counties must submit the service spending plan for the following fiscal year to the department by August 15 of the current fiscal year for approval. Upon submission of the county service spending plan, the department shall approve within 30 calendar days after receipt of a properly completed service plan that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department shall notify and submit county service spending plan revisions to any county whose county service spending plan is not accepted upon initial submission. The department shall not request any additional revisions to a county service spending plan outside of the requested revision notification submitted to the county by the department. The department shall notify a county within 30 days after approval that its service plan was approved.

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

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

Sec. 709. The department's master contract for juvenile justice residential foster care services shall prohibit contractors from denying a referral for placement of a youth, or terminating a youth's placement, if the youth's assessed treatment needs are in alignment with the facility's residential program type, as identified by the court or the department. In addition, the master contract shall require that youth placed in juvenile justice residential foster care facilities must have regularly scheduled treatment sessions with a licensed psychologist or a psychiatrist, or both, and access to the licensed psychologist or a psychiatrist as needed.

Sec. 715. (1) As a condition of receiving funds appropriated in part 1 for raise the age fund, by deadlines established and advised by the department, counties or tribal entities shall have an approved raise the age fund budget plan for the current fiscal year. By March 1 of the current fiscal year, counties must submit the raise the age fund budget plan for the current fiscal year to the department. The raise the age fund budget plan shall specifically identify the types of costs to be reimbursed, estimated costs for each item, and the total estimated cost to be reimbursed. The types of costs to be reimbursed must comply with the requirements of section 117i of the



social welfare act, 1939 PA 280, MCL 400.117i, and must not include newly funded capital improvement costs over \$100,000.00. \$500,000.00 of the raise the age fund shall be reserved for tribal entities. If total raise the age fund requests from tribal entities are less than \$500,000.00, the funding may be allocated to meet requests from counties. From the funds appropriated in part 1 for raise the age fund, each county and tribal entity eligible for reimbursement shall receive a minimum \$10,000.00 allocation from the raise the age fund.

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

(3) Counties and tribal entities must submit amendments to current fiscal year raise the age fund budget plans by deadlines established and advised by the department. Counties must submit current fiscal year payable estimates for raise the age funds to the department by deadlines established and advised by the department.

(4) As used in this section, “eligible youth” includes both of the following:

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

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

### **LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES**

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

(2) The department shall submit a report by April 1 to the report recipients required in section 246 of this part on the corrective action plan undertaken to lower food assistance program error rates. The report must include the error rates for each local office, by month, in the prior fiscal year, information on the percentage of errors attributable to the department and applicants, a narrative description of each type of error occurring for the department and applicants, and a complete description of how error rates have decreased from the 8 actions described in the April 1, 2023 report provided under section 801(2) of article 6 of 2022 PA 166.

Sec. 802. From the funds appropriated in part 1 for local office staff travel, the department shall allocate up to \$100,000.00 annually toward reimbursing the out-of-pocket costs of county board members and county department directors to attend statewide meetings of the Michigan County Social Services Association.

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

Sec. 808. By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the nutrition education program. The report must include planned allocation and actual expenditures for the supplemental nutrition assistance program education funding by location of programs, planned and actual grant amounts for the supplemental nutrition assistance program education funding by location of programs, the total amount of expected carryforward balance at the end of the current fiscal year for the supplemental nutrition assistance program education funding, and, for each subgrantee program, a list of all supplemental nutrition assistance program education funding programs by implementing agency with the amount of funding allocated.

Sec. 809. From the funds appropriated in part 1 for pathways to potential program, the department shall submit a report by June 1 of the current fiscal year to the report recipients required in section 246 of this part listing all participant schools, the number of program staff assigned to each school by participant school, and the number of students that interacted with pathways to potential staff.

Sec. 825. From the funds appropriated in part 1, the department shall provide individuals not more than \$2,000.00 for vehicle repairs, including any repairs done in the previous 12 months. Payments under this section shall include the combined total of payments made by the department and work participation program.

Sec. 826. (1) From the funds appropriated in part 1 for local office policy and administration, not less than \$300,000.00 shall be allocated for the department to contract with the Prosecuting Attorneys Association of Michigan to provide the support and services necessary to increase the capability of the state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

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

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

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

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

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

(b) Meeting required standards for error rates in determining programmatic eligibility as determined by the department.

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

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

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

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

(2) The department shall submit a report no later than March 1 of the current fiscal year to the report recipients required in section 246 of this part on the services provided to older adults who were victims of crime or fraud in the previous fiscal year. The report must include, but is not limited to, all of the following by county: the percentage of investigations commenced within 24 hours after a report is made to the department, the number of face-to-face contacts established with the client within 72 hours after a report is made to the department, the number of investigations completed within 30 days after a report is made to the department, and the total number of older adults that were victims of crime or fraud in the previous fiscal year and were provided services by the department as a result of being victims of crime or fraud.

#### **DISABILITY DETERMINATION SERVICES**

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

#### **BEHAVIORAL HEALTH SERVICES ADMINISTRATION AND SPECIAL PROJECTS**

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

Sec. 902. (1) From the funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

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

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

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

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

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

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

(a) A statewide summary of the demographic description of service recipients that, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

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

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

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

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

(i) The number of individuals receiving requested services.

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

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

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

(h) Performance indicator information required to be submitted to the department in the contracts with CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

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

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

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

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

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

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

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

(5) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

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

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

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

Sec. 909. From the funds appropriated in part 1 for health homes, the department shall use available revenue from the marijuana regulatory fund established in section 604 of the medical marijuana facilities licensing act, 2016 PA 281, MCL 333.27604, to improve physical health, expand access to substance use disorder prevention and treatment services, and strengthen the existing prevention, treatment, and recovery systems.

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

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

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

Sec. 912. The department shall contract directly with the Salvation Army Harbor Light program, at an amount not less than the amount provided during the fiscal year ending September 30, 2020, to provide non-Medicaid substance use disorder services if the local coordinating agency or the department confirms the Salvation Army Harbor Light program meets the standard of care. The standard of care shall include, but is not limited to, utilization of the medication assisted treatment option.

Sec. 913. (1) From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate \$2,025,000.00, with \$1,000,000.00 allocated on a 1-time basis, for the autism navigator program. The department shall require any contractor receiving funds under this section to comply with performance-related metrics to maintain eligibility for funding. The performance-related metrics shall include, but not be limited to, all of the following:

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

(b) Each contractor shall demonstrate cost-effectiveness.

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

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

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

Sec. 914. By June 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on outcomes of the funds provided in part 1 to the Michigan Clinical Consultation and Care program (MC3). The outcomes reported must include, but is not limited to, the number of same-day telephone consultations with primary care providers and the number of local resource recommendations made to primary care providers who are providing medical care to patients who need behavioral health services.

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

Sec. 917. (1) From the funds appropriated in part 1 for opioid response activities, the department shall allocate \$23,200,000.00 from the Michigan opioid healing and recovery fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, to create or supplement opioid-related programs and services in a manner consistent with the opioid judgment, settlement, or compromise of claims pertaining to violations, or alleged violations, of law related to the manufacture, marketing, distribution, dispensing, or sale of opioids.

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

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

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

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

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

Sec. 920. (1) As part of the Medicaid rate-setting process for behavioral health services, the department shall work with PIHP network providers and actuaries to include any state and federal wage and compensation increases that directly impact staff who provide Medicaid-funded community living supports, personal care services, respite services, skill-building services, and other similar supports and services as part of the Medicaid rate.

(2) It is the intent of the legislature that any increased Medicaid rate related to state minimum wage increases shall also be distributed to direct care employees.

Sec. 924. From the funds appropriated in part 1, for the purposes of actuarially sound rate certification and approval for Medicaid behavioral health managed care programs, the department shall maintain a fee schedule for autism services reimbursement rates for direct services. Expenditures used for rate setting shall not exceed those identified in the fee schedule. The rates for behavioral technicians shall not be less than \$53.20 per hour and not more than \$58.20 per hour.

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

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

Sec. 928. (1) Each PIHP shall provide, from internal resources, local funds to be used as a part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds must

not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.

(2) By April 1 of the current fiscal year, the department shall report to the report recipients required in section 246 of this part on the lapse by PIHP from the previous fiscal year and the projected lapse by PIHP in the current fiscal year.

Sec. 929. From the funds appropriated in part 1 for Michigan Clinical Consultation and Care, the department shall allocate at least \$350,000.00 to address needs in a city in which a declaration of emergency was issued because of drinking water contamination.

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

Sec. 940. (1) According to section 236 of the mental health code, 1974 PA 258, MCL 330.1236, the department shall review expenditures for each CMHSP to identify CMHSPs with projected allocation surpluses and to identify CMHSPs with projected allocation shortfalls. The department shall encourage the board of a CMHSP with a projected allocation surplus to concur with the department's recommendation to reallocate those funds to CMHSPs with projected allocation shortfalls.

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

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

(4) The department shall notify the chairs of the appropriation subcommittees on the department budget when a request is made and when the department grants approval for a reallocation described in subsection (1). By September 30 of the current fiscal year, the department shall submit a report on the amount of funding reallocated to the report recipients required in section 246 of this part.

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

Sec. 960. (1) From the funds appropriated in part 1 for autism services, the department shall continue to cover all Medicaid autism services to Medicaid enrollees eligible for the services that were covered on January 1, 2019.

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

(a) By March 1 of the current fiscal year, develop and implement specific written guidance for standardization of Medicaid PIHPs and CMHSPs autism spectrum disorder administrative services, including, but not limited to, reporting requirements, coding, and reciprocity of credentialing and training between PIHPs and CMHSPs to reduce administrative duplication at the PIHP, CMHSP, and service provider levels.

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

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

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

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

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

(iv) A psychologist with a specialty in clinical child psychology, behavioral and cognitive psychology, or clinical neuropsychology, or other appropriate specialty with training, experience, or expertise in autism spectrum disorders or behavioral health.

(v) A clinical social worker with at least 1 year of experience working within the clinical social worker's scope of practice who is qualified and experienced in diagnosing autism spectrum disorders.

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

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

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

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

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

(g) Require that Medicaid eligibility be confirmed through prior evaluations conducted by physicians, psychiatric nurse practitioners, physician's assistant with training, experience, or expertise in autism spectrum disorders or behavioral health, or fully credentialed psychologists to the extent possible.

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

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

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

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

Sec. 965. From the funds appropriated in part 1, the department and the PIHPs shall maintain the comparison rates and any associated reimbursement rates of the bundled rate H0020 for the administration and services of methadone at not less than \$19.00.

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

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

Sec. 978. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment and recovery community organizations, the department shall allocate \$3,000,000.00, with \$1,800,000.00 allocated on a 1-time basis, as grants for recovery community organizations to offer or expand recovery support center services or recovery community center services to individuals seeking long-term recovery from substance use disorders in accordance with section 273b of the mental health code, 1974 PA 258, MCL 330.1273b.

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

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

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

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

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

### **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 submit a report to the report recipients required in section 246 of this part on 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 semiannual basis, the department shall submit a report to the report recipients required in section 246 of this part on the number of individuals being served and expenditures incurred by each PIHP region by site.

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

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

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

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

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

Sec. 1010. (1) The funds appropriated in part 1 for behavioral health community supports and services must be used to reduce waiting lists at state-operated hospitals and centers through cost-effective community-based and residential services, including, but not limited to, assertive community treatment (ACT), forensic assertive community treatment (FACT), crisis stabilization units in accordance with chapter 9A of the mental health code, 1974 PA 258, MCL 330.1971 to 330.1979, and psychiatric residential treatment facilities in accordance with section 137a of the mental health code, 1974 PA 258, MCL 330.1137a.



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

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

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

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

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

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

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

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

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

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

(3) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, must include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. By February 1 of the current fiscal year, the department must submit the annual reports to the report recipients required in section 246 of this part.

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

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

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

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

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

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

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

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

Sec. 1056. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

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

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

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

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

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

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

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

(f) The number of individuals determined not guilty by reason of insanity or incompetent to stand trial by an order of a probate court that have been determined to be ready for discharge to the community, and the average wait time between being determined to be ready for discharge to the community and actual community placement.

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

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

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

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

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

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

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

Sec. 1063. (1) From the funds appropriated in part 1 for Hawthorn Center - psychiatric hospital - children and adolescents, the department shall maintain a psychiatric transitional unit and children's transition support team. These programs shall augment the continuum of behavioral health services for high-need youth and provide additional continuity of care and transition into supportive community-based services.

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

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

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

#### **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

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

Sec. 1141. (1) From the funds appropriated in part 1 for critical health and wellness center operations, the department shall allocate \$1,500,000.00 to operate a health and wellness hub located in a county with a population between 66,600 and 66,700 according to the most recent federal decennial census that includes an FQHC located on-site. The health and wellness hub shall provide health services and child care services in a manner that increases access to affordable services.

