

# FY 2019-20: DEPARTMENT OF HEALTH AND HUMAN SERVICES

## Summary: Conference Report Senate Bill 139 (S-2) CR-1



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	FY 2018-19 YTD as of 3/5/19	FY 2019-20 Executive	FY 2019-20 House	FY 2019-20 Senate	FY 2019-20 Conference	Difference: Conference From FY 2018-19 YTD	
						Amount	%
<b>IDG/IDT</b>	\$13,813,700	\$13,857,600	\$13,424,900	\$13,857,600	\$13,857,600	\$43,900	0.3
<b>Federal</b>	18,016,041,200	18,221,270,400	18,029,819,500	18,228,737,500	18,393,661,400	377,620,200	2.1
<b>Local</b>	121,612,600	155,806,100	155,232,700	132,981,900	151,546,000	29,933,400	24.6
<b>Private</b>	152,409,900	143,535,100	137,071,200	143,535,100	143,535,100	(8,874,800)	(5.8)
<b>Restricted</b>	2,758,754,600	2,864,946,300	2,874,653,000	2,865,883,800	2,990,821,200	232,066,600	8.4
<b>GF/GP</b>	4,439,614,400	4,779,342,000	4,671,821,100	4,745,812,400	4,758,928,300	319,313,900	7.2
<b>Gross</b>	<b>\$25,502,246,400</b>	<b>\$26,178,757,500</b>	<b>\$25,882,022,400</b>	<b>\$26,130,808,300</b>	<b>\$26,452,349,600</b>	<b>\$950,103,200</b>	<b>3.7</b>
<b>FTEs</b>	15,942.7	16,007.0	15,973.0	15,978.0	16,011.0	68.3	0.4

Notes: (1) FY 2018-19 year-to-date figures include mid-year budget adjustments through March 5, 2019. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time." (3) Information on House budget action in this document is based on House Bill 4235 as passed by the House.

### Overview

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

<u>Major Budget Changes From FY 2018-19 YTD Appropriations</u>	<u>FY 2018-19 Year-to-Date (as of 3/5/19)</u>	<u>FY 2019-20 Conference Change</u>
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### MEDICAID AND BEHAVIORAL HEALTH – GENERAL

#### 1. Traditional Medicaid Cost Adjustment

Executive increases \$203.0 million Gross (\$148.7 million GF/GP) for traditional Medicaid program caseload, utilization, inflation, and financing adjustments. Amount includes \$70.5 million GF/GP to offset the decline in federal FMAP and SCHIP match rates from 64.45% to 64.06% and 98.12% to 86.34%, respectively. Compared to FY 2017-18 expenditures, State Budget Office forecasts an average annual increase of 3.8%. House concurs with Executive. Senate reduces Executive amount by \$49.8 million Gross (\$17.9 million GF/GP). Conference increases Executive amount by \$63.3 million Gross (reduces \$2.6 million GF/GP) based on the May caseload consensus between the State Budget Office, Senate Fiscal Agency, and the House Fiscal Agency and concurs with the Senate on reducing Medicare Part B annualization costs.

	<b>Gross \$13,697,562,500</b>	<b>\$260,777,500</b>
Federal	8,782,364,700	110,413,100
Local	47,462,400	1,033,000
Private	2,100,000	0
Restricted	2,304,205,100	5,272,100
GF/GP	\$2,561,430,300	\$144,059,300

<b><u>Major Budget Changes From FY 2018-19 YTD Appropriations</u></b>	<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Conference Change</b>
<b>2. Healthy Michigan Plan Cost Adjustment</b>	<b>Gross \$4,082,666,000</b>	<b>(\$94,529,400)</b>
<u>Executive</u> reduces \$58.8 million Gross (increases \$70.1 million GF/GP) for Healthy Michigan Plan caseload, utilization, inflation, and financing adjustments, of which a reduction of \$50 million Gross (\$4.6 million GF/GP) is attributable to work requirement disenrollments. Amount includes \$75.1 million GF/GP to offset the decline in federal match rate from 93.25% to 90.75%. Compared to FY 2017-18 expenditures, State Budget Office forecasts an average annual increase of 3.8%. <u>House</u> concurs with Executive and revises the savings from work requirement disenrollments to a federal match rate of 90%. <u>Senate</u> increases Executive amount by \$40.0 million Gross (\$3.7 million GF/GP) and revises the savings from work requirement disenrollments to a federal match rate of 90%. <u>Conference</u> revises Executive amount down by \$40.7 million Gross (\$3.8 million GF/GP) based on the May caseload consensus and revises the savings from work requirement disenrollments to a federal match rate of 90%.	Federal 3,805,273,200	(176,411,700)
	Local 873,700	361,100
	Restricted 181,916,500	15,565,900
	GF/GP \$94,602,600	\$65,955,300
<b>3. Actuarial Soundness</b>	<b>Gross NA</b>	<b>\$211,452,000</b>
<u>Executive</u> includes \$211.5 million Gross (\$61.9 million GF/GP) to support an estimated 2.75% actuarial soundness adjustment for prepaid inpatient health plans (PIHPs), an estimated 5.75% increase for PIHP autism services, and an estimated 2.0% actuarial soundness adjustment for Medicaid health plans and Healthy Kids Dental. <u>House</u> concurs with Executive. <u>Senate</u> reduces autism actuarial soundness to 3.0%. <u>Conference</u> concurs with Executive.	Federal NA	149,565,300
	GF/GP NA	\$61,886,700
<b>DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>		
<b>4. Property Management – Building Projects</b>	<b>Gross \$65,966,100</b>	<b>\$2,460,700</b>
<u>Executive</u> includes \$2.8 million Gross (\$1.7 million GF/GP) to fund improvement projects at department priority sites. The department intends to make \$9.0 million in improvements to the following sites: Barry County (\$230,000), Chippewa County (\$250,000), Gogebic County (\$175,000), Kalamazoo County (\$2.2 million), Mackinac County (\$80,000), Macomb County-Warren (\$1.0 million), St. Clair MRS and County Office (\$100,000), Washtenaw County (\$1.0 million), Wayne County-Adult Services. (\$1.0 million), Wayne County-Grand River/Warren (\$1.5 million), and Wayne County-Grandmont (\$1.5 million). Total shortfall after fixed costs and projects would be \$2.8 million. <u>House</u> reduces by \$299,900 GF/GP and designates funding as one-time. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with House.	IDG/IDT 593,500	0
	TANF 10,620,800	0
	Federal 25,152,800	1,060,600
	Private 36,400	0
	Restricted 168,900	0
	GF/GP \$29,393,700	\$1,400,100
<b>5. Property Management – Lease Costs</b>	<b>Gross \$65,966,100</b>	<b>\$1,388,900</b>
<u>Executive</u> includes \$1.4 million Gross (\$855,300 GF/GP) to fund lease increases on non-state-owned buildings resulting from mid-term contract increases within a lease, increased rates at renewal, or increased rates from new buildings and current market. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	IDG/IDT 593,500	0
	TANF 10,620,800	0
	Federal 25,152,800	533,600
	Private 36,400	0
	Restricted 168,900	0
	GF/GP \$29,393,700	\$855,300
<b>6. Departmental Administration GF/GP Lapses</b>	<b>Gross NA</b>	<b>\$2,027,300</b>
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Administrative Hearing Officers (\$183,000 GF/GP), Worker's Compensation (\$857,400 GF/GP), and Michigan Community Service Commission (\$986,900 GF/GP). <u>Senate</u> retains current-year funding. <u>Conference</u> concurs with House.	GF/GP NA	\$2,027,300

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<b>7. 3% Administrative Efficiencies</b>		<b>Gross</b>	<b>NA \$0</b>
<u>House</u> reduces operational funding throughout the budget, reflecting a 3% reduction to be achieved through administrative efficiencies. <u>Senate</u> and <u>Conference</u> do not include.		IDG/IDT	NA 0
		TANF	NA 0
		Federal	NA 0
		Local	NA 0
		Private	NA 0
		Restricted	NA 0
		GF/GP	NA \$0
<b>8. Information Technology Adjustments</b>		<b>Gross</b>	<b>NA \$0</b>
<u>House</u> reduces funding available for information technology services and projects by 25% and unrolls major programs into separate line items. <u>Senate</u> does not reduce funding, but unrolls major programs into separate line items. <u>Conference</u> does not reduce information technology funding, but does set aside 75% of all information technology funding into an information technology contingency line item that can only be accessed through the legislative transfer process. Sec. 1909 is associated boilerplate.		IDG/IDT	NA 0
		TANF	NA 0
		Federal	NA 0
		Private	NA 0
		Restricted	NA 0
		GF/GP	NA \$0
<b>9. Temporary Assistance for Needy Families Offset</b>		<b>Gross</b>	<b>NA \$0</b>
<u>House</u> replaces \$8.9 million GF/GP with federal TANF block grant funds based on TANF-funded reductions elsewhere. <u>Senate</u> does not include. <u>Conference</u> replaces \$3.6 million GF/GP with TANF funds.		TANF	NA 3,593,700
		GF/GP	NA (\$3,593,700)
<b>10. Economic Adjustments</b>		<b>Gross</b>	<b>NA \$28,809,400</b>
<u>Executive</u> reflects increased costs of \$28.8 million Gross (\$19.1 million GF/GP) for negotiated salary and wage increases (2.0% ongoing, 2.0% lump sum), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.		IDG/IDT	NA 43,900
		TANF	NA 117,200
		Federal	NA 8,715,900
		Local	NA 158,600
		Private	NA 125,200
		Restricted	NA 513,200
		GF/GP	NA \$19,135,400
<b>CHILD SUPPORT ENFORCEMENT</b>			
<b>11. Federal Child Support Collection Fee Increase</b>		<b>Gross</b>	<b>NA \$0</b>
<u>Executive</u> includes an increase of \$956,300 GF/GP and a federal reduction of a like amount to fund an increase in the annual federal child support collection fee. The fee was raised from \$25 to \$35 per case once \$550 is collected on behalf of the custodial parent. Currently, the state pays this fee instead of assessing it on custodial parents. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.		Federal	NA (956,300)
		GF/GP	NA \$956,300
<b>12. Child Support Enforcement GF/GP Lapses</b>		<b>Gross</b>	<b>NA (\$1,142,000)</b>
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Child Support Enforcement Operations (\$562,000 GF/GP) and Legal Support Contracts (\$580,000 GF/GP). <u>Senate</u> retains current-year funding. <u>Conference</u> concurs with House.		GF/GP	NA (\$1,142,000)
<b>COMMUNITY SERVICES AND OUTREACH</b>			
<b>13. Campus Sexual Assault Prevention and Education</b>		<b>Gross</b>	<b>\$1,321,700 (\$1,321,700)</b>
<u>House</u> includes a reduction of \$821,700 GF/GP to the Campus Sexual Assault Prevention and Education Program for grants to high schools and institutions of higher education and includes boilerplate section 240 directing DHHS to expend available work project authorization funding. <u>Senate</u> retains current-year funding. <u>Conference</u> removes funding and transfers line item to the Michigan State Police budget.		GF/GP	\$1,321,700 (\$1,321,700)

