

Legislative Analysis



SUSPICION-BASED DRUG TESTING FOR DHS BENEFIT APPLICANTS & RECIPIENTS

Mary Ann Cleary, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 5223 (Substitute H-1)
Sponsor: Rep. Jeff Farrington
Committee: Families, Children, and Seniors

Complete to 5-14-12

A REVISED SUMMARY OF HOUSE BILL 5223 (SUBSTITUTE H-1)

House Bill 5223 would amend the Social Welfare Act (MCL 400.1 et. al) to require the Department of Human Services to establish a program of suspicion-based substance abuse screening and testing for family independence program applicants and recipients.

(The bill would apply only to an applicant or recipient who is 18 years of age or older.)

The program would be implemented in stages, as follows:

****The department would be required to administer the screening and testing in three or more counties in the state no later than January 1, 2013. The department would decide which counties would begin the initial administration of the screening and testing.**

****Not later than January 1, 2014, the department would have to administer suspicion-based substance abuse screening and testing to half of the counties in the state.**

****Not later January 15, 2015, the department would administer screening and testing in all counties of this state.**

Testing and Screening Procedures

Under the bill, the department would be required to administer the screening and testing either:

(1) by developing and administering a substance abuse survey that would be used upon initial application for program applicants and at annual redetermination for program recipients.

(2) upon initial application and at annual redetermination, the department would screen program applicants and recipients for suspicion of substance abuse using an empirically validated substance abuse tool.

Results of Testing and Screening

If the results of the substance abuse screening give the department a reasonable suspicion to believe that the applicant or recipient has engaged in illegal use of a controlled substance, he or she would be required to take a substance abuse test. If the applicant or

recipient tests positive for illegal use of a controlled substance or refuses to take the test after reasonable suspicion has been established, he or she would be ineligible for program assistance but could reapply after six months. The applicant or recipient would need to test negative for illegal use of a controlled substance to receive program assistance.

If, upon reapplying for assistance an applicant or recipient who previously tested positive again tests positive or refuses to take a subsequent substance abuse test, he or she is ineligible for program benefits for 12 months.

Cost of Testing and Screening

If an applicant tests negative and meets all the other eligibility requirements for family independence program, the cost of administering the test would be deducted from the first program assistance payment. If a recipient tests negative for illegal use and meets all the other eligibility requirements for the program at an annual redetermination by the department, the cost of administering the test would be deducted from the first assistance payment after the annual determination.

MCL 400.1 et al.

FISCAL IMPACT:

House Bill 5223 would be implemented in three stages. The fiscal impact of the first implementation stage during FY 2012-13 would be from negligible to a savings of \$300,000. The fiscal impact of the second implementation stage during FY 2013-14 would be a savings from \$650,000 to \$1.5 million. The fiscal impact of the statewide implementation stage during FY 2014-15 would be a savings from \$1.3 million to \$3.0 million. The fiscal impact assumes the number of FIP cases that include an adult would be reduced by 1.8% to 3.5%.

The Gerald R. Ford School of Public Policy at the University of Michigan conducted the Women's Employment Study (WES), which was a longitudinal survey of 750 Temporary Assistance for Needy Families (TANF) recipients in Michigan, from 1997 to 2003. WES examined the types of barriers to obtaining and retaining employment TANF recipients face¹. One of the barriers surveyed was drug use, dependence, and abuse. WES, along with national surveys of TANF recipients, report 3.4% - 3.6% of TANF recipients have a drug dependence and/or abuse, with marijuana being the most prevalent drug².

The type of screening tool DHS implements could change the amount of savings or costs this bill would generate. For example, WES also reported that 16% - 21% of TANF recipients used drugs during the past 12 months³, so if DHS adds the question "In the past year have you used and illegal drugs?" to the application, and screens anyone who answers "yes," then it might be possible that more applicants and recipients would undergo a substance abuse test. However, Arizona uses a similar drug screening model

¹ <http://www.fordschool.umich.edu/research/poverty/wes/>

² <http://www.fordschool.umich.edu/research/poverty/pdf/WES-SubstanceUse.pdf>

³ <http://www.fordschool.umich.edu/research/poverty/pdf/drugtest.pdf>

and only 16 adults have been required to take a drug test since the program was implemented in 2009⁴. So using this type of drug screening model would most likely reduce the number of persons screened and would also reduce the number of persons that test positive.

DHS could also implement a drug screening model similar to what was used by WES. WES used a diagnostic interview model that can be administered by nonclinicians to measure drug dependence. Using this screening model would take longer to administer than the Arizona screening model, but the administrative costs should be negligible.

Once a person is screened and there is reasonable suspicion to believe that the applicant or recipient has engaged in illegal use of a controlled substance, that does not mean the substance abuse test will be positive. Urine drug tests can generally detect marijuana use within the past week and hard drug use within the past 2 days. So, many of the 16% - 21% of TANF recipients that have used drugs during the past 12 months would test negative, and some of the 3.4% - 3.6% of TANF recipients that have a drug dependence and/or abuse would also test negative.

From these data and factors, HFA assumes 5% of adults will be tested for substance abuse and from 1.8% to 3.5% of adults will test positive. If an adult tests negative, there is no fiscal impact to the state because the adult will have the cost deducted from his or her first FIP payment. If the adult tests positive, then he or she would be ineligible for FIP for six months reducing FIP costs by \$2,400 per case.

House Bill 5223 could increase the number of administrative hearings from persons appealing a false positive drug test, and could also increase training costs. These costs should be minimal to negligible.

Legislative Analyst: E. Best
Fiscal Analyst: Kevin Koorstra

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

⁴ http://www.csg.org/pubs/capitolideas/enews/issue64_2.aspx