(2) With the funding described in this section, \$750,000.00 must be allocated to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census.

(3) With the funding described in this section, \$750,000.00 must be allocated to an FQHC that operates in 6 counties of this state and with the main office located in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census.

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

- (a) Beaver Island, \$250,000.00.
- (b) Mackinac Island, \$250,000.00.
- (c) Drummond Island, \$150,000.00.
- (d) Bois Blanc Island, \$25,000.00.

Sec. 1145. The department will take steps necessary to work with Indian Health Service, tribal health program facilities, or Urban Indian Health Program facilities that provide services under a contract with a Medicaid managed care entity to ensure that those facilities receive the maximum amount allowable under federal law for Medicaid services.

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

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

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

- (a) A uniform statewide system to track the submission and status of sexual assault evidence kits.
- (b) A uniform statewide system to audit untested kits that were collected on or before March 1, 2015 and were released by victims to law enforcement.
- (c) Secure electronic access for victims.
- (d) The ability to accommodate concurrent data entry with kit collection through various mechanisms, including web entry through computer or smartphone, and through scanning devices.

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

Sec. 1157. From the funds appropriated in part 1 for child advocacy centers - supplemental grants, the department shall allocate \$2,000,000.00 to continue to provide additional funding to child advocacy centers to support the general operations of child advocacy centers by allocating the funding to each center proportionally based on the number of children served at each center during the previous fiscal year compared to the number of

total children served under this section. The purpose of this additional funding is to increase the amount of services provided to children and their families who are victims of abuse over the amount provided in the previous fiscal year.

Sec. 1158. From the funds appropriated in part 1 for crime victim rights sustaining grants, the department shall allocate \$25,897,400.00 to supplement the loss of federal victims of crime act and state crime victim rights funding. The department must distribute these funds consistent with the regular allocation formula for crime victim justice grants and crime victim rights services grants.

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

(a) Financial support for the creation and operation of community-based health clinics. These clinics shall provide preventative health services and be established in communities with high social vulnerability and health disparities and be operated in cooperation with trusted community partners with demonstrated experience in serving as an access point for preventative health services.

(b) Financial support for the creation and operation of healthy community zones. The department shall establish through these zones long-term strategies to address access to healthy food, affordable housing, and safety networks.

(2) By March 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the outcome of community health programs identified in subsection (1) and in section 1924 of this part. The report must include, but is not limited to, all of the following:

(a) The list of communities served.

(b) The types of health services offered by grant recipients.

(c) A spending report from the grant recipients.

Sec. 1162. (1) From the funds appropriated in part 1 for crime victim rights sustaining grants, the department shall allocate \$4,000,000.00 for a 3-year trauma recovery center pilot program project at 2 sites. The location of the pilot programs must be at an adult level I Michigan designated trauma facility. One pilot program shall be located in a city with a population of greater than 500,000 according to the most recent federal decennial census and the other pilot program must be located in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census. A pilot program must utilize the evidence-informed integrated trauma recovery services model for service provision and delivery; comply with applicable statutory requirements for administration, operation, service requirements, and funding; and demonstrate adherence to all guidelines for implementing and operating a trauma recovery center, as developed by the National Alliance of Trauma Recovery Centers. The department may award the funding to an adult level I Michigan designated trauma facility that does not currently adhere to all guidelines for implementing and operating a trauma recovery center but can demonstrate the ability to comply with the guidelines on receipt of the funds described in subsection (2).

(2) The allocated funding in subsection (1) must be administered in the following manner:

(a) \$200,000.00 for technical assistance in operating and implementing trauma recovery centers that adhere to the guidelines developed by the National Alliance of Trauma Recovery Centers.

(b) \$1,677,000.00 per pilot program for the operational and service delivery costs of administering the trauma recovery center.

(c) \$150,000.00 for data and outcomes of the pilot program at both locations and to produce a report prior to the conclusion of the pilot period.

(d) \$316,000.00 for administrative costs related to the pilot program over the duration of the pilot program.

(3) The unexpended funds appropriated in part 1 for crime victim rights sustaining grants associated with trauma recovery pilot program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to ensure that the pilot locations in the adult level I Michigan designated trauma facilities are developing a model for trauma service provision and delivery.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

(c) The estimated cost of the project is \$4,000,000.00.

(d) The tentative completion date is September 30, 2028.

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

Sec. 1180. From the funds appropriated in part 1 for epidemiology administration and for childhood lead program, the department shall maintain a public health drinking water unit and maintain enhanced efforts to monitor child blood lead levels. The public health drinking water unit shall ensure that appropriate investigations of potential health hazards occur for all community and noncommunity drinking water supplies where chemical exceedances of action levels, health advisory levels, or maximum contaminant limits are identified. The goals of the childhood lead program shall include improving the identification of affected children, the timeliness of case follow-up, and attainment of nurse care management for children with lead exposure, and to achieve a long-term reduction in the percentage of children in this state with elevated blood lead levels.

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

Sec. 1182. By April 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the expenditures and activities undertaken by the lead abatement program in the previous fiscal year from the funds appropriated in part 1 for the healthy homes program. The report shall include, but is not limited to, a funding allocation schedule, the expenditures by category of expenditure and by subcontractor, the revenues received, a description of program elements, the number of housing units abated of lead-based paint hazards, and a description of program accomplishments and progress.

Sec. 1186. (1) From the funds appropriated in part 1 for emergency medical services program, the department shall allocate \$2,000,000.00 for a statewide stroke and STEMI system of care for time-sensitive emergencies. This system must be integrated into the statewide trauma care system within the emergency medical services system and must include at least all of the following:

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

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

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

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

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

## **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

Sec. 1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall be used to reimburse local health departments for costs incurred related to the implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

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

Sec. 1222. (1) Funds appropriated in part 1 for essential local public health services shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted

disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the department of agriculture and rural development. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the department of environment, Great Lakes, and energy.

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

(3) By February 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the planned allocation of the funds appropriated for essential local public health services.

(4) The department shall continue implementation of the distribution formula for the allocation of essential local public health services funding to local health departments as specified by section 1234 of article X of 2018 PA 207.

(5) From the funds appropriated in part 1 for essential local public health services, each local public health department is allocated not less than the amount allocated to that local public health department during the previous fiscal year.

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

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

(2) By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on actual expenditures in the previous fiscal year and planned spending in the current fiscal year of the funds described in subsection (1), including recipient entities, amount of allocation, general category of allocation, and detailed uses.

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

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

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

Sec. 1240. From the funds appropriated in part 1 for chronic disease control and health promotion administration, \$200,000.00, of which \$130,000.00 is allocated on a 1-time basis, is allocated to support a rare disease advisory council and responsibilities of the council, which may include all of the following:

- (a) Developing a list of rare diseases.
- (b) Posting the list of rare diseases on the department's website.
- (c) Updating the list of rare diseases.
- (d) Annually investigating and reporting to the legislature on 1 rare disease on the list, and including legislative recommendations in the report.

## **FAMILY HEALTH SERVICES**

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

- (a) Funding allocations.
  - (b) Actual number of women, children, and adolescents served and amounts expended for each group for the previous fiscal year.
  - (c) A breakdown of the expenditure of these funds between urban and rural communities.
- (2) The department shall ensure that the distribution of funds through the programs described in subsection (1) takes into account the needs of rural communities.
- (3) As used in this section, "rural" means a county, city, village, or township with a population of 30,000 or less, including those entities if located within a metropolitan statistical area.

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

- (a) Nutrition assistance, nutritional and community education, food bank resources, and food inspections.
- (b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.
- (c) Support for child and adolescent health centers, children's health care access program, and pathways to potential programming.
- (d) Nursing services, breastfeeding education, evidence-based home visiting programs, intensive services, and outreach for children exposed to lead coordinated through local community mental health organizations.
- (e) Department local office operations costs.
- (f) Lead poisoning surveillance, investigations, treatment, and abatement.
- (g) Nutritional incentives provided to local residents through the double up food bucks expansion program.
- (h) Genesee County health department food inspectors to perform water testing at local food service establishments.
- (i) Transportation related to health care delivery.
- (j) Senior initiatives.
- (k) Lead abatement contractor workforce development.

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

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

Sec. 1308. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than \$500,000.00 of funding shall be allocated for evidence-based programs to reduce infant mortality. The funds shall be used for enhanced support and education to nursing teams or other teams of qualified health professionals, client recruitment in areas designated as underserved for obstetrical and gynecological services and other high-need communities, strategic planning to expand and sustain programs, and marketing and communications of programs to raise awareness, engage stakeholders, and recruit nurses.

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

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

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

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

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

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

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

- (a) Supporting access to care.
- (b) Reducing and eliminating barriers to care.
- (c) Supporting recommendations for best practices.
- (d) Encouraging optimal prenatal habits such as prenatal medical visits, use of prenatal vitamins, and cessation of use of tobacco, alcohol, or drugs.
- (e) Tracking of birth outcomes to study improvements in prevalence of neonatal substance exposure, fetal alcohol syndrome, and other preventable neonatal disease.
- (f) Tracking of maternal increase in healthy behaviors following childbirth.

Sec. 1315. From the funds appropriated in part 1 for dental programs, \$200,000.00 shall be allocated to the Michigan Dental Association for the administration of a volunteer dental program that provides dental services to the uninsured.

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

Sec. 1325. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall allocate \$5,000,000.00 to support grants to local collaboratives to enhance their ability to coordinate and improve maternal and infant health outcomes. Local collaboratives must be a part of a perinatal quality collaborative that provides for screening and treatment for perinatal substance use disorder.

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

Sec. 1342. From the funds appropriated in part 1 for family, maternal, and child health administration, \$500,000.00 shall be allocated for a school children's healthy exercise program to promote and advance physical health for school children in kindergarten through grade 8. The department shall recommend model programs for sites to implement that incorporate evidence-based best practices. The department shall grant the funds appropriated in part 1 for before- and after-school programs. The department shall establish guidelines for program sites, which may include schools, community-based organizations, private facilities, recreation centers, or other similar sites. The program format shall encourage local determination of site activities and shall encourage local inclusion of youth in the decision-making regarding site activities. Program goals shall include children experiencing improved physical health and access to physical activity opportunities, the reduction of obesity, providing a safe place to play and exercise, and nutrition education. To be eligible to participate, program sites shall provide a 20% match to the state funding, which may be provided in full, or in part, by a corporation, foundation, or private partner. The department shall seek financial support from corporate, foundation, or other private partners for the program or for individual program sites.



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

(2) By December 31 of the current fiscal year, the department must submit a report to the report recipients required in section 246 of this part that provides a summary of any dental reports the department receives from the principals or administrators.

Sec. 1349. Subject to federal approval, from the funds appropriated in part 1 for immunization program, the department shall allocate \$740,000.00 of general fund/general purpose plus any available work project funds and federal match through an administered contract with oversight from behavioral and physical health and aging services administration and public health administration. The funds shall be used to support a statewide media campaign for improving this state's immunization rates.

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

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

- (a) Provide special formulas for eligible clients with specified metabolic and allergic disorders.
- (b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 26 years of age or older.
- (c) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 26 years of age or older.
- (d) Provide human growth hormone to eligible patients.
- (e) Provide mental health care for mental health needs that result from, or are a symptom of, the individual's qualifying medical condition.
- (f) Provide medical care and treatment to eligible patients with sickle cell disease who are 26 years of age or older.

Sec. 1361. From the funds appropriated in part 1 for medical care and treatment, the department may spend those funds for the continued development and expansion of telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner. The department may spend funds to support chronic complex care management of children enrolled in the children's special health care services program to minimize hospitalizations and reduce costs to the program while improving outcomes and quality of life.

#### **AGING SERVICES**

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

Sec. 1404. From the funds appropriated in part 1 for community services, the department shall allocate \$658,000.00 to area agencies on aging for home and community-based services.

Sec. 1417. The department shall submit to the report recipients required in section 246 of this part a report by March 30 of the current fiscal year that contains all of the following:

- (a) The total allocation of state resources made to each area agency on aging by individual program and administration.
- (b) Detailed expenditures by each area agency on aging by individual program and administration including both state-funded resources and locally funded resources.

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

#### **HEALTH AND AGING SERVICES ADMINISTRATION**

Sec. 1501. (1) By October 1 of the current fiscal year, the department shall report on the findings of section 1501(1) of article 6 of 2022 PA 166, and submit the provider reimbursement rate comparison tables to the report recipients required in section 246 of this part, unless the report was submitted before September 30, 2023. The provider reimbursement rate comparison tables shall include, but not be limited to, all of the following:

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

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

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

(2) As used in this section, “provider type” means all of the following categories of procedure codes, fee screens, or other billing reimbursement information administered by the department:

- (a) Ambulance.
- (b) Chiropractors.
- (c) Dental.
- (d) Family planning.
- (e) Genetic counselors.
- (f) Hearing services and hearing aid dealers.
- (g) Home health.
- (h) Hospice.
- (i) Independent diagnostic testing facilities.
- (j) Laboratory.
- (k) Maternal infant health program.
- (l) Medical suppliers, including, orthotists, prosthetists, and durable medical equipment dealers.
- (m) Non-physician behavioral health.
- (n) Physicians, practitioners, and medical clinics.
- (o) Portable X-ray suppliers.
- (p) Private duty nurse.
- (q) Occupational, physical, and speech therapies.
- (r) Urgent care centers.
- (s) Vision.