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Conference Change</b>	
<b>14. Child Advocacy Centers – One-Time Funding</b>		FTE	0.5	0.0
<u>House</u> includes an increase of \$500,000 GF/GP funding on a one-time basis for child advocacy centers. <u>Senate</u> includes an increase of \$1.0 million GF/GP. <u>Conference</u> concurs with Senate.		<b>Gross</b>	<b>\$1,407,000</b>	<b>\$1,000,000</b>
		Restricted	1,407,000	0
		GF/GP	\$0	\$1,000,000
<b>15. Crime Victim Justice Assistance Grant Increase</b>		FTE	0.0	4.0
<u>Executive</u> includes \$40.0 million federal funding and authorizes 4.0 FTE positions to recognize additional Victims of Crime Act – Victim Assistance grant funding. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.		<b>Gross</b>	<b>\$59,279,300</b>	<b>\$40,000,000</b>
		Federal	59,279,300	40,000,000
		GF/GP	\$0	\$0
<b>16. Homeless Programs</b>		<b>Gross</b>	<b>\$21,592,700</b>	<b>\$950,000</b>
<u>Executive</u> includes an increase of \$950,000 GF/GP to fund the \$2.00 per night supplemental increase to shelter providers provided by 2018 PA 618 for an entire year. The \$2.00 increase raised the per diem rate to \$18.00. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.		TANF	6,162,600	0
		Federal	3,613,900	0
		GF/GP	\$11,816,200	\$950,000
<b>17. Homelessness Elimination Blueprint – One-Time Funding</b>		<b>Gross</b>	<b>\$0</b>	<b>\$250,000</b>
<u>Conference</u> includes \$250,000 GF/GP funding to fund research and the creation of a comprehensive plan to end homelessness in Oakland County.		GF/GP	\$0	\$250,000
<b>18. Sexual Assault Comprehensive Services Grant – One-Time Funding</b>		<b>Gross</b>	<b>\$10,000,000</b>	<b>(\$8,000,000)</b>
<u>Executive</u> eliminates \$10.0 million Gross (\$2.0 million GF/GP) supplemental funding provided by 2018 PA 618 to recognize federal Victims of Crime Act of 1984 (VOCA) funding for a grant to provide sexual assault comprehensive services to victims. <u>House</u> concurs with Executive except allocates a one-time funding \$100 placeholder. <u>Senate</u> concurs with Executive. <u>Conference</u> eliminates the \$8.0 million federal funding and retains the \$2.0 million GF/GP as one-time funding.		Federal	8,000,000	(8,000,000)
		GF/GP	\$2,000,000	\$0
<b>19. Unified Clinics Resiliency Center for Families and Children – One-Time Funding</b>		<b>Gross</b>	<b>\$0</b>	<b>\$1,500,000</b>
<u>House</u> includes \$3.0 million GF/GP on a one-time basis for the development and operation of a Resiliency Center for Families and Children to provide services to families and children experiencing trauma, toxic stress, chronic disability, neurodevelopmental disorders, or addictions. <u>Senate</u> does not include. <u>Conference</u> includes \$1.5 million GF/GP as one-time funding.		GF/GP	\$0	\$1,500,000
<b>20. Human Trafficking Survivors’ Assistance – One-Time Funding</b>		<b>Gross</b>	<b>\$0</b>	<b>\$1,000,000</b>
<u>House</u> includes \$700,000 restricted funding on a one-time basis for two long-term shelters that offer housing and comprehensive services to address the needs and recovery of survivors of human trafficking. <u>Senate</u> does not include. <u>Conference</u> includes \$1.0 million restricted funding.		Restricted	0	1,000,000
		GF/GP	\$0	\$0

**Major Budget Changes From FY 2018-19 YTD Appropriations**

**FY 2018-19  
Year-to-Date  
(as of 3/5/19)**      **FY 2019-20  
Conference  
Change**

**CHILD WELFARE SERVICES**

**21. Child Welfare Caseload Adjustments**

Executive includes an increase for child welfare programs of \$21.0 million Gross (\$13.4 million GF/GP) as follows:

- Foster care payments are increased by \$15.6 million Gross (\$5.5 million GF/GP) from 6,400 cases at \$34,100 per year to 6,189 cases at \$37,700 per year.
- Adoption subsidies are reduced by \$6.3 million Gross (\$1.8 million GF/GP) from 22,920 cases at \$728.95 per month to 22,132 cases at \$731.29 per month.
- The Child Care Fund is increased by \$12.3 million GF/GP.
- Guardianship assistance payments are decreased by \$583,100 Gross (\$418,600 GF/GP) from 1,271 cases at \$709.26 per month to 1,236 cases at \$690.00 per month.

House concurs with Executive. Senate adjusts foster care payments and the Child Care Fund down. Senate includes a total increase for all four programs of \$3.7 million Gross (\$2.6 million GF/GP). Conference revises funding estimates based on the May caseload consensus.

<b>Gross</b>	<b>\$659,258,800</b>	<b>\$21,423,800</b>
Federal	198,260,300	1,827,700
TANF	94,804,700	(365,700)
Local	17,183,500	919,200
Private	1,770,700	0
GF/GP	\$347,239,600	\$19,042,600

**22. Family Preservation Program Increases**

Executive includes an increase of \$9.3 million Gross (\$6.9 million GF/GP) and authorizes 2.0 FTE positions to expand 3 Family Preservation programs:

- Foster Care Supportive Visitation program – expand to all 83 counties. Program helps children who are in foster care due to abuse and neglect reunify with their parents; also funds new Parent-Child Visit Assistance program. Executive includes \$5.9 million GF/GP and authorizes 1.0 FTE position. House concurs with Executive but funds with \$2.4 million TANF and \$3.5 million GF/GP. Senate includes \$1.0 million GF/GP and authorizes 1.0 FTE position. Conference includes \$3.0 million TANF and authorizes 1.0 FTE position.
- Family Reunification Program – continue funding for five contracts whose work project funding will end in FY 2018-19. Executive includes \$2.4 million TANF and authorizes 1.0 FTE position. House does not include. Senate concurs with Executive. Conference concurs with Executive, but includes \$1.0 million TANF funding.
- Parent Partner Program – provides in-home mentoring and other support services to help families succeed in reunification. Executive includes an increase of \$975,000 GF/GP. House does not include. Senate includes \$100 GF/GP placeholder. Conference concurs with Executive except funds increase with TANF funding.

FTE	13.0	2.0
<b>Gross</b>	<b>\$38,900,900</b>	<b>\$5,000,000</b>
Federal	607,600	0
TANF	38,043,300	5,000,000
GF/GP	\$250,000	\$0

**23. Family Preservation Program Private Agency Rate Increase**

Conference includes an increase of \$2.1 million Gross (\$1.1 million GF/GP) to fund a 5.5% increase to private agency rates for family preservation program services.

FTE	13.0	0.0
<b>Gross</b>	<b>\$38,900,900</b>	<b>\$2,075,000</b>
Federal	607,600	0
TANF	38,043,300	1,000,000
GF/GP	\$250,000	\$1,075,000

**24. Adoption Services Rate Increase**

Conference includes an increase of \$1.1 million Gross (\$700,000 GF/GP) to fund a 6.5% increase to private agency rates for adoption support services.

FTE	10.0	0.0
<b>Gross</b>	<b>\$29,467,000</b>	<b>\$1,100,000</b>
Federal	13,031,800	400,000
TANF	1,370,100	0
GF/GP	\$15,065,100	\$700,000

**25. Court-Appointed Special Advocates**

Senate includes a \$100 placeholder to fund court-appointed special advocates that advocate in the legal system for the best interests of children who have been abused or neglected. Conference includes \$500,000 GF/GP.

<b>Gross</b>	<b>\$0</b>	<b>\$500,000</b>
GF/GP	\$0	\$500,000

		FY 2018-19 Year-to-Date (as of 3/5/19)	FY 2019-20 Conference Change
<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>			
<b>26. Relative Foster Care Provider Licensing Incentive Payments</b>	<b>Gross</b>	<b>\$0</b>	<b>\$250,000</b>
<u>Executive</u> includes an increase of \$1.8 million GF/GP to support new \$1,000 one-time incentive payments for relative foster care providers who become licensed foster parents within 180 days of the initial placement. <u>House</u> includes \$1.0 million GF/GP. <u>Senate</u> includes \$500,000 GF/GP. <u>Conference</u> includes \$250,000 GF/GP.	GF/GP	\$0	\$250,000
<b>27. Implementation of State Pays First</b>	FTE	NA	0.0
<u>Executive</u> increases funding by \$19.0 million Gross (reduces \$4.1 million GF/GP) and authorizes 4.0 additional FTE positions to implement 2018 PA 22, which requires the state be the first payer of costs for children placed in child welfare under DHHS's care and requires counties be the first payer for those who are not. The increased appropriation authorizes DHHS to receive an estimated \$22.8 million in local funding to reimburse the state for services for which the state will now be the first payer. <u>House</u> concurs with Executive except does not include the 4.0 additional FTE positions and the \$584,500 Gross (\$367,900 GF/GP) funding for the positions. <u>Senate</u> does not include. <u>Conference</u> only includes the \$22.8 million local funding.	<b>Gross</b>	<b>NA</b>	<b>\$22,811,800</b>
	Federal	NA	0
	Local	NA	22,811,800
	GF/GP	NA	\$0
<b>28. Child Protective Services (CPS) Increase</b>	FTE	175.0	0.0
<u>Executive</u> includes an increase of \$4.9 million GF/GP to fund the supplemental CPS increase provided by 2018 PA 618 for an entire year. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	<b>Gross</b>	<b>\$15,000,000</b>	<b>\$4,868,500</b>
	GF/GP	\$15,000,000	\$4,868,500
<b>29. Attorney General Contract</b>	<b>Gross</b>	<b>\$4,455,800</b>	<b>\$0</b>
<u>Executive</u> includes an increase of \$340,000 Gross (\$247,800 GF/GP) for the contract with the Attorney General to fund increased attorney costs for child abuse and neglect court cases in Wayne County. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	Federal	1,295,700	0
	GF/GP	\$3,160,100	\$0
<b>30. Title IV-E Foster Care Reduction</b>	<b>Gross</b>	<b>\$243,507,000</b>	<b>(\$2,169,800)</b>
<u>Executive</u> reduces \$2.2 million Gross (\$1.1 million GF/GP) to recognize the decrease in foster care residential placements based on the requirements of the federal Family First Prevention Services Act (FFPSA) and the increase of in-home foster care. The FFPSA requires that if a foster child is placed in residential care, federal IV-E funding cannot be used after the first two weeks of placement. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	Federal	101,625,600	(1,116,100)
	TANF	9,166,600	0
	Local	17,183,500	0
	Private	1,770,700	0
	GF/GP	\$113,760,600	(\$1,053,700)
<b>31. Executive Child Welfare Program Eliminations</b>	<b>Gross</b>	<b>\$775,000</b>	<b>\$0</b>
<u>Executive</u> eliminates \$525,000 Gross (\$75,000 GF/GP) for state grant to Northeast Michigan Community Service Agency for School Success Partnership Program; eliminates \$250,000 GF/GP funding to Adoptive Family Support Network for the Parent-to-Parent mentoring program. <u>House</u> retains current year funding for the School Success Partnership Program and concurs with Executive to eliminate funding for the Parent-to-Parent program. <u>Senate</u> retains both the School Success Partnership Program and the Parent-to-Parent mentoring program at current-year funding levels, but funds School Success Program entirely with TANF. <u>Conference</u> concurs with Senate.	TANF	450,000	75,000
	GF/GP	\$325,000	(\$75,000)
<b>32. Child Welfare Services GF/GP Lapses</b>	<b>Gross</b>	<b>NA</b>	<b>(\$2,500,000)</b>
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Child Welfare Medical/Psychiatric Evaluations (\$600,000 GF/GP), Children's Services Administration (\$600,000 GF/GP), Foster Care Payments: Incentive (\$300,000 GF/GP), and Juvenile Justice Administration and Maintenance (\$1.0 million GF/GP). <u>Senate</u> retains current-year funding. <u>Conference</u> concurs with House.	GF/GP	NA	(\$2,500,000)