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

Sec. 1507. From the funds appropriated in part 1 for office of inspector general, the inspector general shall audit and recoup inappropriate or fraudulent payments from Medicaid managed care organizations to health care providers. Unless authorized by federal or state law, the department shall not fine, temporarily halt operations of, disenroll as a Medicaid provider, or terminate a managed care organization or health care provider from providing services due to the discovery of an inappropriate payment found during the course of an audit.

Sec. 1512. The updated Medicaid utilization and net cost report shall continue to separate nonclinical administrative costs from actual claims and encounter costs.

Sec. 1518. The department shall coordinate with the department of licensing and regulatory affairs to ensure that, upon receipt of the order of suspension of a licensed adult foster care home, home for the aged, or nursing home, the department of licensing and regulatory affairs shall provide notice to the department, to the house and senate appropriations subcommittees on the department budget, and to the members of the house and senate that represent the legislative districts of the county in which the facility lies.

## **HEALTH SERVICES**

Sec. 1601. The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

Sec. 1605. The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard.

Sec. 1606. For the purpose of guardian and conservator charges, the department may deduct up to \$83.00 per month as an allowable expense against a recipient’s income when determining Medicaid eligibility and patient pay amounts.

Sec. 1607. (1) An applicant for Medicaid, whose qualifying condition is pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance of evidence in the applicant's application indicates otherwise. The applicant who is qualified as described in this subsection shall be allowed to select or remain with the Medicaid participating obstetrician of the applicant's choice.

(2) All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant's residence.

(3) In the event that an applicant, presumed to be eligible under subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to an applicant under this section is entitled to reimbursement for those services until they are notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application indicates that the applicant is not eligible for Medicaid, the department shall refer that applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.

(5) The department shall develop an enrollment process for pregnant women covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall mandate enrollment of women, whose qualifying condition for Medicaid is pregnancy, into Medicaid managed care plans.

(7) The department shall encourage physicians to provide women, whose qualifying condition for Medicaid is pregnancy, with a referral to a Medicaid participating dentist at the first pregnancy-related appointment.

Sec. 1611. (1) For care provided to Medicaid recipients with other third-party sources of payment, Medicaid reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for Medicaid-only patients. The Medicaid payment rate shall be accepted as payment in full. Other than an approved Medicaid co-payment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. This section does not affect the level of payment from a third-party source other than the Medicaid program. The department shall require a nonenrolled provider to accept Medicaid payments as payment in full.

(2) Notwithstanding subsection (1), Medicaid reimbursement for hospital services provided to dual Medicare/Medicaid recipients with Medicare part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for Medicaid-only patients, including capital payments.

Sec. 1616. (1) By October 1 of the current fiscal year, the department shall seek federal authority to formally enroll and recognize community health workers as providers and to utilize Medicaid matching funds for community health worker services, including the potential of leveraging of a Medicaid state plan amendment, waiver authorities, or other means to secure financing for community health worker services. The appropriate federal approval must allow for community health worker services on a statewide basis and must not be a limited geography waiver. The authority should allow the application of community health worker services statewide and maximize their utility by providing financing that includes fee-for-service reimbursement, value-based payment, or a combination of both fee-for-service reimbursement and value-based payment for all services commensurate to their scope of training and abilities as provided by evidence-based research and programs.

(2) By September 30 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the progress of meeting the requirements in subsection (1).

Sec. 1620. (1) For fee-for-service Medicaid claims, the professional dispensing fee for drugs indicated as specialty medications on the Michigan pharmaceutical products list is \$20.02 or the pharmacy's submitted dispensing fee, whichever is less.

(2) For fee-for-service Medicaid claims, for drugs not indicated as specialty drugs on the Michigan pharmaceutical products list, the professional dispensing fee for medications is as follows:

(a) For medications indicated as preferred on the department's preferred drug list, \$10.80 or the pharmacy's submitted dispensing fee, whichever is less.

(b) For medications not on the department's preferred drug list, \$10.64 or the pharmacy's submitted dispensing fee, whichever is less.

(c) For medications indicated as nonpreferred on the department's preferred drug list, \$9.00 or the pharmacy's submitted dispensing fee, whichever is less.

(3) The department shall require a prescription co-payment for Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level of \$1.00 for a generic drug or any drug indicated as preferred on the department's preferred drug list and \$3.00 for a brand-name drug not indicated as preferred on the department's preferred drug list, except as prohibited by federal or state law or regulation.

(4) The department shall require a prescription co-payment for Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level of \$4.00 for a generic drug or any drug indicated as preferred on the department's preferred drug list and \$8.00 for a brand-name drug not indicated as preferred on the department's preferred drug list, except as prohibited by federal or state law or regulation.

Sec. 1625. The department shall not enter into any contract with a Medicaid managed care organization that relies on a pharmacy benefit manager that does not do all of the following:

(a) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology of the national average drug acquisition cost plus a professional dispensing fee comparable to the applicable professional dispensing fee provided under section 1620 of this part. The pharmacy benefit manager or the involved pharmacy services administrative organization shall not receive any portion of the additional professional dispensing fee. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(b) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology, when a national average drug acquisition cost price is not available, for brand drugs of the lesser of the wholesale acquisition cost, the average wholesale price less 16.7% plus a professional dispensing fee comparable to the applicable professional dispensing fee provided under section 1620 of this part, or the usual and customary charge by the pharmacy. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(c) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology, when a national average drug acquisition cost price is not available, for generic drugs of the lesser of wholesale acquisition cost plus a professional dispensing fee comparable to the applicable professional dispensing fee provided under section 1620, average wholesale price less 30.0% plus a professional dispensing fee comparable to the applicable professional dispensing fee provided under section 1620 of this part, or the usual and customary charge by the pharmacy. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(d) Reimburses for a legally valid claim at a rate not less than the rate in effect at the time the original claim adjudication as submitted at the point of sale.

(e) Agrees to move to a transparent "pass-through" pricing model, in which the pharmacy benefit manager discloses the administrative fee as a percentage of the professional dispensing costs to the department.

(f) Agrees to not create new pharmacy administration fees and to not increase current fees more than the rate of inflation. This subdivision does not apply to any federal rule or action that creates a new fee.

(g) Agrees to not terminate an existing contract with a pharmacy with not more than 7 retail outlets for the sole reason of the additional professional dispensing fee authorized under this section.

Sec. 1626. (1) By January 15 of the current fiscal year, each pharmacy benefit manager that receives reimbursements, either directly or through a Medicaid health plan, from the funds appropriated in part 1 for medical services must submit all of the following information to the department for the previous fiscal year:

(a) The total number of prescriptions that were dispensed.

(b) The aggregate fiscal year paid pharmacy claims repriced using the wholesale acquisition cost for each drug on its formulary.

(c) The aggregate amount of rebates, discounts, and price concessions that the pharmacy benefit manager received for each drug on its formulary. The amount of rebates shall include any utilization discounts the pharmacy benefit manager receives from a manufacturer.

(d) The aggregate amount of administrative fees that the pharmacy benefit manager received from all pharmaceutical manufacturers.

(e) The aggregate amount identified in subdivisions (b) and (c) that were retained by the pharmacy benefit manager and did not pass through to the department or to the Medicaid health plan.

(f) The aggregate amount of reimbursements the pharmacy benefit manager pays to contracting pharmacies.

(g) Any other information considered necessary by the department.

(2) By March 1 of the current fiscal year, the department shall submit a report including the information provided under subsection (1) to the report recipients required in section 246 of this part.

(3) Any nonaggregated information submitted under this section shall be confidential and shall not be disclosed to any person by the department. Such information is not considered a public record of the department.

Sec. 1628. From the funds appropriated in part 1 for hospital services and therapy and Healthy Michigan plan, the department shall continue to allocate \$3,000,000.00 in general fund/general purpose revenue and any associated federal match to maintain the Medicaid reimbursement rate for dental services provided at ambulatory surgical centers and outpatient hospitals. The funding provided in this section must be used to maintain the minimum rate for dental services provided in ambulatory surgical centers at \$1,495.00 and maintain the minimum rate for dental services provided in outpatient hospitals at \$2,300.00.

Sec. 1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in this state.

Sec. 1630. From the funds appropriated in part 1 for Medicaid dental services, by April 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on the dental service benefit. The report must cover all of the following areas:

(a) Information on the implementation of the Adult Medicaid dental benefit redesign including all of the following:

(i) Information on the number of dental providers, by Medicaid health plan in this state who provided 1 or more Medicaid dental services in fiscal year 2021-2022 and the number of additional providers who were added in the previous fiscal year, with a particular focus on the correlation between the average payment per visit and number of enrolled dental providers before and after the implementation of the adult dental benefit redesign.

(ii) Information on the status of enhanced care coordination.

(iii) Information on the array of covered dental benefits and services before the adult dental redesign and how the available benefits and services changed or expanded after the adult dental redesign.

(b) Information on the Healthy Kids Dental program including all of the following:

(i) The number of children enrolled in the Healthy Kids Dental program who visited the dentist in the previous fiscal year broken down by dental benefit manager.

(ii) The number of dentists who accept payment from the Healthy Kids Dental program broken down by dental benefit manager.

(iii) The annual change in dental utilization of children enrolled in the Healthy Kids Dental program broken down by dental benefit manager.

(iv) Service expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

(v) Administrative expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

Sec. 1631. (1) The department shall require co-payments on dental, podiatric, and vision services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

(2) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level to pay not less than the following co-payments:

(a) Two dollars for a physician office visit.

(b) Three dollars for a hospital emergency room visit.

(c) Fifty dollars for the first day of an inpatient hospital stay.

(d) Two dollars for an outpatient hospital visit.

(3) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level to pay the following co-payments:

(a) Four dollars for a physician office visit.

(b) Eight dollars for a hospital emergency room visit.

(c) One hundred dollars for the first day of an inpatient hospital stay.

(d) Four dollars for an outpatient hospital visit or any other medical provider visit to the extent allowed by federal or state law or regulation.

Sec. 1641. An institutional provider that is required to submit a cost report under the Medicaid program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 1644. (1) From the funds appropriated in part 1, the department shall increase wages by \$0.85 per hour to direct care workers and eligible non-clinical staff employed by skilled nursing facilities from the previous fiscal year. This funding must include all costs incurred by the employer, including payroll taxes, due to the wage increase. As used in this subsection, "direct care workers" means a registered professional nurse, licensed practical nurse, competency-evaluated nursing assistant, and respiratory therapist.

(2) The non-clinical staff eligible for the wage increase described in subsection (1) are those who did not receive a wage subsidy described in subsection (1) during the previous fiscal year and whose costs are reported in the following job classifications in nursing facility institutional cost reports shared with the department:

- (a) Other housekeeping.
- (b) Other maintenance worker.
- (c) Other plant operations.
- (d) Other laundry.
- (e) Dining room assistants.
- (f) Other dietary workers.
- (g) Other medical records.
- (h) Other social services.
- (i) Other diversion therapy.
- (j) Beauty and barber.
- (k) Gift, flower, coffee, and canteen worker.

(3) From the funds appropriated in part 1, the department shall increase the direct care wage by \$0.85 per hour to direct care workers employed by licensed adult foster care facilities and licensed homes for the aged from the previous fiscal year that provide Medicaid-funded fee-for-service personal care services that were not eligible for any direct care worker pay adjustment under Medicaid-funded managed care. This funding must include all costs incurred by the employer, including payroll taxes, due to the wage increase.

Sec. 1657. (1) Reimbursement for Medicaid to screen and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room shall not be made contingent on obtaining prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital shall receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) do not require an alteration to an existing agreement between an HMO and its contracting hospitals and do not require an HMO to reimburse for services that are not considered to be medically necessary.

Sec. 1662. (1) The department shall ensure that an external quality review of each contracting HMO is performed that results in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries.

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and HEDIS well child health measures in accordance with the National Committee for Quality Assurance prescribed methodology.

(3) The department shall submit a copy of the analysis of the Medicaid HMO annual audited HEDIS reports and the annual external quality review report to the report recipients required in section 246 of this part within 30 days after the department's receipt of the final reports from the contractors.

Sec. 1670. (1) The appropriation in part 1 for the MICHild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 212% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MICHild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the behavioral and physical health and aging services administration public concurrence process, consistent with the provisions of this part and part 1.