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<b>33. Runaway and Homeless Youth – One-Time Funding</b>	<b>Gross</b>	<b>NA</b>	<b>\$800,000</b>
<u>House</u> includes an increase of \$1.5 million GF/GP on a one-time basis for Runaway and Homeless Youth programs. <u>Senate</u> does not include. <u>Conference</u> includes \$800,000 Gross (\$300,000 GF/GP) in one-time funding.	TANF	NA	500,000
	GF/GP	NA	\$300,000
<b>34. Bay Pines and Shawono Facility Improvements – One-Time Funding</b>			
<u>Executive</u> includes a fund source shift of \$489,600 local funding to be replaced by a similar amount of GF/GP to eliminate excess local funding authorization. GF/GP would be used for facility improvements. <u>House</u> concurs with Executive except provides a one-time increase of \$300,000 GF/GP to fund the improvements. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with House.	FTE	94.0	0.0
	<b>Gross</b>	<b>\$11,419,300</b>	<b>(\$189,600)</b>
	Federal	444,300	0
	Local	6,015,600	(489,600)
	GF/GP	\$4,959,400	\$300,000
<b>PUBLIC ASSISTANCE</b>			
<b>35. Food Assistance Program Caseload Adjustment</b>	<b>Gross</b>	<b>\$1,931,717,000</b>	<b>(\$170,911,300)</b>
<u>Executive</u> recognizes a \$170.9 million reduction in federal Supplemental Nutrition Assistance Program revenues during FY 2018-19 and FY 2019-20 due to declining caseloads. <u>House</u> , <u>Senate</u> and <u>Conference</u> concur with Executive.	Federal	1,927,007,000	(170,911,300)
	Restricted	4,710,000	0
	GF/GP	\$0	\$0
<b>36. Public Assistance Caseload Adjustments</b>	<b>Gross</b>	<b>\$143,367,800</b>	<b>(\$10,400,100)</b>
<u>Executive</u> recognizes a \$12.1 million Gross (\$2.8 million GF/GP) reduction in expected public assistance program expenditures (excluding food assistance) during FY 2018-19 and FY 2019-20 due to declining caseloads. Amount includes adjustments reflecting FMAP declining from 64.45% to 64.06%. <u>House</u> and <u>Senate</u> concur with Executive. <u>Conference</u> recognizes a \$10.4 million Gross reduction (\$1.1 million GF/GP), based on May caseload consensus. Reductions include:	TANF	58,840,000	(9,442,000)
<ul style="list-style-type: none"> <li>Family Independence Program: \$7.7 million Gross (\$1.6 million GF/GP increase)</li> <li>State Disability Assistance: \$1.4 million GF/GP</li> <li>State Supplementation: \$1.3 million GF/GP</li> </ul>	Restricted	15,514,600	168,300
	GF/GP	\$69,013,200	(\$1,126,400)
<b>37. Family Independence Program – Child Support Pass-Through</b>	<b>Gross</b>	<b>\$75,216,800</b>	<b>\$0</b>
<u>Executive</u> includes a net-zero exchange of \$946,000 restricted and \$946,000 TANF to implement a child support pass-through up to \$200 per eligible FIP-recipient family. Child support payments are otherwise split 36/64 with the federal government to support the cost of TANF-funded programs. TANF would be used to offset the revenues the State would not receive by adopting the pass-through payments. <u>House</u> , <u>Senate</u> , and <u>Conference</u> do not include.	TANF	58,840,000	0
	Restricted	11,361,900	0
	GF/GP	\$5,014,900	\$0
<b>38. Indigent Burial GF/GP Lapse Reduction</b>	<b>Gross</b>	<b>\$4,375,000</b>	<b>(\$500,000)</b>
<u>House</u> reduces the Indigent Burial line item by \$500,000 GF/GP, to account for trends in end of fiscal year GF/GP lapses. <u>Senate</u> does not include. <u>Conference</u> concurs with House.	TANF	300,000	0
	GF/GP	\$4,075,000	(\$500,000)
<b>39. Public Assistance One-Time Funding</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,320,000</b>
<u>Conference</u> includes \$1.3 million GF/GP on a one-time basis as grants to the following programs:	GF/GP	\$0	\$1,320,000
<ul style="list-style-type: none"> <li>Wrap-around services for before- and after-school programs at 3 pilot program sites: \$600,000 GF/GP</li> <li>Food delivery program grant to a West Michigan non-profit to support the start-up costs of expanding low-income food delivery services to the Upper Peninsula: \$470,000 GF/GP</li> <li>Kids' Food Basket grant, which provides meals to children from low-income families: \$250,000 GF/GP</li> </ul>			

<b><u>Major Budget Changes From FY 2018-19 YTD Appropriations</u></b>	<b><u>FY 2018-19 Year-to-Date (as of 3/5/19)</u></b>	<b><u>FY 2019-20 Conference Change</u></b>	
<b>FIELD OPERATIONS AND SUPPORT SERVICES</b>			
<b>40. Centers for Independent Living</b>	<b>Gross</b>	<b>\$14,031,600</b>	<b>\$1,500,000</b>
<u>House</u> increases Centers for Independent Living by \$1.5 million GF/GP.	Federal	8,451,600	0
<u>Senate</u> includes a \$100 placeholder. <u>Conference</u> concurs with House.	Private	10,000	0
	GF/GP	\$5,570,000	\$1,500,000
<b>41. SSI Legal Services Grant</b>	<b>Gross</b>	<b>\$250,000</b>	<b>(\$75,000)</b>
<u>Executive</u> removes \$250,000 GF/GP allocated for Supplemental Security Income (SSI) legal services with the Legal Services Association of Michigan (LSAM). <u>House</u> concurs with Executive. <u>Senate</u> retains current-year funding. <u>Conference</u> retains \$175,000 GF/GP.	GF/GP	\$250,000	(\$75,000)
<b>42. Volunteer Services and Reimbursement</b>	<b>Gross</b>	<b>\$942,400</b>	<b>(\$942,400)</b>
<u>House</u> removes \$942,400 Gross (\$935,400 GF/GP) for Volunteer Services and Reimbursement, which includes transportation reimbursement, customer and clerical assistance, donations processing, and fundraising for locally customized programs meeting community needs with help from volunteers. <u>Senate</u> does not include. <u>Conference</u> concurs with House.	TANF	3,200	(3,200)
	Federal	3,800	(3,800)
	GF/GP	\$935,400	(\$935,400)
<b>43. Electronic Benefit Transfer (EBT) GF/GP Lapses</b>	<b>Gross</b>	<b>\$8,509,000</b>	<b>(\$1,700,000)</b>
<u>House</u> reduces the Electronic Benefits Transfer (EBT) line item by \$1.7 million GF/GP, to account for trends in end of fiscal year GF/GP lapses. <u>Senate</u> does not include. <u>Conference</u> concurs with House.	TANF	1,016,000	0
	Federal	2,129,100	0
	GF/GP	\$5,363,900	(\$1,700,000)
<b>BEHAVIORAL HEALTH SERVICES</b>			
<b>44. Direct Care Wage Increase Annualization</b>	<b>Gross</b>	<b>\$16,000,000</b>	<b>\$16,000,000</b>
<u>Executive</u> includes \$16.0 million Gross (\$5.3 million GF/GP) to annualize the \$0.25 direct care behavioral health worker hourly wage increase included in 2018 PA 618. Sec. 1009 is related boilerplate. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	Federal	10,899,500	10,688,700
	GF/GP	\$5,100,500	\$5,311,300
<b>45. Caro Staffing Increase Annualization</b>	FTE	68.0	0.0
<u>Executive</u> includes \$3.0 million GF/GP to annualize the 68.0 FTE position increase at the Caro Regional Mental Health Center added in 2018 PA 618 to address clinical and direct care staff shortages. Staff would come from a combination of direct civil service hires and contractual staff through a Michigan-based behavioral health services provider. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	<b>Gross</b>	<b>\$5,910,000</b>	<b>\$3,023,300</b>
	GF/GP	\$5,910,000	\$3,023,300
<b>46. Center for Forensic Psychiatry</b>	FTE	601.1	7.0
<u>Executive</u> includes \$2.2 million GF/GP and authorizes 12.0 FTE positions to increase the number of forensic evaluations performed for persons who may be incompetent to stand trial. From August 2016 to December 2018, the forensic evaluation wait list has grown from 79 to 138. <u>House</u> includes funding for the 7.0 forensic evaluators and not the 5.0 support and administrative staff. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with House.	<b>Gross</b>	<b>\$94,729,400</b>	<b>\$1,270,900</b>
	Federal	3,000,000	0
	Local	10,115,800	0
	Restricted	3,002,100	0
	GF/GP	\$78,611,500	\$1,270,900
<b>47. Kalamazoo Psychiatric Hospital</b>	FTE	533.8	15.0
<u>Conference</u> adds \$1.0 million GF/GP and authorizes 15.0 FTE positions to Kalamazoo Psychiatric Hospital to reduce the amount of mandatory overtime for direct care staff.	<b>Gross</b>	<b>\$69,457,400</b>	<b>\$1,000,000</b>
	Federal	6,541,300	0
	Local	3,945,600	0
	Restricted	4,003,600	0
	GF/GP	\$54,966,900	\$1,000,000



		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Conference Change</b>
<b><u>Major Budget Changes From FY 2018-19 YTD Appropriations</u></b>			
<b>48. Behavioral Health Community Supports and Services</b>	<b>Gross</b>	<b>\$0</b>	<b>\$11,221,500</b>
<u>Conference</u> includes \$11.2 million Gross (\$5.0 million GF/GP) to expand assertive community treatment, forensic assertive community treatment, and residential programs with the purpose of reducing wait lists at the state-operated psychiatric hospitals and centers.	Federal	0	6,221,500
	GF/GP	\$0	\$5,000,000
<b>49. Medicaid Mental Health Local Funding</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Conference</u> increases \$5.1 million GF/GP to offset a like amount of local funding used as Medicaid mental health match funding. Amount reflects the first-year cost of a legislative intent to phase out these local funds over a 5-year period. Sec. 928 is related boilerplate.	Local	NA	(5,095,100)
	GF/GP	NA	\$5,095,100
<b>50. Federal State Response to the Opioid Crisis Grant</b>	<b>Gross</b>	<b>\$0</b>	<b>\$31,914,700</b>
<u>Executive</u> includes \$31.9 million federal from the new state opioid response grant. The federal grant for FY 2018-19 is \$28.2 million, and DHHS has indicated it will be requesting those funds through a federal contingency fund transfer. <u>House</u> includes and requires \$450,000 be allocated to a Recovery High School and \$600,000 be allocated to recovery community organizations. <u>Senate</u> concurs with Executive. <u>Conference</u> includes and requires \$600,000 be allocated to a Recovery High School and \$600,000 be allocated to recovery community organizations.	Federal	0	31,914,700
	GF/GP	\$0	\$0
<b>51. Executive Behavioral Health Program Reductions or Eliminations</b>	<b>Gross</b>	<b>NA</b>	<b>(\$2,100,000)</b>
<u>Executive</u> reduces \$6.8 million GF/GP from reducing or eliminating the following behavioral health programs:	GF/GP	NA	(\$2,100,000)
<ul style="list-style-type: none"> <li>• Eliminates Michigan CARES hotline (\$3.0 million GF/GP).</li> <li>• Reduces Mental Health and Wellness Commission (\$1.8 million GF/GP).</li> <li>• Eliminates court-appointed guardian reimbursement (\$1.5 million GF/GP).</li> <li>• Eliminates Conference of Western Wayne opioid pilot (\$500,000 GF/GP).</li> </ul>			
<u>House</u> reduces Michigan CARES hotline (\$1.0 million GF/GP), eliminates Mental Health and Wellness Commission (\$2.8 million GF/GP), increases court-appointed guardians (\$1.2 million GF/GP), and retains Conference of Western Wayne pilot. <u>Senate</u> concurs with Executive and includes a \$100 placeholder for court-appointed guardians. <u>Conference</u> concurs with House and adds \$500,000 for an opioid pilot in Kent County.			
<b>52. Autism Cost Containment</b>	<b>Gross</b>	<b>\$192,890,700</b>	<b>\$0</b>
<u>Senate</u> reduces \$7.0 million Gross (\$2.5 million GF/GP) based on Sec. 959 requirements for 6 month consultations, by limiting the types of practitioners who can perform a diagnostic evaluation, and by prohibiting certain providers from providing both diagnosis and treatment services. <u>Conference</u> does not include reduction but allows, in Sec. 960, cost containments noted above.	Federal	126,477,600	0
	GF/GP	\$66,413,100	\$0
<b>53. State Disability Assistance Substance Use Disorder Services</b>	<b>Gross</b>	<b>\$2,018,800</b>	<b>(\$2,018,800)</b>
<u>House</u> eliminates \$2.0 million GF/GP allocated to PIHPs for per diem room and board payments for eligible individuals who reside in substance use disorder residential facilities. <u>Senate</u> retains current-year funding. <u>Conference</u> concurs with House.	GF/GP	\$2,018,800	(\$2,018,800)