(2) The department may provide up to 1 year of continuous eligibility to children eligible for the MICHild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the state plan.

(3) The department may make payments on behalf of children enrolled in the MICHild program as described in the MICHild state plan approved by the United States Department of Health and Human Services, or from other medical services.

Sec. 1673. The department may establish premiums for MICHild eligible individuals in families with income at or below 212% of the federal poverty level. The monthly premiums shall be \$10.00 per month.

Sec. 1677. The MICHild program shall provide, at a minimum, all benefits available under the Michigan benchmark plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

(a) Inpatient mental health services, other than substance use disorder treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance use disorder services, including services furnished in a state-operated mental hospital and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MICHild state plan.

(e) Substance use disorder treatment services that may include inpatient, outpatient, and residential substance use disorder treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 1682. (1) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with Medicaid certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(2) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

(3) By March 1 of the current fiscal year, the department shall report to the report recipients required in section 246 of this part on penalty money received by the department as described in subsection (1). The report shall include, but is not limited to, the following information:

(a) The amount of penalty monies received by the department received in the previous fiscal year listed by the assessed entity.

(b) A list of the entities who were assessed penalties in the previous fiscal year with the rationale for each penalty.

Sec. 1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for health services school-based services payments, the department is authorized to do all of the following:

(a) Finance activities within the behavioral and physical health and aging services administration related to this project.

(b) Reimburse participating school districts pursuant to the fund-sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the Medicaid program.

Sec. 1693. The special Medicaid reimbursement appropriation in part 1 may be increased if the department submits a Medicaid state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.

Sec. 1694. From the funds appropriated in part 1 for special Medicaid reimbursement, \$1,500,000.00 of general fund/general purpose revenue and any associated federal match shall be distributed for poison control services to an academic health care system that has a high indigent care volume.

Sec. 1697. The department shall require that Medicaid health plans administering Healthy Michigan plan benefits maintain a network of dental providers in sufficient numbers, mix, and geographic locations throughout their respective service areas in order to provide adequate dental care for Healthy Michigan plan enrollees.

Sec. 1699. (1) The department may make separate payments in the amount of \$45,000,000.00 directly to qualifying hospitals serving a disproportionate share of indigent patients and to hospitals providing GME training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid recipients, hospitals shall not include GME costs or DSH payments in their contracts with HMOs.

(2) The department shall allocate \$45,000,000.00 in DSH funding using the distribution methodology used in fiscal year 2003-2004.

Sec. 1700. By December 1 of the current fiscal year, the department shall report to the report recipients required in section 246 of this part on the distribution of funding provided, and the net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital during the previous fiscal year from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1802(2) of this part.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802(1) of this part.

Sec. 1702. From the funds appropriated in part 1, the department shall maintain the rates in place as of September 30, 2023 for private duty nursing services for Medicaid beneficiaries under the age of 21. These additional funds must be used to attract and retain highly qualified registered nurses and licensed practical nurses to provide private duty nursing services so that medically fragile individuals can be cared for in the most homelike setting possible.

Sec. 1757. The department shall obtain proof from all Medicaid recipients that they are United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

Sec. 1764. The department shall annually certify whether rates paid to Medicaid health plans and specialty PIHPs are actuarially sound in accordance with federal requirements and shall provide a copy of the rate certification and approval of rates paid to Medicaid health plans and specialty PIHPs for any fiscal year by October 1 for Medicaid capitation rate certifications and by February 15, May 15, and August 15 for any Medicaid capitation rate amendments to the report recipients required in section 246 of this part. Following the rate certification, the department shall ensure that no new or revised state Medicaid policy bulletin that is promulgated materially impacts the capitation rates that have been certified.

Sec. 1775. (1) By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on progress in implementing changes to the waiver to implement managed care for individuals who are eligible for both Medicare and Medicaid, known as MI Health Link. This report must include progress updates on the transition to dual eligible special needs plans, in compliance with CMS regulations.

(2) The department shall ensure the existence of an ombudsman program that is not associated with any project service manager or provider to assist MI Health Link beneficiaries with navigating complaint and dispute resolution mechanisms and to identify problems in the demonstrations and in the complaint and dispute resolution mechanisms.

Sec. 1786. From the funds appropriated in part 1, the department shall maintain Medicaid reimbursement for the administration of injectable vaccines at \$16.13 and administration of oral vaccines at \$12.25.

Sec. 1788. From the funds appropriated in part 1, the department shall provide Medicaid reimbursement rates, including Medicaid reimbursements from the ambulance provider quality assurance assessment, for ground ambulance services at not less than 100% of the Medicare base rates for Locality 01 for those services in effect on January 1, 2023.

Sec. 1790. The department shall maintain the current practitioner rates paid for current procedural terminology (CPT) codes 90791 through 90899 for psychiatric procedures through Medicaid fee-for-service and through the comprehensive Medicaid health plans for psychiatric procedures provided for Medicaid recipients under the age of 21.



Sec. 1791. From the funds appropriated in part 1 for health plan services and physician services, the department shall provide Medicaid reimbursement rates for neonatal services at 100% of the Medicare rate received for those services in effect on the date the services are provided to eligible Medicaid recipients. The current procedural terminology (CPT) codes that are eligible for this reimbursement rate increase are 99468, 99469, 99471, 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

Sec. 1792. By April 30 of the current fiscal year, the department shall evaluate pharmacy encounter data through the first 2 quarters of the fiscal year to determine, in consultation with the Medicaid health plans, if rates must be recertified. By May 30 of the current fiscal year, the department shall report the evaluation results to the report recipients required in section 246 of this part and the Medicaid health plans.

Sec. 1801. From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase to Medicaid rates for primary care services provided only by primary care providers. Providers performing a service and whose primary practice is as a non-primary-care subspecialty are not eligible for the increase. The department shall establish policies that most effectively limit the increase to primary care providers for primary care services only. As used in this section, "primary care provider" means a physician, or a practitioner working in collaboration with a physician, who is either licensed under part 170 or part 175 of the public health code, 1978 PA 368, MCL 333.17001 to 333.17097 and 333.17501 to 333.17556, and working as a primary care provider in general practice or board-eligible or certified with a specialty designation of family medicine, general internal medicine, or pediatric medicine, or a provider who provides the department with documentation of equivalency.

Sec. 1802. (1) From the funds appropriated in part 1 for hospital services and therapy, \$7,995,200.00 in general fund/general purpose revenue shall be provided as lump-sum payments to noncritical access hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 and that provide obstetrical care in the current fiscal year. Payment amounts shall be based on the volume of obstetrical care cases and newborn care cases for all such cases billed by each qualified hospital in the most recent year for which data is available. Payments shall be made by January 1 of the current fiscal year.

(2) From the funds appropriated in part 1 for hospital services and therapy and Healthy Michigan plan, \$15,204,800.00 in general fund/general purpose revenue and any associated federal match shall be awarded as rural access payments to noncritical access hospitals that meet criteria established by the department for services to low-income rural residents. One of the reimbursement components of the distribution formula shall be assistance with labor and delivery services. For the current fiscal year, a hospital that met established occupied bed criteria based on Medicaid cost reports as of the fiscal year ending September 30, 2011, and that is located within a county with a population of not more than 165,000 and within a city, village, or township with a population of not more than 16,000 according to the 2000 federal decennial census is eligible solely for the rural access pool general fund/general purpose revenue portion. The department shall ensure that the rural access payments described in this subsection are distributed in a manner that ensures both of the following:

(a) A hospital does not receive more than 10.0% of the total rural access funding referenced in this subsection.  
(b) The methodology for distribution under this subsection and its applicable data that are used to determine the payment amounts are provided to each hospital by August 1 of the current fiscal year.

(3) The department shall publish the distribution of payments for the current fiscal year and the previous fiscal year.

Sec. 1804. The department may utilize the federal public assistance reporting information system to continue to work to identify Medicaid recipients who are veterans and who may be eligible for federal veterans' health care benefits or other benefits and shall continue to refer veterans to the department of military and veterans affairs for assistance in securing additional benefits.

Sec. 1810. In advance of the annual rate setting development, Medicaid health plans shall be given at least 60 days to dispute and correct any discarded encounter data before rates are certified. The department shall notify each contracting Medicaid health plan of any encounter data that have not been accepted for the purposes of rate setting.

Sec. 1812. By June 1 of the current fiscal year, and using the most recent available cost reports, the department shall complete a report of all direct and indirect costs associated with residency training programs for each hospital that receives funds appropriated in part 1 for graduate medical education or through the MiDocs consortium. The report shall be submitted to the report recipients required in section 246 of this part.

Sec. 1815. From the funds appropriated in part 1 for health plan services, Healthy Michigan plan, and hospital services and therapy, the department shall allocate \$20,000,000.00 in general fund/general purpose revenue and any associated federal match to increase Medicaid reimbursement rates. The rates shall be increased in both of the following areas:

(a) \$8,000,000.00 in general fund/general purpose revenue and any associated federal match to increase inpatient psychiatric base rates.

(b) \$12,000,000.00 in general fund/general purpose revenue and any associated federal match to increase Medicaid reimbursement rates paid to level I and level II designated trauma facilities to recognize increased cost in maintaining level I or level II trauma status.

Sec. 1820. (1) In order to avoid duplication of efforts, the department shall utilize applicable national accreditation review criteria to determine compliance with corresponding state requirements for Medicaid health plans that have been reviewed and accredited by a national accrediting entity for health care services.

(2) The department shall continue to comply with state and federal law and shall not initiate an action that negatively impacts beneficiary safety.

(3) As used in this section, “national accrediting entity” means the National Committee for Quality Assurance, the URAC, formerly known as the Utilization Review Accreditation Commission, or other appropriate entity, as approved by the department.

Sec. 1830. From the funds appropriated in part 1 for hospital services and therapy, the department shall allocate \$5,000,000.00 to support prenatal health care providers operating in this state to expand services for existing group-based prenatal care programs that include 1 or more health care professionals leading small groups of expectant mothers – in the same phase of pregnancy – in discussions and other health services that promote the well-being and health of mothers and babies.

Sec. 1831. From the funds appropriated in part 1 for hospital services and therapy, the department shall allocate \$10,000,000.00 to support hospitals in this state to administer and expand a data-driven maternal safety and quality improvement initiative, based on interdisciplinary, consensus-based practices to improve maternal safety and outcomes. The initiative expansion must focus on mitigating pregnancy-associated injury and death, work to improve outcomes for underserved groups, and address problems related to substance use disorders.

Sec. 1832. In addition to the appropriations provided in part 1, the department is authorized to receive and spend federal funds or state restricted funds related to program changes made related to new requirements documented in the Centers for Medicare and Medicaid Services notice of proposed rulemaking *Medicaid Program; Medicaid and Children’s Health Insurance Program (CHIP) Managed Care Access, Finance, and Quality*, (May 3, 2023) [CMS–2439–P].

Sec. 1837. The department shall continue, and expand where appropriate, utilization of telemedicine and telepsychiatry as strategies to increase access to services for Medicaid recipients.

Sec. 1846. From the funds appropriated in part 1 for graduate medical education, the department shall distribute the funds with an emphasis on the following health care workforce goals:

(a) The encouragement of the training of physicians in specialties, including primary care, that are necessary to meet the future needs of residents of this state.

(b) The training of physicians in settings that include ambulatory sites and rural locations.

(c) The training of practitioners providing pediatric psychiatry services.

Sec. 1850. The department may allow Medicaid health plans to assist with maintaining eligibility through outreach activities to ensure continuation of Medicaid eligibility and enrollment in managed care. This may include mailings, telephone contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid health plan. Health plans may offer assistance in completing paperwork for beneficiaries enrolled in their plan. On a 1-time basis, the department shall allocate \$450,000.00 in general fund/general purpose revenue and any associated federal match to enhance Medicaid health plan outreach in partnership with the National Kidney Foundation of Michigan.

Sec. 1854. The funds appropriated in part 1 for program of all-inclusive care for the elderly (PACE) must support a current fiscal year enrollment cap that is not less than 7,553.

Sec. 1855. From the funds appropriated in part 1 for program of all-inclusive care for the elderly (PACE), to the extent that funding is available in the PACE line item and unused program slots are available, the department may do the following:

(a) Increase the number of slots for an already-established local PACE program if the local PACE program has provided appropriate documentation to the department indicating its ability to expand capacity to provide services to additional PACE clients.

(b) Suspend the 10 member per month individual PACE program enrollment increase cap in order to allow unused and unobligated slots to be allocated to address unmet demand for PACE services.