		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Conference Change</b>
<b><u>Major Budget Changes From FY 2018-19 YTD Appropriations</u></b>			
<b>54. Behavioral Health GF/GP Lapses</b>	<b>Gross</b>	<b>NA</b>	<b>(\$4,450,000)</b>
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Behavioral Health Administration (\$600,000 GF/GP), Office of Recipient Rights (\$200,000 GF/GP), Children with Serious Emotional Disturbance Waiver (\$1.4 million GF/GP), Children’s Waiver Home Care Program (\$2.1 million GF/GP), and Civil Service Charges (\$150,000 GF/GP). <u>Senate</u> retains current-year funding. <u>Conference</u> concurs with House.	GF/GP	NA	(\$4,450,000)
<b>55. Behavioral Health – One-Time Funding</b>	FTEs	0.0	10.0
<u>House</u> includes \$100,000 GF/GP for SAFE Substance Abuse Coalition and \$60,000 GF/GP for Hegira mobile crisis resolution services. <u>Senate</u> includes \$750,000 GF/GP to Andy’s Angels. <u>Conference</u> concurs with House and Senate and includes \$4.0 million GF/GP and authorizes 10.0 FTE positions for McLaren behavioral health pilot project, \$100,000 GF/GP for Mosaic Counseling, and \$40,000 for Project ECHO.	<b>Gross</b>	<b>\$0</b>	<b>\$5,050,000</b>
	GF/GP	\$0	\$5,050,000
<b>POPULATION HEALTH</b>			
<b>56. Free Health Clinics and Island Clinics</b>	<b>Gross</b>	<b>\$775,000</b>	<b>\$300,000</b>
<u>House</u> increases funding for free health clinics by \$150,000 GF/GP, to \$10,000 per clinic grantee (\$400,000 GF/GP total). Sec. 1140 is related boilerplate. <u>Senate</u> does not include. <u>Conference</u> concurs with House and also includes an increase of \$150,000 GF/GP for Island health clinics (\$675,000 total GF/GP) with Sec. 1143 related boilerplate.	GF/GP	\$775,000	\$300,000
<b>57. Environmental Contamination Response</b>	FTEs	75.1	11.0
<u>Executive</u> increases funding by \$8.3 million GF/GP and authorizes 19.0 FTE positions to expand monitoring and response to public health hazards and threats from environmental contamination; expand laboratory testing and analysis for dioxins, mercury, polychlorinated biphenyls (PCBs), arsenic, and lead; fund nurse case management for children with elevated blood lead levels in Detroit; and support local water and well sampling for state laboratory testing. YTD shown is Epidemiology Administration line item. <u>House</u> concurs with Executive. <u>Senate</u> includes a \$100 placeholder. <u>Conference</u> provides \$4.6 million GF/GP increase and authorizes an increase of 11.0 FTEs.	<b>Gross</b>	<b>\$21,179,800</b>	<b>\$4,552,300</b>
	Federal	13,141,000	0
	Private	264,900	0
	Restricted	683,200	0
	GF/GP	\$7,090,700	\$4,552,300
<b>58. PFAS Contamination Response</b>	FTEs	46.0	2.0
<u>Executive</u> increases funding by \$5.5 million GF/GP and authorizes 4.0 FTE positions for public health response to perfluoroalkyl and polyfluoroalkyl substances (PFAS) drinking water contamination; funds support toxicology and chemical analysis, outreach, and local health department services. including provision of alternative water sources and water filters, and environmental and well sampling for state laboratory testing. Work project funding available from prior fiscal years will also fund services. <u>House</u> concurs with Executive, but increases FTEs by 2.0 instead of 4.0, reducing the increased funding by \$596,300 GF/GP. <u>Senate</u> does not concur with the Executive. <u>Conference</u> provides \$2.7 million GF/GP increase and authorizes an increase of 2.0 FTEs.	<b>Gross</b>	<b>\$18,925,300</b>	<b>\$2,708,400</b>
	GF/GP	\$18,925,300	\$2,708,400

<b><u>Major Budget Changes From FY 2018-19 YTD Appropriations</u></b>		<b><u>FY 2018-19 Year-to-Date (as of 3/5/19)</u></b>	<b><u>FY 2019-20 Conference Change</u></b>
<b>59. Population Health Program Reductions and Eliminations</b>	<b>Gross</b>	<b>\$5,000,000</b>	<b>(\$1,250,000)</b>
<u>Executive</u> eliminates GF/GP funding for bone marrow registry (\$250,000), early primary care incentive program (\$500,000), pediatric traumatic brain injury (TBI) treatment (\$1.0 million), and laboratory opioid enhanced testing (\$1.0 million) and reduces funding for local dental clinics (\$1.0 million). Also eliminates funding for alternative pregnancy and parenting program (\$700,000 Gross, \$50,000 GF/GP). <u>House</u> concurs with Executive except retains current-year funding for alternative pregnancy and parenting program and eliminates remainder of funding for local dental clinics of \$550,000 GF/GP. <u>Senate</u> concurs with Executive except increases funding for alternative pregnancy and parenting program by \$50,000, and provides \$100 placeholders for TBI and for restoration of local dental clinic funding. <u>Conference</u> concurs with House but includes \$1.5 million for TBI treatment (increase of \$500,000), and retains current-year funding for local dental clinics.	TANF	650,000	50,000
	GF/GP	\$4,350,000	(\$1,300,000)
<b>60. Dental Programs GF/GP</b>	<b>Gross</b>	<b>\$3,759,100</b>	<b>(\$284,900)</b>
<u>House</u> reduces public health dental programs GF/GP funding by \$284,900. <u>Senate</u> does not include. <u>Conference</u> concurs with House.	Federal	1,259,900	0
	Private	500,000	0
	Restricted	20,000	0
	GF/GP	\$1,979,200	(\$284,900)
<b>61. Public Health Laboratory Fee Fund Balance</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
<u>House</u> includes a net \$0 Gross laboratory services adjustment with a \$1.0 million GF/GP reduction offset by state restricted fund increase using laboratory fee fund balance carryforward, which has been increasing. <u>Senate</u> does not include. <u>Conference</u> concurs with House.	Restricted	0	1,000,000
	GF/GP	\$0	(\$1,000,000)
<b>62. Lead Abatement Grant SCHIP Adjustment</b>	<b>Gross</b>	<b>\$27,754,200</b>	<b>\$0</b>
<u>Executive</u> includes a net \$0 Gross (\$2.9 million GF/GP) federal to GF/GP fund shift to recognize reduction of the federal share for lead abatement grant from 98.12% to 86.34%. YTD shown is for Healthy Homes Program line item, of which \$23.5 million is federal Children's Health Insurance Program (SCHIP) funds approved for use for lead abatement in Flint and other high-risk communities for up to five years, since FY 2016-17. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	Federal	25,194,100	(2,857,400)
	Private	77,800	0
	Restricted	723,700	0
	GF/GP	\$1,758,600	\$2,857,400
<b>63. Oral Health Assessment for Children</b>	<b>Gross</b>	<b>\$0</b>	<b>\$2,000,000</b>
<u>House</u> includes \$2.0 million GF/GP for a new oral health assessment program for children entering public school kindergarten who do not have dental insurance, similar to HB 4223. Sec. 1319 is related boilerplate. <u>Senate</u> does not include. <u>Conference</u> concurs with House.	GF/GP	\$0	\$2,000,000
<b>64. Health and Wellness Initiatives – Children's Healthy Exercise</b>	<b>Gross</b>	<b>\$9,047,600</b>	<b>\$0</b>
<u>Executive</u> includes net \$0 Gross adjustments to eliminate the Health and Wellness Initiatives line item and move GF/GP and Healthy Michigan Fund (HMF) project funding to related appropriation line items. Line item was created in FY 2011-12 when HMF funding for public health prevention projects was reduced and consolidated. <u>House</u> does not concur with the line item rollup and eliminates \$1.0 million GF/GP for the school children's healthy exercise program grants funded under this line item. Sec. 1226 is related deleted boilerplate. <u>Senate</u> concurs with the rollup, reduces school children's healthy exercise program grants to a \$100 placeholder, and revises related Sec. 1226. <u>Conference</u> concurs with the rollup and retains current-year funding for all programs.	Restricted	5,299,100	0
	GF/GP	\$3,748,500	\$0
<b>65. Michigan Essential Health Provider</b>	<b>Gross</b>	<b>\$3,591,300</b>	<b>\$1,000,000</b>
<u>Senate</u> provides an increase of \$1.0 million GF/GP for Michigan essential health provider program. Sec. 1141 is related new boilerplate. <u>Conference</u> concurs with Senate.	Federal	1,236,300	0
	Private	855,000	0
	GF/GP	\$1,500,000	\$1,000,000

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<b>66. Waive Vital Records Fee for Homeless</b>		<b>Gross</b>	<b>\$10,167,700</b>
<u>Executive</u> includes \$226,000 GF/GP increase to waive state or local vital records fee for a copy of a birth certificate to a homeless individual; \$136,000 supports state cost (Vital Records), and \$90,000 reimburses homeless service agencies that pay county or out-of-state fee (Homeless Programs). YTD shown is Vital Records line item. Sec. 456 is related boilerplate. Statutory change is required (HB 4853). <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.		Federal	4,553,600
		Restricted	5,172,100
		GF/GP	\$442,000
			\$226,000
<b>67. Population Health Non-GF/GP Funds Adjustments</b>		<b>Gross</b>	<b>NA (\$31,208,900)</b>
<u>Executive</u> recognizes net reduction of \$31.8 million for federal, private, and state restricted funding, including: 1) completion of \$269,700 federal nursing collaborative grant; 2) \$25.0 million reduction to women, infants, and children (WIC) food program federal authorization to recognize declining caseload; 3) \$7.0 million reduction to AIDS program federal and private authorization to align to actual spending; 4) \$500,000 increase to epidemiology and laboratory capacity federal grant; and 5) annual inflationary fee adjustment for screening of newborns for genetic conditions, an increase of \$560,800. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.		Federal	NA (26,769,700)
		Private	NA (5,000,000)
		Restricted	NA 560,800
		GF/GP	NA \$0
<b>68. Population Health GF/GP Lapses</b>		<b>Gross</b>	<b>NA (\$637,000)</b>
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Health Policy Administration (\$300,000), Michigan Essential Health Provider (\$137,000), Laboratory Services (\$134,000), and Bioterrorism Preparedness (\$66,000). <u>Senate</u> does not include. <u>Conference</u> concurs with House.		GF/GP	NA (\$637,000)
<b>69. Essential Local Public Health Services</b>		<b>Gross</b>	<b>\$45,419,300</b>
<u>Senate</u> provides an increase of \$6.0 million GF/GP for essential local public health services funding to local health departments, related to new formula implementation and hold harmless; see related Sec. 1234 modifications. <u>Conference</u> concurs with Senate.		Local	5,150,000
		GF/GP	\$40,269,300
			\$6,000,000
<b>70. Prenatal Strong Beginnings Program</b>		<b>Gross</b>	<b>NA \$1,000,000</b>
<u>Senate</u> provides \$1.0 million GF/GP funding for a new Prenatal Care and Premature Birth Avoidance Grant line item to support the Strong Beginnings program in Kent County, a federal Healthy Start program, previously funded as an outcome-based pay for success program. Section 1312 is related boilerplate. <u>Conference</u> concurs with Senate.		GF/GP	NA \$1,000,000
<b>71. Flint Drinking Water and Lead Exposure – One-Time Funding</b>		<b>Gross</b>	<b>\$4,621,100</b>
<u>Executive</u> increases funding for assistance to residents exposed to lead in the City of Flint by \$3.4 million Gross (\$3.8 million GF/GP), providing \$5.2 million as ongoing and \$2.9 million as one-time funding (total funding of \$8.1 million). In addition, work project funding available from prior fiscal years will also be used for services. <u>House</u> does not include increase, makes \$376,700 fund shift from Healthy Michigan Fund to GF/GP and includes revised boilerplate as Sec. 1910. <u>Senate</u> concurs with Executive for ongoing funding, but removes \$2.2 million from the one-time funding that was designated for lead abatement workforce initiative and creates a new line with \$100 placeholder to make that initiative statewide; net increase over YTD is \$1.3 million Gross (\$1.7 million GF/GP). <u>Conference</u> concurs with House.		Restricted	376,700 (376,700)
		GF/GP	\$4,244,400 \$376,700
			\$0
<b>72. Lead Exposure Response for Communities – One-Time Funding</b>		<b>Gross</b>	<b>\$0 \$3,434,500</b>
<u>House</u> includes \$3.4 million GF/GP for health care, food and nutrition, lead abatement, and other services statewide in communities with lead contamination in water, soil, or housing that has caused human health consequences. Sec. 1917 is related boilerplate. <u>Senate</u> does not include. <u>Conference</u> concurs with House.		GF/GP	\$0 \$3,434,500

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Conference Change</b>
<b>73. Child and Adolescent Health Centers – One-Time Funding</b>		<b>Gross</b>	<b>\$0</b>
<u>House</u> includes \$2.0 million GF/GP for the expansion of school-based child and adolescent health centers in underserved areas, for behavioral and physical health services. Sec. 1911 is related boilerplate. <u>Senate</u> does not include. <u>Conference</u> includes \$1.0 million GF/GP.		GF/GP	\$0
			<b>\$1,000,000</b>
			\$1,000,000
<b>74. State Innovation Model Regions – One-Time Funding</b>		<b>Gross</b>	<b>\$10,000,000</b>
<u>Executive</u> includes one-time funding of \$7.0 million GF/GP to sustain infrastructure of five community health innovation regions (CHIRs), initiated under the 4-year \$70 million federal state innovation model (SIM) grant nearing completion, while SIM evaluation and recommendations are completed and the regions work to identify ongoing non-state financial support. Work project funding available from prior fiscal years will also be used. <u>House</u> includes a \$200 placeholder. <u>Senate</u> includes a \$100 placeholder. <u>Conference</u> includes \$3.0 million GF/GP.		Federal	10,000,000
		GF/GP	\$0
			<b>\$3,000,000</b>
			0
			\$3,000,000
<b>75. Other Population Health Programs – One-Time Funding</b>		<b>Gross</b>	<b>\$0</b>
<u>House</u> includes \$300,000 GF/GP for obesity and substance abuse prevention programs of Leaders Advancing and Helping Communities (related Sec. 1915), and a \$100 placeholder for the Special Needs Vision Clinic. <u>Senate</u> does not include. <u>Conference</u> concurs with House and also provides one-time \$250,000 GF/GP for a cercarial dermatitis prevention program (swimmer’s itch), previously funded for 3 years in the Department of Natural Resources budget (related Sec. 1913). Vision clinic is not funded.		GF/GP	\$0
			<b>\$550,000</b>
			\$550,000
<b>AGING AND ADULT SERVICES</b>			
<b>76. Aging Services GF/GP Lapses</b>		<b>Gross</b>	<b>\$46,067,300</b>
<u>House</u> reduces GF/GP funding for Community Services by \$101,000 based on historic lapse trends. <u>Senate</u> does not include. <u>Conference</u> concurs with House.		Federal	22,280,400
		GF/GP	\$23,786,900
			<b>(\$101,000)</b>
			0
			(\$101,000)
<b>77. Senior Community Programs – One-Time Funding</b>		<b>Gross</b>	<b>NA</b>
<u>House</u> includes a placeholder for increased programming for dementia and community services for seniors. <u>Senate</u> includes two placeholders for an Alzheimer’s Disease program and community services for seniors. <u>Conference</u> provides one-time funding of \$400,000 GF/GP for Alzheimer’s Disease program in 10 counties (Sec. 1924), and \$500,000 GF/GP for senior citizen center health programs (Sec. 1923).		GF/GP	NA
			<b>\$900,000</b>
			\$900,000
<b>78. Healthy Seniors Grant – One-Time Funding</b>		<b>Gross</b>	<b>\$0</b>
<u>Conference</u> provides \$1.0 million GF/GP for senior services and programs at a senior center in the City of Portage, subject to the center identifying equivalent non-state matching funds. Sec. 1936 is related boilerplate.		GF/GP	\$0
			<b>\$1,000,000</b>
			\$1,000,000
<b>MEDICAL SERVICES</b>			
<b>79. Healthy Michigan Plan Work Requirement</b>		FTE	84.0
<u>Executive</u> increases \$36.2 million Gross (\$23.1 million GF/GP) for administrative costs and employment and training-related services and supports related to the Healthy Michigan Plan work requirements set to begin January 1, 2020. Sec. 1511 is related boilerplate for the \$10.0 million GF/GP for employment and training-related services and supports. <u>House</u> does not include the additional employment and training-related funding. <u>Senate</u> concurs with Executive with revised, related Sec. 1511. <u>Conference</u> concurs with House.		<b>Gross</b>	<b>\$49,078,800</b>
		Federal	37,035,500
		GF/GP	\$12,043,300
			<b>\$26,215,400</b>
			13,107,700
			\$13,107,700

<b><u>Major Budget Changes From FY 2018-19 YTD Appropriations</u></b>		<b><u>FY 2018-19 Year-to-Date (as of 3/5/19)</u></b>	<b><u>FY 2019-20 Conference Change</u></b>
<b>80. Medicaid Adult Home Help Minimum Wage Increase</b>	<b>Gross</b>	<b>\$328,368,100</b>	<b>\$31,233,800</b>
<u>Executive</u> increases \$28.2 million Gross (\$10.1 million GF/GP) for Medicaid adult home help minimum wage cost increases. FY 2018-19 YTD funding supports a minimum wage of \$9.25 that will be increasing to \$9.65 on January 1, 2020. Amount includes \$16.6 million Gross (\$6.0 million GF/GP) to increase home health agency providers, which have been decoupled from minimum wage increases since November 2017. <u>House</u> and <u>Senate</u> concur with <u>Executive</u> . <u>Conference</u> concurs and increases adult home help wages \$0.25 per hour for the last half of the fiscal year.	Federal	212,068,900	20,008,300
	GF/GP	\$116,299,200	\$11,225,500
<b>81. Office of Inspector General Medicaid Managed Care Audit</b>	FTE	NA	30.0
<u>Executive</u> includes a net reduction of \$21.6 million Gross (\$4.9 million GF/GP) in state recoupment of inappropriate and fraudulent payments from Medicaid managed care organizations to providers. Amount includes an increase of \$3.4 million Gross (\$1.7 million GF/GP) and authorizes 30.0 FTE positions for the Office of Inspector General and a reduction of \$25.0 million Gross (\$6.6 million GF/GP) from Medicaid recoupments. Current Inspector General activity is limited to Medicaid fee-for-service payments. <u>House</u> authorizes 10.0 FTEs and revises down the net reduction. Sec. 1507 is related boilerplate. <u>Senate</u> authorizes 30.0 FTEs and increases recoupments by \$5.6 million Gross (\$2.0 million GF/GP). <u>Conference</u> concurs with <u>Senate</u> , with revised Sec. 1507.	<b>Gross</b>	<b>NA</b>	<b>(\$27,147,400)</b>
	Federal	NA	(20,285,900)
	GF/GP	NA	(\$6,861,500)
<b>82. Medicaid Managed Care Pharmaceutical Administration</b>	<b>Gross</b>	<b>NA</b>	<b>(\$19,853,000)</b>
<u>Executive</u> reduces the Medicaid managed care pharmaceutical administration component \$19.9 million Gross (\$5.0 million GF/GP). Pharmaceutical administrative costs are calculated as a percentage of pharmaceutical costs, so any pharmaceutical cost increases have led to a proportionate increase in payments for Medicaid managed care pharmaceutical administration. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with <u>Executive</u> .	Federal	NA	(14,853,000)
	GF/GP	NA	(\$5,000,000)
<b>83. Medicaid Managed Care Pharmacy Dispensing Fee Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$7,597,200</b>
<u>Conference</u> includes \$7.6 million Gross (\$1.9 million GF/GP) to require, beginning February 1, 2020, Medicaid managed care organizations to only contract with pharmacy benefit managers that reimburse independent pharmacies at ingredient and dispensing fees comparable to Medicaid fee-for-service. Sec. 1625 is related boilerplate, which includes other requirements.	Federal	NA	5,697,200
	GF/GP	NA	\$1,900,000
<b>84. Medicaid Managed Care Health Insurer Fee – One-Time Funding</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
<u>Executive</u> increases \$180.5 million Gross (\$50.0 million GF/GP) on a one-time basis under the assumption that the federal Affordable Care Act (ACA) health insurer fee moratorium will expire, as is current federal law. <u>House</u> does not include. <u>Senate</u> concurs with <u>Executive</u> . <u>Conference</u> does not include.	Federal	0	0
	GF/GP	\$0	\$0
<b>85. Special Hospital Payments</b>	<b>Gross</b>	<b>NA</b>	<b>\$274,731,100</b>
<u>Executive</u> includes a net increase of \$104.5 million Gross (net reduction of \$6.1 million GF/GP) based on changes to special hospital payments. Changes include: increasing Hospital Rate Adjustment (HRA) \$67.5 million Gross (reducing \$1.6 million GF/GP), reducing Medicaid Access to Care Initiative (MACI) \$3.7 million Gross (\$0 GF/GP), and increasing outpatient Disproportionate Share Hospital (DSH) \$40.7 million Gross (reducing \$4.5 million GF/GP). <u>House</u> and <u>Senate</u> concur with <u>Executive</u> . <u>Conference</u> revises based on the May caseload consensus.	Federal	NA	194,016,600
	Restricted	NA	90,420,000
	GF/GP	NA	(\$9,705,500)