Sec. 1856. (1) From the funds appropriated in part 1 for hospice services, \$5,000,000.00 shall be expended to provide room and board for Medicaid recipients who meet hospice eligibility requirements and receive services at Medicaid enrolled hospice residences in this state. The department shall distribute funds through grants based on the total beds located in all eligible residences that have been providing these services as of October 1, 2017. Any eligible grant applicant may inform the department of the applicant's request to reduce the grant amount allocated for the applicant's residence and the funds shall be distributed proportionally to increase the total grant amount of the remaining grant-eligible residences. Grant amounts shall be paid out monthly with 1/12 of the total grant amount distributed each month to the grantees.

(2) By September 15 of the current fiscal year, each Medicaid-enrolled hospice with a residence that receives funds under this section shall provide a report to the department on the utilization of the grant funding provided in subsection (1). The report shall be provided in a format prescribed by the department and shall include the following:

(a) The number of patients served.

(b) The number of days served.

(c) The daily room and board rates for the patients served.

(d) If there is not sufficient funding to cover the total room and board need, the number of patients who did not receive care due to insufficient grant funding.

(3) If funds remain at the end of the current fiscal year, the Medicaid-enrolled hospice with a residence shall return funding to the state.

Sec. 1857. By July 1 of the current fiscal year, the department shall explore the implementation of a managed care long-term support service.

Sec. 1858. By April 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on all of the following elements related to the current Medicaid pharmacy carve-out of pharmaceutical products as provided for in section 109h of the social welfare act, 1939 PA 280, MCL 400.109h:

(a) The number of prescriptions paid by the department during the previous fiscal year.

(b) The total amount of expenditures for prescriptions paid by the department during the previous fiscal year.

(c) The number of and total expenditures for prescriptions paid for by the department for generic equivalents during the previous fiscal year.

Sec. 1859. The department shall partner with the Michigan Association of Health Plans (MAHP) and Medicaid health plans to develop and implement strategies for the use of information technology services for Medicaid research activities. The department shall make available state medical assistance program data, including Medicaid behavioral data, to MAHP and Medicaid health plans or any vendor considered qualified by the department for the purpose of research activities consistent with this state's goals of improving health; increasing the quality, reliability, availability, and continuity of care; and reducing the cost of care for the eligible population of Medicaid recipients.

Sec. 1862. From the funds appropriated in part 1, the department shall maintain payment rates for Medicaid obstetrical services at 95% of Medicare levels effective October 1, 2014.

Sec. 1870. (1) From the funds appropriated in part 1 for hospital services and therapy, the department shall appropriate \$6,400,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to \$5,000,000.00, and any associated federal match to the MiDocs consortium to create new primary care residency slots in underserved communities. The new primary care residency slots must be in 1 of the following specialties: family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, or general surgery.

(2) The department shall seek any necessary approvals from CMS to allow the department to implement the program described in this section.

(3) Assistance with repayment of medical education loans, loan interest payments, or scholarships provided by MiDocs shall be contingent upon a minimum 2-year commitment to practice in an underserved community in this state post-residency and an agreement to forego any sub-specialty training for at least 2 years post-residency with the exception of a child and adolescent psychiatry fellowship that must be integrated with a psychiatry residency training program in a MiDocs affiliated institution.

(4) The MiDocs shall work with the department to integrate the Michigan inpatient psychiatric admissions discussion (MIPAD) recommendations and, when possible, prioritize training opportunities in state psychiatric hospitals and community mental health organizations.

(5) The department shall maintain the MiDocs initiative advisory council to help support implementation of the program described in this section, and provide oversight. The advisory council shall be composed of the MiDocs consortium, the Michigan Area Health Education Centers, the Michigan Primary Care Association, the Michigan Center for Rural Health, the Michigan Academy of Family Physicians, and any other appointees designated by the department.

(6) By September 1 of the current fiscal year, MiDocs shall submit a report to the report recipients required in section 246 of this part on the following:

- (a) Audited financial statement of per-resident costs.
- (b) Education and clinical quality data.
- (c) Roster of trainees, including areas of specialty and locations of training.
- (d) Medicaid revenue by training site.

(7) Outcomes and performance measures for this program include, but are not limited to, the following:

(a) Increasing this state's ability to recruit, train, and retain primary care physicians and other select specialty physicians in underserved communities.

(b) Maximizing training opportunities with community health centers, rural critical access hospitals, solo or group private practice physician practices, schools, and other community-based clinics, in addition to required rotations at inpatient hospitals.

(c) Increasing the number of residency slots for family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, and general surgery.

(8) Unexpended and unencumbered funds up to a maximum \$6,400,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to \$5,000,000.00, and any associated federal match remaining in accounts appropriated in part 1 for hospital services and therapy are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the MiDocs consortium to create new primary care residency slots in underserved communities under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of the MiDocs consortium to create new primary care residency slots in underserved communities.

(b) The work project will be accomplished by contracting with the MiDocs consortium to oversee the creation of new primary care residency slots.

(c) The total estimated completion cost of the work project is \$20,200,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1872. From the funds appropriated in part 1 for personal care services, the department shall maintain the monthly Medicaid personal care supplement paid to adult foster care facilities and homes for the aged that provide personal care services to Medicaid recipients in place during the previous fiscal year.

Sec. 1874. The department shall ensure, in counties where program of all-inclusive care for the elderly or PACE services are available, that the program of all-inclusive care for the elderly (PACE) is included as an option in all options counseling and enrollment brokering for aging services and managed care programs, including, but not limited to, Area Agencies on Aging, centers for independent living, and the MiChoice home and community-based waiver. Such options counseling must include approved marketing and discussion materials.

Sec. 1879. (1) The department shall maintain a single, standard preferred drug list to be used by all contracted Medicaid managed health care programs. Changes to the preferred drug list shall be made in consultation with all contracted managed health care programs and the Michigan pharmacy and therapeutics committee to ensure sufficient access to medically necessary drugs for each disease state. The department has final authority over the list and shall design the list to ensure access to clinically effective and appropriate drug therapies and maximize federal rebates and supplemental rebates.

(2) By July 15 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part that compares the managed care pharmacy expenditures, utilization, and rebates before implementing a single, standard preferred drug list to managed care pharmacy expenditures, utilization, and rebates after implementing a single, standard preferred drug list. The report shall include data on collected rebates, pharmacy utilization, and expenditures by quarter for at least 8 quarters before implementing a single, standard preferred drug list, and the experienced rebates, pharmacy utilization, and expenditures for at least 14 quarters, and the projected rebates, pharmacy utilization, and expenditures for quarters 15 through 20 after implementing a single, standard preferred drug list. The data shall be aggregated by the department so as not to disclose the proprietary or confidential drug-specific information, or the proprietary or confidential information that directly or indirectly identifies financial information linked to a single manufacturer.

Sec. 1888. The department shall establish contract performance standards associated with the capitation withhold provisions for Medicaid health plans at least 3 months before the implementation of those standards. The determination of whether performance standards have been met shall be based primarily on recognized concepts such as 1-year continuous enrollment and the health care effectiveness data and information set, HEDIS, audited data.

Sec. 1896. From the funds appropriated in part 1, the department shall establish a Medicaid recuperative care and transitional services benefit for beneficiaries experiencing homelessness. These services, which include medical and care coordination support, must be provided to eligible beneficiaries as part of a hospital discharge process.

#### **INFORMATION TECHNOLOGY**

Sec. 1901. (1) The department shall submit a report on a semiannual basis to the report recipients required in section 246 of this part on a list of projects approved in the previous 6 months and the purpose for approving each project including any federal, state, court, or legislative requirement for each project.

(2) Once an award for an expansion of information technology is made, the department shall submit a report to the report recipients required in section 246 of this part on the projected cost of the expansion broken down by use and type of expense.

Sec. 1903. (1) The department shall submit a report to the report recipients required in section 246 of this part by November 1 of the current fiscal year the status of an implementation plan regarding the appropriation in part 1 to modernize the MiSACWIS. The report shall include, but not be limited to, an update on the status of the settlement and efforts to bring the system in compliance with the settlement and other federal guidelines set forth by the United States Department of Health and Human Services Administration for Children and Families.

(2) The department shall submit a quarterly status report to the report recipients required in section 246 of this part on the planning, implementation, and operation, regardless of the current operational status, regarding the appropriation in part 1 to implement the MiSACWIS. The report shall provide details on the planning, implementation, and operation of the MiSACWIS, including, but not limited to, all of the following:

(a) Areas where implementation went as planned, and in each area including whether the implementation results in either enhanced user interface or portal access, conversion to new modules, or substantial operation improvement to the MiSACWIS.

(b) The number of known issues.

(c) The average number of help tickets submitted per day.

(d) Any additional overtime or other staffing costs to address known issues and volume of help tickets.

(e) Any contract revisions to address known issues and volume of help tickets.

(f) Other strategies undertaken to improve implementation, and for each strategy area including whether the implementation results in either enhanced user interface or portal access, conversion to new modules, or substantial operation improvement to the MiSACWIS.

(g) Progress developing cross-system trusted data exchange with the MiSACWIS.

(h) Progress in moving away from a statewide automated child welfare information system (SACWIS) to a comprehensive child welfare information system (CCWIS).

(i) Progress developing and implementing a program to monitor data quality.

(j) Progress developing and implementing custom integrated systems for private agencies.

(k) A list of all change orders, planned or in progress.

(l) The status of all change orders, planned or in progress.

(m) The estimated costs for all planned change orders.

(n) The estimated and actual costs for all change orders in progress.

(3) By July 1 of the current fiscal year, the department shall submit to the report recipients required in section 246 of this part a report on the department's efforts and recommendations to develop and implement a simpler and more streamlined process for the annual renewal of the licenses for family foster care homes, and the development of a simpler and more efficient version of the application form for renewal of the licenses for family foster care homes.

Sec. 1906. From the funds appropriated in part 1 for information technology services and projects, the department shall allocate \$1,750,000.00 general fund/general purpose revenue, and all associated federal matching revenue, to a public and private nonprofit collaboration that is designated as this state's statewide health information exchange by cooperative agreement, to implement health information technology strategies for health information exchange development, data management, and population health at a statewide level.

Sec. 1907. By March 1 of the current fiscal year, the department shall submit a report to the report recipients required in section 246 of this part on all current, contracted information technology-related projects. The report must include, by project, the total contractual costs, spending in previous fiscal years, planned spending for the current fiscal year, and fiscal year-to-date spending.

Sec. 1909. (1) From the funds appropriated in part 1 for child support automation, the department shall only encumber or expend funds for the operation, maintenance, and improvements of the Michigan child support enforcement system (MiCSES).

(2) From the funds appropriated in part 1 for bridges information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of Bridges and MiBridges.

(3) From the funds appropriated in part 1 for Michigan Medicaid information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of the community health automated Medicaid processing system (CHAMPS).

(4) From the funds appropriated in part 1 for Michigan statewide automated child welfare information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of MiSACWIS.

(5) From the funds appropriated in part 1 for comprehensive child welfare information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements to the comprehensive child welfare information system.

(6) From the funds appropriated in part 1 for comprehensive child welfare information system, the department shall allocate \$15,183,800.00 to develop a new information system to replace MiSACWIS consistent with the plan provided by the department to the United States District Court for Eastern District of Michigan as a part of the settlement. The development of the comprehensive child welfare information system shall adhere to department of technology, management, and budget and IT Investment Fund (ITIF) policies and practices, including use of the state unified information technology environment methodology and agile development. The project team shall also participate in and comply with the enterprise portfolio management office process and product quality assurance. To ensure full transparency, the project shall be included in the ITIF portfolio for executive, legislative, and external reporting purposes. As a component of the ITIF portfolio, the project is subject to governance and oversight by the IT investment management board.

Sec. 1910. From the funds appropriated in part 1, \$542,738,900.00 is appropriated for information technology services and projects including:

- (a) \$114,571,700.00 for bridges information system.
- (b) \$21,539,800.00 for Michigan statewide automated child welfare information system.
- (c) \$105,285,100.00 for Michigan Medicaid information system.
- (d) \$45,567,200.00 for child support automation.
- (e) \$15,183,800.00 for comprehensive child welfare information system.

#### **ONE-TIME APPROPRIATIONS**

Sec. 1913. From the funds appropriated in part 1 for ARP - behavioral health professional recruitment and retention, the department shall allocate \$2,500,000.00 to implement programs intended to improve recruitment and retention of behavioral health professionals.

Sec. 1914. (1) From the funds appropriated in part 1 for behavioral health workforce expansion - accelerated degree program, the department shall allocate \$5,000,000.00 to provide \$30,000.00 grants per individual to at least 150 individuals who have obtained a bachelor's degree in social work that agree to immediately enter an

accelerated, 1-year, master's of social work program. Grant recipients must also commit to a minimum of 2 years of public sector behavioral health work in the state, immediately following completion of an accelerated, 1-year, master's of social work program, in areas including, but not limited to, community mental health, substance use disorder programs, crisis intervention, local crisis call centers, mobile crisis care, crisis stabilization, psychiatric emergency services, and rapid postcrisis care.

(2) The unexpended funds appropriated in part 1 for behavioral health workforce expansion - accelerated degree program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to accelerate the introduction of new behavioral health providers into the public sector behavioral health workforce.

(b) The work project will be accomplished by providing grants to individuals with a bachelor's degree in social work that agree to immediately enter an accelerated, 1-year, master's of social work program.

(c) The total estimated completion cost of the work project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1918. From the funds appropriated in part 1 for behavioral health patient health information tool, the department shall allocate \$2,000,000.00 to create and administer an online and interactive version of the protected health information consent tool and make any revisions to the tool to reflect any recent legislative changes. The contracting entity that receives the funds appropriated in this section shall also develop accompanying trainings and resources for users. Additionally, the contracting entity that receives the funds appropriated in this section shall work closely with the Michigan health information network and the department to develop the technical specifications for integrating the protected health information consent tool with other relevant systems and applications, including, but not limited to, CareConnect 360.

Sec. 1919. From the funds appropriated in part 1 for biomedical research and science education, the department shall allocate \$1,000,000.00 as a grant to an independent biomedical research and science education organization in a county with a population between 600,000 and 700,000 and in a city with a population over 185,000 according to the most recent federal decennial census to be used for matching federal funds, private and nonprofit grants, and private contributions.

Sec. 1921. From the funds appropriated in part 1 for children's rehabilitation hospital, the department shall allocate \$5,000,000.00 to a rehabilitation hospital originally established in 1911 that is headquartered in a city with a population of between 190,000 and 200,000 according to the most recent federal decennial census for construction of a children's rehabilitation hospital.

Sec. 1922. (1) From the funds appropriated in part 1 for complex medical condition center, the department shall allocate \$350,000.00 as a grant to a nonprofit organization that operates a facility in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census and where children up to age 26 with weak immune systems can fulfill their social, emotional, and physical needs. The facility must provide a safe and infection-controlled environment consisting of MERV 14 air filtration, building pressurization, antimicrobial surfaces, and other hospital-grade features. Programming must be specifically designed for children with complex medical conditions and their immediate family to interact socially and to feel a sense of belonging through the use of therapeutic, evidence-based, and organizational-led activities targeted to address both behavioral and physical health outcomes.

(2) The nonprofit organization shall partner with the largest provider-owned nonprofit Medicaid health maintenance organization headquartered in the same county for which the nonprofit organization is providing services to identify and enroll 100 qualifying children up to age 26 for programmatic services. The provider-owned nonprofit Medicaid health maintenance organization shall be responsible for the collection of data and metric identification for each of the 100 enrollees, including, but not limited to, utilization trends and health outcomes associated with isolation and loneliness, mental health concerns, emergency department visits, and hospitalizations.

(3) The provider-owned nonprofit Medicaid health maintenance organization shall create and utilize a new pilot program code to track the metrics identified in subsection (2). This program code shall encompass a group of services provided by the nonprofit organization, some of which align with existing reimbursable service codes such as care management and group therapy already authorized under this state's Medicaid program, and select other services, including, but not limited to, play therapy, parent support services, and transportation services for which

no program code exists currently or program codes are not currently authorized under this state's Medicaid program as reimbursable. Under the terms of this grant, the pilot program code shall include the full bundle of services, including those nonreimbursable services. The following existing codes shall be included in the new pilot program code, group therapy: 90853, and care management: 99487, 99495, 99496, 98968, 98962, 99484, G9001, G9002, and G9007. All of the following services without existing codes must be required:

- (a) Social support or social support programming.
- (b) Play therapy or recreation therapy.
- (c) Educational support services.
- (d) Parent or caregiver respite or support.

(4) By September 30 of the current fiscal year, the grant recipient shall submit a report to the department, demonstrating the effectiveness of the program in fulfilling the social, emotional, and physical needs of the patients served by the grant recipient. This report must include the data and metrics identified in subsection (2).

(5) The department shall explore Medicaid waiver options available from the Centers for Medicare and Medicaid, which, upon approval, would authorize the department to expend Medicaid funds on similar supports and services as those offered under this program and pilot program code for Medicaid recipients.

Sec. 1923. From the funds appropriated in part 1 for community-based coverage entity, the department shall allocate \$1,200,000.00 to a health care coverage program located in a county with a population between 175,000 and 176,000 according to the most recent federal decennial census, for low-income workers in a "three-share model" where costs are shared between local businesses, local workers, and the public. The funds appropriated in this section must, at a minimum, be used to support the public share of the health coverage program.

Sec. 1924. (1) From the funds appropriated in part 1 for community health programs, the department shall allocate funds to address disparities in health care access and outcomes. Eligible expenditures from this line shall include, but not be limited to, all of the following:

(a) A grant of \$5,000,000.00 to a public health authority created through an interlocal agreement located in a city with a population greater than 500,000 according to the most recent federal decennial census to support the creation and implementation of an evidence-based program to increase access to quality food and nutrition for disadvantaged populations.

(b) Funding of no less than \$7,000,000.00 to support the creation and operation of mobile health units to provide preventative health services for persons residing in areas with disparities in health care outcome and access.

(c) Grants to support eligible applicants for funds to support the creation and operation of community-based health clinics.

(d) Planning and evaluation associated with the development and operation of healthy community zones.

(e) Information technology adjustments and other necessary changes to improve the ability of department staff to access and understand data related to disparate health access and outcomes.

(2) The unexpended funds appropriated in part 1 for community health programs are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund efforts to reduce disparities in health care access and outcomes.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$36,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1925. (1) From the funds appropriated in part 1 for community health residency program, the department shall allocate \$2,000,000.00 to implement a residency program in a nonprofit health center in a city with a population of between 61,000 and 63,000 and within a county with a population between 1,270,000 and 1,275,000 according to the most recent federal decennial census.

(2) The unexpended portion of funds appropriated in part 1 for the residency program is designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide funding for the start-up costs and ensure the first cohort graduates within three years while awaiting federal funding.

(b) The total estimated cost of the work project is \$2,000,000.00 of general fund/general purpose revenue.

(c) The estimated completion date is September 30, 2028.



Sec. 1926. From the funds appropriated in part 1 for community information exchange, the department shall allocate \$2,000,000.00 to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and whose mission is to coordinate and support a statewide 2-1-1 system, to support programmatic and technical innovations through new continuum of service delivery models.

Sec. 1927. (1) From the funds appropriated in part 1 for community violence prevention - community grant program, the department's office of community violence intervention shall expend \$5,000,000.00 to support community providers of violence intervention services.

(2) The unexpended funds appropriated in part 1 for community violence prevention - community grant program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide grant funding for community violence intervention and gun prevention programs.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1928. (1) From the funds appropriated in part 1 for community violence prevention - gun safety and training, the department's office of community violence intervention shall expend \$1,000,000.00 to support initiatives to prevent injuries and fatalities related to misuse of firearms. Eligible expenditures from these funds include:

(a) Distribution of trigger locks and gun safety boxes to households where a child is present.

(b) Education and outreach materials and services to interested private community organizations, firearm retailers, and operators of gun ranges related to suicide prevention.

(c) Other gun violence prevention programs demonstrated to be effective in reducing firearm injury or death.

(2) The unexpended funds appropriated in part 1 for community violence prevention - gun safety and training are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support initiatives intended to reduce firearm injury and death.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The estimated cost of the project is \$1,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1932. From the funds appropriated in part 1 for crisis stabilization capacity, the department shall allocate \$4,000,000.00 to a mental health authority serving 3 counties with a combined population between 473,000 and 475,000 according to the most recent federal decennial census to increase crisis stabilization capacity.

Sec. 1933. From the funds appropriated in part 1 for critical access hospital renovation, the department shall allocate \$7,325,000.00 to a critical access hospital located in a county with a population between 3,750 and 5,750 according to the most recent federal decennial census to implement multiple infrastructure renovations, including all of the following, to improve patient care:

(a) Remodeling and upgrading family clinics to meet current codes and practices.

(b) Expanding operating room and recovery facilities for basic orthopedic surgeries.

(c) Improving windows, parking lots, and other areas.

Sec. 1936. From the funds appropriated in part 1 for early detection and education of teenage heart ailments, the department shall allocate \$75,000.00 to a foundation supporting early detection and education of teenage heart ailments. The funding must be used to provide free heart screening clinics to teenagers and automatic external defibrillators to youth-centered facilities.

Sec. 1937. (1) From the funds appropriated in part 1 for first responder and public safety staff mental health, the department shall allocate \$5,000,000.00 toward a program to support firefighters, police officers, emergency medical services personnel, public safety tele-communicators, local correctional officers, juvenile detention employees, prosecutors, and individuals working on special teams such as internet sex crimes, sexual crimes

against children, or traffic fatalities suffering from post-traumatic stress syndrome and other mental health conditions. The grant program must primarily provide grants to behavioral health providers and may also include funding to the Michigan crisis and action line established under section 165 of the mental health code, 1974 PA 258, MCL 330.1165, to improve information and referrals for these services. The program must coordinate and integrate with the Michigan crisis and access line established under section 165 of the mental health code, 1974 PA 258, MCL 330.1165.

(2) The unexpended funds appropriated in part 1 for first responder and public safety staff mental health are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to ensure that first responder and public safety staff who are dealing with post-traumatic stress syndrome and other mental health conditions have access to enhanced mental health services.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

(c) The estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1943. From the funds appropriated in part 1 for healthy communities grant, the department shall allocate \$3,000,000.00 to a nonprofit providing recreational therapy, healthy living, and substance use intervention services in a city with a population between 100,000 and 600,000 within a county with a population greater than 1,700,000 according to the most recent federal decennial census. The nonprofit must use the funding for all of the following:

(a) To support youth with intellectual and developmental disabilities and autism spectrum disorder to develop and master life skills.

(b) To improve nutrition education services to address healthy food access and prevent obesity.

(c) To prevent substance abuse for youth fighting drug and alcohol misuse.

(d) To expand community support for fighting drug and alcohol misuse.

Sec. 1944. (1) From the funds appropriated in part 1 for dental programs, \$2,350,000.00 of general fund/general purpose revenue and any associated federal match shall be distributed to a qualified nonprofit provider of dental services that partners with local health departments for the purpose of expanding capacity and ensuring operational efficiencies that may include equipment and technology upgrades.

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

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

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

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

Sec. 1950. (1) From the funds appropriated in part 1 for biomarker testing, the department shall allocate \$3,500,000.00 to a wellness center to provide pharmacogenetic testing to reduce the risk of developing an opioid use disorder. The wellness center must meet all of the following requirements:

(a) Be dedicated to enhancing the well-being of individuals by providing an array of comprehensive behavioral and physical health services in a trauma-informed environment and promoting quality of life, continuous improvement, social awareness, and healing.

(b) Have its administrative office located in a county with a population of at least 1,750,000 in a city with a population between 109,000 and 111,000 according to the most recent federal decennial census.

(c) Be accredited by CARF International.

(2) The unexpended funds appropriated in part 1 for biomarker testing are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide pharmacogenetic testing to reduce the risk of developing an opioid use disorder.

(b) The project will be accomplished by a CARF International accredited wellness center.

(c) The estimated cost of the project is \$3,500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1951. From the funds appropriated in part 1 for maternal health services, the department shall allocate \$420,000.00 in general fund/general purpose revenue to support a 9.5% inflationary increase to maintain sustainability at existing nurse family partnership sites in a county with a population between 250,000 and 270,000 according to the most recent federal decennial census and to include an additional outreach worker position.

Sec. 1952. (1) From the funds appropriated in part 1 for medical debt relief pilot program, the department shall allocate \$4,500,000.00 to a national nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and established in 2014 for the purpose of purchasing bundles of medical debt on secondary markets or directly from providers to abolish the medical debt for a group or groups of patients. The department shall ensure the following conditions and criteria are met before awarding grants under this section:

(a) The grant recipient may use an award under this section only to eliminate medical debt to patients with an income below the federal poverty level with a financial need or who face insolvency.

(b) The grant recipient shall ensure that there are no adverse tax or income implications for the patient due to the elimination of the medical debt.

(c) The grant recipient shall provide evidence to the department that the grant recipient has a track record of performing the work described in this section.

(d) The grant recipient shall work with local units of government to eliminate medical debt for residents of those local units of government. The grant recipient shall give preference to local units of government that provide a dollar of matching funds for every dollar appropriated under this section.

(2) The unexpended funds appropriated in part 1 for medical debt relief pilot program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase bundles of medical debt on secondary markets or directly from providers to abolish the medical debt for a group or groups of patients.

(b) The project will be accomplished by a national nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$4,500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1954. From the funds appropriated in part 1 for Michigan Clinical Consultation and Care, the department shall allocate \$2,500,000.00 to a program that provides behavioral health consultations to primary care providers in this state who are managing patients with behavioral health problems. The funding must be used to assist providers managing patients through the age of 26 or women contemplating pregnancy, pregnant, or postpartum.