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Conference Change</b>
<b>86. Rural Hospital Payments</b>	<b>Gross</b>	<b>NA</b>	<b>\$122,367,700</b>
<u>Executive</u> reduces Rural Hospital Obstetrical Stabilization Pool \$3.0 million GF/GP. <u>House</u> retains current-year funding for Rural Hospital Pools and includes \$41.7 million Gross (\$15.0 million GF/GP) on a one-time basis for critical access hospitals. <u>Senate</u> increases Rural Hospital Pools \$3.0 million GF/GP. <u>Conference</u> includes a net increase of \$122.4 million Gross (\$12.3 million GF/GP) from removing \$10.1 million GF/GP for critical access hospitals from the Rural Hospital Pools, increasing Rural Hospital Pools \$3.0 million GF/GP, increasing all hospital outpatient rates 7% (\$62.5 million Gross (\$17.9 million GF/GP)), increasing critical access hospital outpatient rates (\$22.5 million Gross (\$6.4 million GF/GP)), and making the associated MACI and HRA adjustments.	Federal	NA	93,887,500
	Restricted	NA	16,173,100
	GF/GP	NA	\$12,307,100
<b>87. MiDocs</b>	<b>Gross</b>	<b>\$28,129,400</b>	<b>(\$10,629,400)</b>
<u>Executive</u> reduces \$15.5 million Gross (\$3.7 million GF/GP) based on anticipated spending in FY 2018-19, as unspent FY 2018-19 funding will be available as work project authorization for FY 2019-20. Also reduces federal authorization based on a 50% federal match rather than FMAP. <u>House</u> concurs with Executive and includes boilerplate section 240 directing DHHS to expend available work project authorization funding. <u>Senate</u> retains current-year funding. <u>Conference</u> reduces \$10.6 million Gross (\$1.3 million GF/GP), leaving \$17.5 million Gross.	Federal	18,129,400	(9,379,400)
	Restricted	5,000,000	0
	GF/GP	\$5,000,000	(\$1,250,000)
<b>88. Psychiatric Residency Program</b>	<b>Gross</b>	<b>\$8,438,800</b>	<b>(\$8,438,800)</b>
<u>Executive</u> eliminates \$8.4 million Gross (\$3.0 million GF/GP) added in 2018 PA 618 to support a new psychiatric residency training program through Beaumont Health. <u>House</u> concurs with Executive. <u>Senate</u> includes \$100 placeholder. <u>Conference</u> concurs with Executive.	Federal	5,438,800	(5,438,800)
	GF/GP	\$3,000,000	(\$3,000,000)
<b>89. Hospice Room and Board</b>	<b>Gross</b>	<b>\$3,318,000</b>	<b>\$0</b>
<u>Executive</u> eliminates \$3.3 million GF/GP for hospice room and board payments that are not eligible for federal Medicaid reimbursement. <u>House</u> retains current-year funding. <u>Senate</u> includes \$100 placeholder. <u>Conference</u> retains current-year funding.	GF/GP	\$3,318,000	\$0
<b>90. Medicaid Long-Term Care – Capital Asset Value Limit</b>	<b>Gross</b>	<b>\$1,866,486,100</b>	<b>\$4,862,600</b>
<u>Executive</u> increases \$4.9 million Gross (\$1.7 million GF/GP) from changing the capital asset value limit for Class I nursing facilities from a total average to a rolling 15-year average of new construction. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	Federal	1,199,095,600	3,115,000
	Local	6,618,800	0
	Private	2,100,000	0
	Restricted	361,309,300	0
	GF/GP	\$297,362,400	\$1,747,600
<b>91. Medicaid Long-Term Care – Variable Cost Limit</b>	<b>Gross</b>	<b>\$1,866,486,100</b>	<b>\$0</b>
<u>Executive</u> reduces \$15.3 million Gross (\$5.5 million GF/GP) from changing the Class I and Class III variable cost limit from the 80 <sup>th</sup> percentile to the 70 <sup>th</sup> percentile. <u>House</u> concurs with Executive. <u>Senate</u> and <u>Conference</u> retain current-year funding.	Federal	1,199,095,600	0
	Local	6,618,800	0
	Private	2,100,000	0
	Restricted	361,309,300	0
	GF/GP	\$297,362,400	\$0
<b>92. Medicaid Long-Term Care – Quality Assurance Assessment Program (QAAP)</b>	<b>Gross</b>	<b>\$1,866,486,100</b>	<b>\$52,980,000</b>
<u>Executive</u> increases \$59.3 million Gross (reduces \$6.6 million GF/GP) in QAAP-funding supplemental nursing facility payments. Total payment would be \$620.0 million Gross. <u>House</u> and <u>Senate</u> concur with Executive. <u>Conference</u> revises based on the May caseload consensus.	Federal	1,199,095,600	33,396,300
	Local	6,618,800	0
	Private	2,100,000	0
	Restricted	361,309,300	25,666,800
	GF/GP	\$297,362,400	(\$6,083,100)
<b>93. MI Choice Waiver Program</b>	<b>Gross</b>	<b>\$351,913,900</b>	<b>\$40,535,500</b>
<u>House</u> includes \$40.5 million Gross (\$14.6 million GF/GP) to increase the capitated rates by 5% and to increase the number of MI Choice slots by 1,000. Increase is offset with assumed long-term care savings. <u>Senate</u> does not include. <u>Conference</u> concurs with House.	Federal	226,383,300	25,932,800
	GF/GP	\$125,530,600	\$14,602,700

<b><u>Major Budget Changes From FY 2018-19 YTD Appropriations</u></b>		<b><u>FY 2018-19 Year-to-Date (as of 3/5/19)</u></b>	<b><u>FY 2019-20 Conference Change</u></b>
<b>94. Neonatology Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$5,217,000</b>
<u>House</u> includes \$1.7 million Gross (\$625,000 GF/GP) to increase Medicaid neonatal rates to 80% of Medicare reimbursement. <u>Senate</u> includes \$100 placeholder. <u>Conference</u> includes \$5.2 million Gross (\$1.9 million GF/GP) to increase Medicaid neonatal rates to 95% of Medicare reimbursement.	Federal	NA	3,342,000
	GF/GP	NA	\$1,875,000
<b>95. Pediatric Psychiatric Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$10,743,600</b>
<u>House</u> includes \$5.8 million Gross (\$2.1 million GF/GP) to increase Medicaid pediatric psychiatric rates to 80% of Medicare reimbursement. <u>Senate</u> does not include. <u>Conference</u> includes \$10.7 million Gross (\$3.9 million GF/GP) to increase pediatric psychiatric practitioner rates by 15%.	Federal	NA	6,882,300
	GF/GP	NA	\$3,861,300
<b>96. Private Duty Nursing Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$3,895,400</b>
<u>Conference</u> includes \$3.9 million Gross (\$1.4 million GF/GP) to increase Medicaid private duty nursing rates by 15%.	Federal	NA	2,495,400
	GF/GP	NA	\$1,400,000
<b>97. Opioid Prescribing</b>	<b>Gross</b>	<b>NA</b>	<b>(\$2,000,000)</b>
<u>Executive</u> reduces \$2.0 million Gross (\$500,000 GF/GP) from FY 2018-19 policy changes limiting certain opioid prescriptions to seven days and reducing Morphine Equivalent Daily Dose limits in accordance with federal CDC guidelines. <u>House</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive.	Federal	NA	(1,500,000)
	GF/GP	NA	(\$500,000)
<b>98. Non-Emergency Medical Transportation Pilot</b>	<b>Gross</b>	<b>\$1,419,600</b>	<b>(\$1,419,600)</b>
<u>Executive</u> eliminates \$1.4 million Gross (\$510,200 GF/GP) allocated for a non-emergency medical transportation pilot aimed at increasing public transportation utilization. <u>House</u> concurs with Executive. <u>Senate</u> includes \$100 placeholder. <u>Conference</u> concurs with Executive.	Federal	909,400	(909,400)
	GF/GP	\$510,200	(\$510,200)
<b>99. Medical Services GF/GP Lapses</b>	<b>Gross</b>	<b>NA</b>	<b>(\$900,000)</b>
<u>House</u> reduces GF/GP funding based on historic lapse trends for the following: Children's Special Health Care Services (CSHCS) Nonemergency Medical Transportation (\$500,000 Gross) and Medical Services Administration (\$400,000 GF/GP). <u>Senate</u> retains current-year funding. <u>Conference</u> concurs with House.	Federal	NA	(100,000)
	GF/GP	NA	(\$800,000)
<b>100. Michigan Health Information Network (MiHIN) – One-Time Funding</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,500,000</b>
<u>House</u> includes \$200 placeholder for MiHIN. <u>Senate</u> includes \$100 placeholder for MiHIN. <u>Conference</u> includes \$1.5 million GF/GP on a one-time basis.	GF/GP	NA	\$1,500,000
<b>101. State Restricted Revenue Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Executive</u> revises restricted revenues based on projected available revenue for a net increase of \$15.0 million, which is offset with a like amount of GF/GP savings. Revisions include:	Restricted	NA	18,245,400
<ul style="list-style-type: none"> <li>Increasing State Psychiatric DSH savings \$25.0 million.</li> <li>Reducing Medicaid Benefits Trust Fund \$10.0 million.</li> <li>Reducing Merit Award Trust Fund \$2.5 million.</li> <li>Increasing Healthy Michigan Fund \$2.5 million.</li> </ul>	GF/GP	NA	(\$18,245,400)
<u>House</u> concurs with Executive and also allocates \$7.2 million in Health Insurance Claims Assessment fund balance to offset GF/GP. <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with House and revises State Psychiatric DSH GF/GP savings down to \$21.0 million based on the May caseload consensus.			



	<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 Conference Change</b>
<b><u>Major Budget Changes From FY 2018-19 YTD Appropriations</u></b>		
<b>ONE-TIME APPROPRIATIONS</b>		

**102. Remove FY 2018-19 One-Time Appropriations**

Executive removes \$56.0 million Gross (\$37.8 million GF/GP) one-time appropriations included in FY 2018-19. House retains \$1.4 million GF/GP for multicultural integration, \$1.0 million GF/GP for autism navigator contracts, \$1.0 million GF/GP for U of D Mercy dental clinic, and \$100 for TEAM Cares. Senate retains \$1.4 million GF/GP for multicultural integration, \$100,000 for autism train-the-trainer, and \$100 placeholders for autism navigator contracts, Asian American health care and wellness initiative, U of D Mercy dental clinic, employment first, and refugee assistance. Conference continues current-year funding for all of the above-mentioned projects, but provides \$150,000 GF/GP funding for TEAM Cares primary and dental care, \$2.0 million GF/GP for multicultural integration, \$500,000 for employment first, \$150,000 for Asian American health care and wellness, and \$175,000 GF/GP for refugee assistance.

<b>Gross</b>	<b>\$56,024,000</b>	<b>(\$50,942,900)</b>	
Federal	14,206,300	(14,206,300)	
Private	4,000,000	(4,000,000)	
GF/GP	\$37,817,700	(\$32,736,600)	

**Major Boilerplate Changes From FY 2018-19**

**GENERAL SECTIONS**

**Sec. 208. Legal Services of Attorney General – DELETED**

Prohibits the use of appropriated funds by DHHS to hire a person to provide legal services that are the responsibility of the Attorney General, except for bonding activities and outside services authorized by the Attorney General. Senate and Conference delete.