Sec. 1955. (1) From the funds appropriated in part 1 for Michigan relief plan, the department shall allocate \$2,000,000.00 to provide a grant to a 1-to-1 youth mentoring organization, that operates across 13 agencies in this state, to support costs associated with training and placing adult volunteers that will provide mentoring to youth in need.

(2) As a provision of this grant, the department shall require the grantee to report on the number of volunteers trained, where in this state the volunteers serve, and the outcomes resulting from the grant funding.

(3) By September 30 of the current fiscal year, the department shall report the information required in subsection (2) to the report recipients required in section 246 of this part.

Sec. 1956. From the funds appropriated in part 1 for mobile mammography, the department shall allocate \$1,000,000.00 to a nonprofit, faith-based hospital in a city with a population between 198,000 and 200,000 according to the most recent federal decennial census to provide a new mobile mammography unit to support patients in underserved rural and urban areas.

Sec. 1957. (1) From the funds appropriated in part 1 for narcotics awareness program, the department shall allocate \$5,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and with headquarters in a charter township with a population between 100,000 and 105,000 according to the most recent federal decennial census within a county with a population between 700,000 and 1,000,000 according to the most recent federal decennial census. To be eligible to receive funding, the nonprofit organization must have a stated mission to offer community-based, compassionate, best-practice/evidence-based services to those suffering from addiction, as well as their loved ones, and to erase the stigma of addiction and instill compassion and hope.

(2) The unexpended funds appropriated in part 1 for narcotics awareness program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to offer community-based, compassionate, best-practice/evidence-based services to those suffering from addiction, as well as their loved ones, and to erase the stigma of addiction and instill compassion and hope.

(b) The project will be accomplished by a nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1958. (1) From the funds appropriated in part 1 for Native American health services, the department shall allocate \$3,000,000.00 for a grant to an organization that specializes in American Indian health services and has a clientele that is comprised of a majority of Medicaid recipients to build a medical, behavioral health, and community wellness center located in a city with a population greater than 600,000 and located within a county with a population greater than 1,500,000 according to the most recent federal decennial census.

(2) As a provision of the grant described in subsection (1), the department shall require the grantee to provide periodic updates on the construction of the facility until it is open and operational.

(3) By September 30 of the current fiscal year, the department shall report on the updates described in subsection (2) to the report recipients required in section 246 of this part.

Sec. 1959. (1) From the funds appropriated in part 1 for environmental public health program, the department shall allocate \$500,000.00 to a community development corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a city with a population greater than 600,000 according to the most recent federal decennial census to complete home assessments and coordinate health action plans to improve safe and quality housing for low-income individuals and families. To be eligible for funding under this section, a community development corporation must have partnered with an FQHC to establish a health center and have a stated mission of supporting residents and businesses in building a healthy and thriving community.

(2) The unexpended funds appropriated in part 1 for environmental public health program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to complete home assessments and coordinate health action plans to improve safe and quality housing for low-income individuals and families.

(b) The project will be accomplished by a nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1960. (1) From the funds appropriated in part 1 for psychiatric GME, the department shall allocate \$8,000,000.00 as a grant to a health system in this state that is comprised of a health system that is located in a city with a population between 190,000 and 200,000 and within a county with a population between 650,000 and 700,000 according to the most recent federal decennial census, and a health system located in a city with a population between 75,000 and 80,000 and within a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census.

(2) The grant described in subsection (1) must support one or more outpatient health clinics that participate in psychiatric graduate medical education training and provide wrap-around behavioral health services to individuals discharged from inpatient services.

Sec. 1961. From the funds appropriated in part 1 for rural obstetric services, the department shall allocate \$1,500,000.00 to a nonprofit Michigan health care system organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a county with a population between 31,000 and 32,000 according to the most recent federal decennial census, for the purpose of providing obstetric services to residents in the upper thumb area of this state.

Sec. 1962. (1) From the funds appropriated in part 1 for emergency homeless shelter repair and services grant, the department shall allocate \$500,000.00 to a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986,

26 USC 501, located in a city with a population between 600,000 and 650,000 according to the most recent federal decennial census. In order to be eligible for the funding under this section, the entity must use the grant to make capital and infrastructure repairs to structures in order to convert the structures into emergency homeless shelters for women and children and shelters for individuals who are parolees from the department of corrections.

(2) The unexpended funds appropriated in part 1 for emergency homeless shelter repair and services grant are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to make capital and infrastructure repairs to structures in order to convert the structures into emergency homeless shelters for women and children and shelters for individuals who are parolees from the department of corrections.

(b) The project will be accomplished by a nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1963. (1) From the funds appropriated in part 1 for alternative payment model transition, the department shall allocate \$6,000,000.00 in general fund/general purpose revenue and any associated federal match or federal grant funding, to support the implementation of a Medicaid alternative payment methodology for FQHCs. The alternative payment methodology must be a population-based payment system that is based on a per-patient reimbursement for each Medicaid recipient assigned to each federally qualified health center. Funds appropriated in this section shall be used both to support alternative payment methodology implementation costs incurred by the department and to provide funding to support the preparation and success of FQHCs participating in the alternative payment methodology.

(2) The unexpended funds appropriated in part 1 for alternative payment model transition are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to design and implement an FQHC Medicaid alternative payment methodology as well as provide funding to help FQHCs prepare for and be successful in their alternative payment methodology participation.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, and providing funding to FQHCs.

(c) The estimated cost of the project is \$6,000,000.00.

(d) The tentative completion date is September 30, 2028.

(3) It is the intent of the legislature that the transition described in subsection (1) is phased in over a period of several fiscal years with pre-implementation and preparation occurring this fiscal year and implementation of the alternative payment methodology in the following fiscal year, with additional FQHCs having the opportunity to begin participation in the alternative payment methodology in subsequent fiscal years.

(4) The department shall coordinate with the Michigan Primary Care Association on the design of the alternative payment methodology, to identify FQHCs that are able to implement the necessary care delivery and system changes required for the alternative payment methodology described in subsection (1), and to develop funding approaches that support the preparation and success of FQHCs participating in the alternative payment methodology.

Sec. 1964. From the funds appropriated in part 1 for sickle cell center, the department shall allocate \$2,500,000.00 to the Sickle Cell Disease Association of America, to the Sickle Cell Center of Excellence.

Sec. 1965. (1) From the funds appropriated in part 1 for homeless shelter operations, the department shall allocate \$500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a city with a population greater than 20,000 in a county with a population between 154,500 and 160,000 according to the most recent federal decennial census to support and sustain homeless shelter operations. To be eligible for funding under this section, the nonprofit organization must have been established in 2015, with a stated mission to rebuild the community, restore families, and repurpose individuals.

(2) The unexpended funds appropriated in part 1 for homeless shelter operations are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support and sustain homeless shelter operations.

- (b) The project will be accomplished by a nonprofit 501(c)(3) organization.
- (c) The estimated cost of the project is \$500,000.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 1966. From the funds appropriated in part 1 for substance use rehabilitation services, the department shall allocate \$3,500,000.00 to the Sacred Heart Rehabilitation Center for the purchase of a new building to continue to provide addiction treatment programming.

Sec. 1967. (1) From the funds appropriated in part 1 for substance use treatment center, the department shall appropriate \$10,000,000.00 to a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a city with a population between 90,000 and 105,000 and located in a county with a population greater than 1,500,000 according to the most recent federal decennial census. The nonprofit, community-based organization must be a licensed mental health and substance use treatment provider with a stated mission to empower communities to improve their health and their economic, social, and cultural well-being.

(2) The unexpended funds appropriated in part 1 for substance use treatment center are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to purchase, renovate, and equip a disused medical office building to provide comprehensive outpatient substance use disorder treatment services.
- (b) The project will be accomplished by a nonprofit 501(c)(3) organization.
- (c) The estimated cost of the project is \$10,000,000.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 1968. From the funds appropriated in part 1 for university autism center, the department shall allocate \$4,000,000.00 to Western Michigan University's Kalamazoo Autism Center for the expansion and development of services to include evidence-based biobehavioral assessment treatment services for children with severe intellectual developmental disabilities and severe problem behaviors.

Sec. 1969. From the funds appropriated in part 1 for university dental clinic, the department shall allocate \$4,000,000.00 as a grant to a university operating a dental clinic in this state that provides essential dental education and services to low-income residents, and that is located in a city with a population greater than 600,000 according to the most recent federal decennial census.

Sec. 1970. (1) The funds appropriated in part 1 for water quality projects shall be used to support public health, data sharing infrastructure, filter distribution and inspection, and faucet and full plumbing replacement activities in significantly overburdened communities as defined under parts 53 and 54 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5301 to 324.5316 and 324.5401 to 324.5418.

(2) The unexpended portion of funds appropriated for water quality projects is considered a work project appropriation and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to improve public health data sharing capabilities, distribute and inspect lead-reducing filters, and replace lead-containing faucets and plumbing in significantly overburdened communities and support the department's administration of this process.
- (b) The project will be accomplished by utilizing state resources, contracts, or grants.
- (c) The total estimated cost of the project is \$61,439,400.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 1971. From the funds appropriated in part 1 for disability and independent living program, the department shall allocate \$150,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a city with a population between 2,600 and 3,200 in a county with a population greater than 1,500,000 according to the most recent federal decennial census. To be eligible for funds under this section, the nonprofit organization must have a stated mission to enhance the lives of the organization's participants with disabilities and that through therapeutic, social, work-based, and community engagement, it seeks to support, enrich, inspire, and embolden the organization's participants and the participants' families so that the participants can achieve the participants' goals.

Sec. 1972. From the funds appropriated in part 1 for behavioral health services, the department shall allocate \$2,500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 138,000 and 140,000 that is located in a county with a population between 881,000 and 882,000, according to the most recent federal decennial census. To be eligible for funds under this section, an organization must have current experience providing support services to immigrant children and families from Afghanistan, Iraq, Syria, Yemen, and other Middle Eastern countries, and Ukraine.

Sec. 1973. From the funds appropriated in part 1 for farm day program, the department shall allocate \$250,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a township with a population between 20,000 and 22,000 located in a county with a population between 900,000 and 1,500,000 according to the most recent federal decennial census, to provide support to individuals with autism or other disabilities, provide special education services, and operate a supported employment program. In order to be eligible for funds under this section, the nonprofit organization must have a stated mission of empowering and supporting adults with disabilities to live a life of purpose, inclusion, and dignity.

Sec. 1974. From the funds appropriated in part 1 for women's health grant backfill, the department shall appropriate \$2,000,000.00 to a 4-year state university located in a city with a population greater than 600,000 according to the most recent federal decennial census to backfill the expiration of a federal grant for storage and research of perinatal samples.

Sec. 1975. (1) From the funds appropriated in part 1 for senior citizen home renovation, the department shall appropriate \$1,183,300.00 to a city with a population greater than 600,000 according to the most recent federal decennial census to provide home repairs and renovations to ensure that homes are compliant with the Americans with disabilities act of 1990, 42 USC 12101 to 12213. In order to be eligible for home repairs and renovations under this section, an individual must be a resident of the city and must be 65 years of age or older or disabled.

(2) The unexpended funds appropriated in part 1 for senior citizen home renovation are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide home repairs and renovations to ensure that homes are ADA compliant.

(b) The project will be accomplished through a partnership with a city with a population greater than 600,000 according to the most recent federal decennial census.

(c) The estimated cost of the project is \$1,183,300.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1976. From the funds appropriated in part 1 for caregiver resource center, the department shall appropriate \$5,000,000.00 to area agencies on aging to improve services and supports to unpaid family and informal caregivers. The department shall distribute the funds as a lump sum payment to area agencies on aging using the interstate funding formula approved by the commission on services to the aging.

Sec. 1977. From the funds appropriated in part 1 for affordable housing project, the department shall allocate \$4,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that has a headquarters in a city with a population between 60,000 and 135,000 and is located in a county with a population between 700,000 and 1,000,000, according to the most recent federal decennial census, for capital costs resulting from construction of an affordable housing apartment complex. To be eligible for funds under this section the nonprofit organization must have been established in 2006 and be dedicated to improving the stability, health, and wellness of those served through advocacy, acculturation, community development, and cultural preservation.

Sec. 1978. From the funds appropriated in part 1 for behavioral health care services and facilities, the department shall allocate \$3,000,000.00 for a public-private partnership to open a behavioral health center with no fewer than 40 inpatient beds during phase I of operation and no fewer than 100 inpatient beds during phase II of operation. The behavioral health center must be located in a city with a population between 2,500 and 20,000 located in a county with a population between 96,000 and 103,000 according to the most recent federal decennial census.