**Sec. 210. Contingency Fund Appropriations – REVISED**

Appropriates federal, state restricted, local, and private contingency funds of up to \$545 million total, available for expenditure when transferred to a line item through the legislative transfer process. Executive revises by increasing state restricted contingency funds from \$45 million to \$90 million. House retains current law. Senate deletes. Conference retains with modified amounts for a total contingency amount of up to \$132 million, based on recent contingency use.

**Sec. ~~235/976~~. 294. Integrated Service Demonstration Pilot – NEW**

House, in Sec. 976., requires DHHS to work with a single-county PIHP that is currently not participating in any other pilot project to pilot a physical and behavioral health integrated service demonstration model that does not transfer funds to Medicaid health plans; expands existing integrated efforts such as shared care coordination; states intent that the pilot project last at least 2 years; increases number of individuals who meet criteria for expanded care coordination through CareConnect 360 including persons not receiving certain health care services; states outcomes and performance measures; requires a report. Senate, in Sec. 235., includes similar language but allows DHHS to create a physical and behavioral health service demonstration pilot. Conference concurs with Senate and rennumbers to Sec. 294.

**Sec. 240. Use of Existing Work Project Authorization – NEW**

House establishes that appropriations in part 1 shall not be expended in cases where existing work project authorization is available for the same expenditures. Senate does not include. Conference concurs with House.

**Sec. 253. Information Technology Investment Management and Board – NEW**

Senate requires the establishment of an information technology investment board within DHHS and provides guidance and policy for establishing management practices; requires reports; requires DHHS to establish an independent verification and validation program to oversee information technology practices and compliance and to assess risks; and requires a report on program. Conference concurs with Senate with revisions.

**Sec. 257. Revise Education Modules Regarding Suicide and Depression Prevention - NEW**

Senate directs DHHS to collaboratively revise the curriculum for 2 education health modules to include age-appropriate and medically accurate information about depression and suicide and protective factors to prevent suicide. Conference concurs with Senate with revision to allow if funds are available.

## **Major Boilerplate Changes From FY 2018-19**

### **Sec. 275. Year-End Federal Funds Adjustments – REVISED**

(1) Provides limited authority for the Executive to realign capped and other federal fund sources to maximize federal revenues as part of the year-end closing process, and (2) requires a report by November 30 on the realignments made for the previous fiscal year. Executive revises to strike year-end closing language, allowing DHHS to realign federal fund sources at any time during the fiscal year. House revises to allow quarterly realignment, with quarterly reporting. Senate retains (1) current law, but allows for later reporting in (2). Conference concurs with Senate.

### **Sec. 293. Savings From Behavioral Health Integration Pilot Projects – NEW**

Conference requires that any savings from pilots to integrate Medicaid behavioral health and Medicaid physical health services systems shall only be used for reinvestment in the pilot sites where savings occurred. Shared savings between a PIHP or CMHSP and a Medicaid health plan shall be carried forward for expenditures in future years.

### **Sec. 298. Behavioral Health Integration Pilot Projects – REVISED**

Requires DHHS to continue to pilot the integration of behavioral health and physical health services, including: project facilitator, demonstration model project in Kent County with a willing CMHSP, up to 3 additional pilot projects with CMHSPs and Medicaid health plans, reinvesting savings into behavioral health services in the pilot area, and evaluating pilots and replicability. Requires report by DHHS, and report by managing entities of pilots, and states legislative intent for projects. Executive revises to remove DHHS report requirement and make one technical change. House retains current law. Senate revises to eliminate language regarding Kent County project, and adds language to allow for service agreement variances for the 3 pilot projects, and to require a January 2021 report on progress on a list of measures that if met would trigger an October 2022 implementation statewide of integrated care provided through managed care. Conference concurs with Senate language and also 1) revises to allow Medicaid health plans to also contract directly with other behavioral health service providers; 2) revises the report on statewide integration trigger back to January 2022 and an implementation of October 2023, and 3) revises to create a risk corridor, assurance that rates to Medicaid health plans are actuarially sound, and that implementation costs are accounted for before savings are reinvested in the pilot site.

### **Sec. 299. Request for Proposal for Contract – REVISED**

Prohibits DHHS from issuing a request for proposal (RFP) for a contract in excess of \$5 million, without first considering issuing a request for information (RFI) or a request for qualification (RFQ) relative to that contract; DTMB must be notified of evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP; requires that all vendors receive detailed notices of RFP results; and requires report by September 30. Executive deletes. House retains with revisions to reporting requirements. Senate retains current law. Conference concurs with House.

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

### **Sec. 505. DHHS Juvenile Justice Report – REVISED**

Requires report on DHHS juvenile justice system including number of youth served by DHHS, type of setting for each youth, and financial costs. Senate revises language to require report from both DHHS and Wayne County and to prohibit DHHS from allocating Child Care Fund funding to Wayne County until the reporting requirement is satisfied. Conference revises language to require report from both DHHS and Wayne County.

### **Sec. 515. Child Protection Services (CPS) Caseworker Home Visit Safety – NEW**

House prohibits DHHS from denying a CPS caseworker's request to have another worker accompany the CPS caseworker on a home visit if the CPS caseworker believes it unsafe to conduct the home visit alone. Senate does not include. Conference concurs with House.

### **Sec. 518. Supervisory Oversight of CPS Caseworker Reports – NEW**

House requires supervisors to complete an initial read of a CPS caseworker's report and either approve the report or note any needed corrections within 5 business days; requires the caseworker to resubmit a corrected report within 3 business days. Senate does not include. Conference concurs with House.

### **Sec. 535. Federal Claims for Foster Care Payments for D.O. v. Glisson Compliance – NEW**

Senate requires DHHS to seek federal Title IV-E claims for foster care maintenance and administrative payments for placements associated with the *D.O. v. Glisson* ruling. Conference revises language to require DHHS create a process to review and approve unlicensed relatives as meeting state licensing standards and seek Title IV-E claims for payments.

### **Sec. 558. Child Welfare Caseworker Training – REVISED**

Requires DHHS to identify ways to modernize the child welfare caseworker training program. Senate revises language to allow private child-placing agencies to provide in-house pre-service training by agency staff and to allow them to train staff at other private agencies. Conference concurs with Senate.

## **Major Boilerplate Changes From FY 2018-19**

### ***Sec. 595. CPS Staff and DHHS/Private Agency Caseload Ratio – NEW***

Senate requires DHHS to expend \$162.8 million to hire/employ CPS staff to comply with the Office of the Auditor General 2018 CPS audit. Requires that most new foster care cases be placed under a private child placing agency's supervision until the statewide ratio of foster cases is 55% for private agency supervision and 45% for DHHS supervision. Conference concurs with Senate.

## **PUBLIC ASSISTANCE**

### ***Sec. 603. Change in Public Assistance Benefits Notification – NEW***

House includes new section to require the department to notify Food Assistance Program, Family Independence Program, and State Disability Assistance Program benefits recipients of any income-based benefits reductions no later than 15 workdays prior to the effective date of the reductions in benefits received. Senate does not include. Conference concurs with House.

## **FIELD OPERATIONS AND SUPPORT SERVICES**

### ***Sec. 805- 1155. Michigan Rehabilitative Services Order of Selection – REVISED***

Details the intent of the legislature that the department not implement a waiting list for rehabilitative services. Executive renumbers and moves to Health Policy section. House concurs with Executive, but adds a new subsection providing the intent of the legislature that the department coordinate with various entities in order to ensure maximum program participation. Senate concurs with Executive. Conference concurs with House.

### ***Sec. 809. Pathways to Potential – REVISED***

Details the purpose, goals, and reporting requirements of the Pathway to Potential program, as well as requirements for measuring outcomes and remedial course of action for schools that do not have sufficient outcomes as measured by the department. Executive revises to remove the requirement to reduce the number of dropouts and increase graduation rates, as well as the requirement to report on funding allocation for each participant school. House concurs with Executive and makes technical adjustments. Senate retains current law. Conference concurs with House.

### ***Sec. 851. Adult Services Field Staff Ratios – REVISED***

Requires the department to increase the standard of promptness for responding to complaint of crime or fraud committed against older adults. Executive deletes. House revises to require the department to maintain the standard of promptness and includes a reporting requirement. Senate revises to include a reporting requirement. Conference concurs with House and Senate with technical adjustments.

## **BEHAVIORAL HEALTH SERVICES**

### ***Sec. 924. Autism Services Fee Schedule – REVISED***

Requires DHHS to establish a fee schedule for autism services by not allowing expenditures used for actuarially sound rate certification to exceed the identified fee schedule, also reduces behavioral technician fee schedule by 10%, but not less than \$50.00 per hour. Executive revises to maintain the established fee schedule. House revises to maintain the established fee schedule and includes requirement for behavioral technician fee to be not be less than \$50.00 per hour. Senate retains current law. Conference revises to maintain the established fee schedule and includes requirement for behavioral technician fee to be not be more than \$55.00 per hour.

### ***Sec. 950. Court-Appointed Guardians – REVISED***

Adds \$1.5 million GF/GP to reimburse counties for 50% of the cost to provide up to \$83 per month to court-appointed public guardians and conservators for individuals who receive CMHSP services, and requires a report. Executive deletes. House revises to provide \$2.7 million GF/GP to directly reimburse court-appointed public guardians and conservators at \$50 per month. Senate revises \$1.5 million to \$100. Conference concurs with House and removes reference to conservators.

### ***Sec. 964. Behavioral Health Fee Schedule – NEW***

Senate and Conference require DHHS to develop and implement a standardized fee schedule for Medicaid behavioral health services by January 1, and to develop and implement adequacy standards for all contracts with PIHPs and CMHSPs.

### ***Sec. 970. Skill Building Assistance Services – NEW***

Senate and Conference require DHHS to maintain skill building assistance services policies in effect on October 1, 2018, and requires DHHS to continue to seek federal matching funds for skill building assistance services.

## **Major Boilerplate Changes From FY 2018-19**

### ***Sec. 974. Intellectual or Developmental Disability Service Delivery – NEW***

House requires DHHS and PIHPs to allow an individual with an intellectual or developmental disability who receives supports and services from a CMHSP to choose to instead receive supports and services from another provider if the individual can show he or she is qualified and eligible to receive services from the other provider. States that other providers can include MI Choice and PACE providers. Senate does not include. Conference allows an individual with an intellectual or developmental disability who receives supports and services from a CMHSP to choose to instead receive supports and services from another provider

### ***Sec. ~~4040~~. 963. Kevin's Law – REVISED***

Allocates up to \$2.0 million to address implementation of court-ordered assisted outpatient treatment under the Mental Health Code (Kevin's Law). House, in Sec. 1010., revises to \$1.0 million and modifies the line item name. Senate retains and renumbers to Sec. 963. Conference revises to \$1.0 million, modifies the line item name, and renumbers to Sec. 963.

### ***Sec. 1053. Behavioral Health Facility Contingency Fund – NEW***

Senate and Conference limit expenditures from the behavioral health facility contingency line item until the funds are transferred to another line item.

### ***Sec. 1061. Caro Regional Mental Health Center – REVISED***

Requires DHHS to only use the funds appropriated for the Caro Regional Mental Health Center to support a psychiatric hospital at its current location, includes legislative intent that the Caro Regional Mental Health Center remain open and operational at its current location and that any capital outlay funding be used for planning and construction at the current location instead of a new location. Executive deletes. House, Senate, and Conference include minor revisions to the capital outlay intent language.

## **POPULATION HEALTH**

### ***Sec. 1234. Essential Local Public Health Services Funding Formula Revision – REVISED***

Requires DHHS to develop and report to the legislature a revised distribution formula for the allocation of essential local public health services line item appropriations to local health departments and states legislative intent that the new formula be implemented beginning October 1, 2019. Executive and House delete. Senate revises to require that the new distribution formula be implemented by October 1, and that the amount allocated to each local health department shall not be less than the amount allocated in the previous year. Conference concurs with Senate.

### ***Sec. 1235. Prison Food Service Kitchen Inspections by Local Health Departments – DELETED***

Allows, if funds become available from the Department of Corrections, for funds to be allocated to local health departments to evaluate and inspect food service kitchens of state prisons. Executive, House, Senate, and Conference delete.

### ***Sec. 1238. Lead Elimination and Response Workgroup – NEW***

House requires DHHS to establish a workgroup to determine the cost of establishing lead elimination and response as an essential local public health service and report to the legislature on the findings of the workgroup by March 1. Senate does not include. Conference concurs with House and removes reference to essential local public health services.

### ***Sec. 1239. MPART Participation – NEW***

House requires DHHS to participate collaboratively with the Michigan PFAS Action Response Team (MPART) and other departments and to make continuous efforts to ensure that DHHS does not duplicate activities of another department. Senate does not include. Conference concurs with House.

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

Prohibits DHHS from contracting with an organization that provides elective abortions, or abortion counseling or referrals, for services funded with state restricted or GF/GP funds appropriated for family planning local agreements. Prohibits an organization under contract with DHHS from subcontracting with an organization that provides elective abortions or abortion counseling or referrals, for services that are to be funded with state restricted or GF/GP funds appropriated for family planning local agreements. Executive deletes. House retains current law. Senate revises by striking out reference to family planning local agreements, making the language apply to any program. Conference concurs with House.

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

Prohibits the use of state restricted or state general funds appropriated in the Family Planning Local Agreements line item or the Pregnancy Prevention Program line items for abortion counseling, referrals, or services. Executive and House retain current law. Senate and Conference revise to also include that the department shall not allow grantees or subcontractors to use funds from these line items for these purposes.

## **Major Boilerplate Changes From FY 2018-19**

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

(1) Prohibits DHHS from contracting for family planning and pregnancy prevention services with an entity that engages in abortion activities under PA 360 of 2002, if another entity applies to provide those services that is not already engaged in abortion activities. (2) Requires DHHS to give a higher priority to a) contracting for services in counties where there are currently no contracts for services, before b) contracting for additional services by an entity that engages in abortion activities in a county where there are already services provided by an entity that does not engage in abortion activities. (*Governor's FY 2018-19 signing letter states section is considered unenforceable.*) Executive deletes. House retains current law. Senate revises to increase the application of these restrictions to appropriations from additional line items and program areas. Conference concurs with House.

### ***Sec. 1310. Family Planning Federal Title X Rule Compliance – NEW***

Senate and Conference require family planning programs receiving federal Title X funds to be in compliance with all federal Title X rules and requires DHHS to monitor for compliance; agencies not in compliance shall not receive supplemental or reallocated funds. Language is similar to current Sec. 1302.

### ***Sec. 1320. Family Planning and Pregnancy Prevention Media Campaign Messaging – NEW***

House states legislative intent that funds that may be expended for a public media campaign regarding publicly funded family planning or pregnancy prevention programs shall not be used to communicate any message that implies or that can be interpreted to mean that abortion is a method of family planning or pregnancy prevention. Senate does not include. Conference concurs with House.

### ***Sec. 1340. National Brand Peanut Butter as Approved WIC Food Item – REVISED***

Requires the Women, Infants, and Children Special Supplemental Food and Nutrition program (WIC) to include national brand peanut butter on the list of approved food basket items for WIC participant purchase. Senate and Conference revise to broaden to include national brand options for all food categories.

### ***Sec. 1350. Emergency Medical Services Data Exemption – NEW***

Senate and Conference prohibit DHHS from requiring a life support agency that does not charge for services to submit data to the Michigan emergency medical services information system or any other quality improvement program.

## **MEDICAL SERVICES**

### ***Sec. 1513. Medicaid Inpatient Psychiatric Hospital Workgroup – NEW***

House, Senate, and Conference require DHHS to create a workgroup to determine an equitable and adequate reimbursement methodology for Medicaid inpatient psychiatric hospital care, list participating workgroup members, require a report from the workgroup.

### ***Sec. 1625. Medicaid Managed Care Pharmacy Benefits Managers – NEW***

House prohibits DHHS from entering into any contracts with a Medicaid managed care organization that relies on a pharmacy benefits manager that does not: utilize the same pharmacy reimbursement methodology as Medicaid fee-for-service of National Average Drug Acquisition Cost plus a professional dispensing fee comparable to the Medicaid fee-for-service dispensing fees, permit pharmacists in good standing who are willing to accept the professional dispensing fees to be part the network, reimburse for valid claims a rate at the time of the original point of sale claim, agree to transparent "pass-through" pricing; states that the administrative savings in part 1 are assumed to be shared across both the Medicaid managed care organizations and the pharmacy benefits managers. Senate does not include. Conference prohibits DHHS, beginning February 1, 2020, from entering into any contracts with a Medicaid managed care organization that relies on a pharmacy benefits manager that does not: 1) utilize a pharmacy reimbursement methodology of the National Average Drug Acquisition Cost plus a professional dispensing fee comparable to the Medicaid fee-for-service dispensing fees for pharmacies with not more than 7 retail outlets (and lists reimbursements when an ingredient does not have a National Average Drug Acquisition Cost listed); 2) reimburse for valid claims at the rate in effect at the time of original claim; 3) agree to transparent "pass-through" pricing, 4) agree to not create new fees or increase fees above inflation, and 5) agree to not terminate existing contracts for the sole reason of the additional professional dispensing fee.

### ***Sec. 1763. Actuarial Services Request for Proposal – REVISED***

Requires DHHS to issue a request for proposal for a 3-year contract for actuarial services related to rate setting for traditional Medicaid and Healthy Michigan Plan during the next contract renewal period and to notify the legislature. Executive and House delete. Senate retains current law. Conference revises to require an RFP before the initial contract expiration date of February 28, 2020.

### ***Sec. 1792. Pharmacy Encounter Data – NEW***

Senate and Conference require DHHS, in consultation with the Medicaid health plans, to evaluate pharmacy encounter data through the first 2 quarters to determine if rates must be recertified.

## **Major Boilerplate Changes From FY 2018-19**

### ***Sec. 1793. Medicaid Overpayment Standard of Promptness – NEW***

Conference prohibits DHHS from recovering an overpayment if DHHS notifies the provider more than 180 days after receipt of the overpayment.

### ***Sec. 1801. Primary Care Rates – REVISED***

Requires DHHS to continue the increase in Medicaid rates to primary care service providers and establish policies to limit the rate increase to practitioners that solely practice primary care; requires a report. Conference replaces “under the supervision of a physician” with “in collaboration with a physician”.

### ***Sec. 1802. and Sec. 1866. Rural Hospital Payments – REVISED***

Sec. 1802 directs \$8.0 million in lump-sum payments to hospitals that qualified for rural hospital access payments in FY 2013-14 at a rate proportional to each hospital’s obstetrical care and newborn care volume. Sec. 1866 allocates \$18.0 million GF/GP and any associated federal match to hospitals providing services to low-income rural residents; provides that no hospital or hospital system may receive more than 10% of the total distribution; requires DHHS to provide each hospital the distribution methodology and data used to determine payment amounts. Executive revises by combining both sections into Sec. 1802 and reducing the \$8.0 million GF/GP lump-sum payment to \$5.0 million. House revises by combining both sections into Sec. 1802 and by adding language distributing \$15.0 million GF/GP critical access hospital payment. Senate revises by combining both sections into Sec. 1802, increasing the two pools by \$3.0 million, and by adding language distributing \$100 GF/GP critical access hospital payment. Conference revises by combining both sections into Sec. 1802, limiting the pools to non-critical access hospitals, and reducing the two pools by \$7.1 million.

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

Requires DHHS, in cooperation with the Department of Military and Veterans Affairs, to work with the federal government’s public assistance reporting information system to identify Medicaid recipients who are veterans and may be eligible for federal veterans health care benefits. Senate and Conference revise to require an interagency agreement with specific performance outcomes to be reported to the legislature and to revise the working in the public assistance application from “veteran” to “served in the military”.

### ***Sec. 1805. Graduate Medical Education (GME) Quality Data – REVISED***

Requires hospitals receiving GME payments to submit quality data utilizing consensus-based nationally endorsed standards to be posted on a public website, lists specific quality reporting information, requires hospitals to also post quality data on the hospital’s website, and requires DHHS to withhold 25% of a hospital’s GME payment if data is not submitted by January 1. Executive revises by requiring data submission for acute care hospitals only and by removing the 25% withhold. House retains current law. Senate revises by requiring data submission for acute care hospitals only. Conference revises to exclude psychiatric hospitals from data submission requirements.

### ***Sec. 1837. Telemedicine Reimbursement – REVISED***

Senate, in Sec. 1514., requires DHHS to expand the definition of “originating site” to include the patient’s home or any other site considered appropriate by the provider and expand the definition of “distant site” to include the provider’s office or other site considered appropriate by the provider. Conference revises current Sec. 1837 to incorporate Senate’s Sec. 1514.

## **INFORMATION TECHNOLOGY**

### ***Sec. ~~468~~. 1905. Information Technology Spending Report – REVISED***

Requires the department to report information technology spending details to the Legislature on a monthly basis. Executive revises to replace monthly reporting with 3 annual reports: October 1, February 1, and May 1. House retains monthly reporting requirement and makes technical changes. Senate retains monthly reporting requirement; includes additional reporting requirements, including previous fiscal year funding by fund source, proportion of information technology to overall department budget, a return on investment evaluation by project, and comparison data between 3 other Midwestern states for the previous 5 fiscal years; and makes technical changes. Conference concurs with Senate, but includes an additional reporting requirement on estimated project cost overruns and makes additional technical changes.

### ***Sec. 1906. Michigan Statewide Automated Child Welfare Information System Workgroup – NEW***

House includes new section requiring the department to collaborate with various entities to establish a MiSACWIS workgroup; provides for the director of the department of technology, management, and budget, or his or her designee, to act as the chair of the workgroup; requires the workgroup via the department to report no later than February 1 on recommendations regarding the continuation of MiSACWIS; and requires the department to expend or encumber only funds from the Michigan Statewide Automated Child Welfare Information System line item in Part 1 on MiSACWIS operations, maintenance, and improvements. Senate does not include. Conference requires the department’s pre-established MiSACWIS replacement workgroup to report on a bi-monthly basis on recommendations for future funding of MiSACWIS or a replacement system, remedial actions necessary to improve MiSACWIS or a replacement system’s functionality, and any other recommendations at the discretion of the workgroup.

**Major Boilerplate Changes From FY 2018-19**

***Sec. 1909. Information Technology Spending Restrictions and Contingency Funding – NEW***

Conference restricts the department from encumbering or expending funds for the operation, maintenance, and improvement of major programs except from their associated line item in Part 1; restricts encumbrances and expenditures from the Information Technology Contingency and One-Time Information Technology Contingency line items and requires the department to request a legislative transfer of funds from the contingency line items in order to encumber or expend those funds; restricts the department from encumbering or expending funds on a MiSACWIS replacement system until 30 days after providing a spending plan for the development or procurement of a new system.