Sec. 1979. (1) From the funds appropriated in part 1 for adult day center, the department shall allocate \$500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that provides adult and teen mental health services located in a city with a population between 135,000 and 195,000 located in a county with a population between 700,000 and 1,000,000 according to the most recent federal decennial census. To be eligible for funding under this section, the nonprofit organization must have a stated mission to provide and coordinate support services and programs that help clients stay active and healthier both physically and mentally; to be committed to the wellness of individuals, their families, and the community through prevention, intervention, treatment, and education; to assist individuals and families in the enhancement of their emotional, mental, and physical well-being; and also to provide an engaging and safe place that enhances dignity, uniqueness, and independence for adults.

(2) The unexpended funds appropriated in part 1 for adult day center are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to provide adult day care services.
- (b) The project will be accomplished by a nonprofit 501(c)(3) organization.
- (c) The estimated cost of the project is \$500,000.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 1980. From the funds appropriated in part 1 for children's health care access program, the department shall allocate \$250,000.00 to a children's health care access program that serves children in counties with populations greater than 700,000 according to the most recent federal decennial census to provide vaccinations, lead testing, and developmental screenings to children enrolled in Medicaid.

Sec. 1981. (1) From the funds appropriated in part 1 for developmental milestones toolkit, the department shall allocate \$500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, educating the public about prevention efforts in an effort to reduce medical costs and improve the quality of life for those living at risk of a mental disability to increase their operations to provide developmental milestones toolkits to low-income families located in a county with a population greater than 1,500,000 according to the most recent federal decennial census. The nonprofit organization must be located in a city with a population between 90,000 and 105,000 according to the most recent federal decennial census with a stated mission of providing evidence-informed strategies and training to parents, educators, community stakeholders, and policymakers to ameliorate common childhood conditions.

(2) The unexpended funds appropriated in part 1 for developmental milestones toolkit are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to provide developmental milestones toolkits to low-income families located in a county with a population greater than 1,500,000 according to the most recent federal decennial census.
- (b) The project will be accomplished by a nonprofit 501(c)(3) organization.
- (c) The estimated cost of the project is \$500,000.00.
- (d) The tentative completion date is September 30, 2028.

Sec. 1982. From the funds appropriated in part 1 for rides to wellness, the department shall allocate \$250,000.00 to the entity described in section 1306(3) of this part.

Sec. 1983. From the funds appropriated in part 1 for food market expansion, the department shall appropriate \$500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and that is located in a city with a population between 77,000 and 85,000 in a county with a population between 900,000 and 1,500,000 according to the most recent federal decennial census, for expansion of a food market that operates to support a food pantry. In order to be eligible for funding under this section, the nonprofit organization must have a stated mission to offer comprehensive support services for individuals and their families in and around the area that are in need or have limited access to everyday necessities due to insufficient financial resources or family instability.



Sec. 1984. From the funds appropriated in part 1 for community opportunity hub, the department shall appropriate \$1,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that was established in 2010, and that is located in a city with a population greater than 500,000 according to the most recent federal decennial census, to renovate and repurpose former school buildings into opportunity hubs, repair owner-occupied homes, and provide other community wraparound supports. To be eligible for funds under this section, the nonprofit organization must organize an annual 6-day event to beautify the area surrounding the opportunity hub.

Sec. 1985. From the funds appropriated in part 1 for public health operations, the department shall allocate \$3,166,700.00 to a public health authority located in a city with a population between 100,000 and 600,000 in a county with a population greater than 1,500,000 according to the most recent federal decennial census, to expand services, provide public health interventions that are culturally competent, and safeguard the health of residents.

Sec. 1986. From the funds appropriated in part 1 for federally qualified health center, the department shall appropriate \$1,500,000.00 to an FQHC with a main clinic located in a city with a population greater than 50,000 in a county with a population between 375,000 and 600,000 according to the most recent federal decennial census, and that was originally established in 1982, for the construction of a new clinic location.

Sec. 1988. From the funds appropriated in part 1 for social determinants of health hub - one-time, the department shall allocate \$1,500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a city with a population between 80,000 and 82,000 according to the most recent federal decennial census that runs health equity programs. The funding must be used for start-up costs necessary to create a social determinants of health hub, to offer technical assistance to other communities across this state, and to provide multisector coordination necessary to become a social determinants of health hub.

Sec. 1989. From the funds appropriated in part 1 for hospital equipment modernization, the department shall allocate \$1,000,000.00 to a hospital verified as a level III trauma center by the American College of Surgeons located in a city with a population between 13,000 and 16,400 in a county with a population greater than 1,500,000 according to the most recent federal decennial census, for physical facility improvement and equipment modernization.

Sec. 1990. From the funds appropriated in part 1 for theranostics clinic, the department shall allocate \$20,000,000.00 to a health care provider located in a city with a population between 198,000 and 199,000 and in a county with a population between 657,000 and 660,000 according to the most recent federal decennial census specializing in achieving intelligence-based precision medicine through AI enabled molecular imaging and theranostics for the purpose of opening its second clinic in the state in the southeast Michigan area.

Sec. 1992. (1) From the funds appropriated in part 1 for critical medication reserve, the department shall allocate \$6,000,000.00 for the purchase, storage, and distribution of pharmaceutical products identified as subject to a critical shortage.

(2) The funds appropriated in subsection (1) shall only be distributed if the department confirms both of the following:

(a) A finding that a shortage in access to a critical pharmaceutical product exists.

(b) A finding that the shortage in access to this critical pharmaceutical product will negatively impact the health and safety of Michigan residents.

(3) The department may contract with a Michigan-based health system to aid in the purchase, storage, or distribution of pharmaceutical products identified in the process detailed in subsection (2).

(4) The unexpended funds appropriated in part 1 for critical medication reserve are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to allocate reserve funding for the purchase, storage, and distribution of pharmaceutical products identified as subject to a critical shortage.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

(c) The estimated cost of the project is \$6,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1995. (1) From funds appropriated in part 1 for food assistance delivery pilot program, the department shall allocate \$5,000,000.00 to contract with 1 or more providers to cover the costs of delivering eligible purchases made through the food assistance program in Wayne County and Kent County. The funding must be utilized to pay delivery fees and other associated charges that have been deemed ineligible to be paid through the food assistance program benefits by the United States Department of Agriculture – Food and Nutrition Services. The funding may be used to pay for deliveries on a per-delivery basis or as a single delivery contract.

(2) The unexpended funds appropriated in part 1 for food assistance delivery pilot program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to reduce lack of access to healthy and nutritious food by covering the costs necessary to provide delivery service to food assistance program benefit groups.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

(c) The estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 1997. From the funds appropriated in part 1 for substance abuse community and school outreach, the department shall allocate \$1,000,000.00 to a coalition located in a county with a population of at least 1,500,000 according to the most recent federal decennial census with an aim to lead and support communities to dispel the myths and stigmas about drug addiction through public education, sharing stories of recovery, partnering with local and state leaders, creating positive social changes, and providing recovery support services for those in need.

Sec. 1998. From the funds appropriated in part 1 for senior university, the department shall allocate \$400,000.00 to a community action alliance located in a city with a population over 500,000 according to the most recent federal decennial census to improve connectivity and computer skills to seniors.

Sec. 1999. From the funds appropriated in part 1 for cancer infusion center, the department shall allocate \$2,000,000.00 to a hospital located in a city with a population between 9,000 and 10,000 in a county with a population between 105,000 and 110,000 according to the most recent federal decennial census for construction, renovation, and refurbishing costs of a cancer infusion center.

Sec. 2000. From the funds appropriated in part 1 for child and family campus project, the department shall appropriate \$6,000,000.00 to a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 50,000 and 110,000 according to the most recent federal decennial census and located in a county with a population between 265,000 and 290,000 according to the most recent federal decennial census to construct and renovate a consolidated facility on a site formerly owned by a hospital system. To be eligible for funds under this section, the nonprofit organization must have been established in 1911 and have a stated mission to strengthen and support children, families, and individuals as they evolve and grow in a changing community.

Sec. 2001. From the funds appropriated in part 1 for health center, the department shall allocate \$2,000,000.00 to a health center located in a city with a population of more than 600,000 according to the most recent federal decennial census that offers primary care, behavioral health services, HIV care and treatment, cancer screening, and health insurance navigation with a goal to provide the LGBTQ community with safe, high-quality, and affirming health care for development and construction costs for a new center in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census.

Sec. 2002. From the funds appropriated in part 1 for health workforce development, the department shall allocate \$500,000.00 for a 4-year pilot program to increase the number of prepared psychiatric-mental health nurse practitioners to expand access to mental health services and provide care in underserved communities throughout this state. The office of nursing programs may oversee the program. The pilot program must be through a college of nursing at a 4-year state university located in a county with a population greater than 1,500,000, according to the most recent federal decennial census.

Sec. 2003. (1) From the funds appropriated in part 1 for jail diversion fund, the department shall allocate \$2,500,000.00 to support the jail diversion fund created by section 207c of the mental health code, 1974 PA 258, MCL 330.1207c.

(2) The department shall distribute grants from the jail diversion fund in accordance with sections 207d to 207f of the mental health code, 1974 PA 258, MCL 330.1207d to 330.1207f.

Sec. 2004. From the funds appropriated in part 1 for maternal health services, the department shall provide grants to organizations working to improve maternal and infant health. Funds appropriated under this section must be distributed to both of the following:

(a) \$5,000,000.00 to the Michigan perinatal quality collaborative to support regional strategies to improve maternal and infant health outcomes.

(b) \$5,000,000.00 for grants to health providers to improve and expand the use of the CenteringPregnancy model to address racial disparities in preterm birth.

Sec. 2005. From the funds appropriated in part 1 for maternal-fetal medicine programming, the department shall allocate \$8,000,000.00 to an office of women's health located at a university in a county with a population greater than 1,500,000, according to the most recent federal decennial census, to oversee the programming. The funding must be used for a collaboration of universities and hospitals across this state to develop and implement a model to reduce infant and maternal mortality through best practices, patient incentives and transportation, navigators, and onsite medication distribution.

Sec. 2006. (1) From the funds appropriated in part 1 for prenatal and infant allowance pilot program, the department shall allocate \$16,500,000.00 in TANF to a 4-year state university located in a county with a population between 284,000 and 285,000, according to the most recent federal decennial census, for the administration of a 5-year pilot program that is intended to improve the economic stability of households with very young children.

(2) Services through the pilot program must be made available to residents of a city with a population between 80,000 and 82,000 according to the most recent federal decennial census. Allowable uses of the funds described in subsection (1) include all of the following:

(a) Providing an unconditional cash allowance to each expectant mother who resides in the pilot program service area and meets program income-eligibility requirements.

(b) Providing monthly payments to each household with at least 1 child who is less than 1 year of age who resides in the pilot program service area and meets program income-eligibility requirements.

(3) The funds described in subsection (1) must not be made available for expenditure until the administrators of the pilot program demonstrate all of the following to the department:

(a) That the service through the pilot program is designated as an allowable use of TANF by the Administration for Children and Families within the United States Department of Health and Human Services.

(b) That the payments described in subsection (2) would not impact federal lifetime time limits for federally funded assistance, established in TANF authorizing legislation.

(c) That the payments described in subsection (2) would not impact statutory or regulatory requirements established for recipients of family independence program and Partnership. Accountability. Training. Hope. (PATH) services.

(d) That the program administrator has additional private funding commitments equivalent to the amount allocated in subsection (1).

(4) The department shall work with a 4-year state university located in a county with a population between 284,000 and 285,000, according to the most recent federal decennial census to identify and collect all information necessary to ensure compliance with TANF requirements established by the Administration for Children and Families within the United States Department of Health and Human Services.

(5) The unexpended funds appropriated for prenatal and infant allowance pilot program are designated as a work project appropriation. Unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures for projects under this section until the projects have been completed. All of the following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to improve the economic stability of households with very young children.

(b) The project will be accomplished by utilizing contracts.

(c) The total estimated cost of the project is \$16,500,000.00.

(d) The tentative completion date is September 30, 2028.

Sec. 2007. From the funds appropriated in part 1 for safe opioid use task force, the department shall allocate \$500,000.00 to the Michigan Osteopathic Association for its task force on safe opioid use.

Sec. 2008. From the funds appropriated in part 1 for senior nutrition services, the department shall allocate \$1,000,000.00 to the area agencies on aging to support home-delivered meals programming for older adults residing in this state.

Sec. 2009. From the funds appropriated in part 1 for medically underserved area services, the department shall allocate \$700,000.00 to a medical health facility originally constructed between 1946 and 1976, with between 356,000 and 357,000 square feet, formerly operated as Holy Cross Hospital, and located in a county with a population over 1,500,000 according to the most recent federal decennial census. The funding must be used to provide substance use disorder (SUD) treatment-related services, including, but not limited to, inpatient SUD treatment, residential SUD treatment, and an outpatient opioid treatment program.