

**FY 2022-23: DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Summary: As Reported by the House Appropriations Committee  
House Bill 5784 (H-1)**



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	FY 2021-22 YTD as of 2/9/22	FY 2022-23 Executive	FY 2022-23 House	FY 2022-23 Senate	FY 2022-23 Conference	Difference: House From FY 2021-22 YTD	
						Amount	%
IDG/IDT	\$14,593,500	\$14,696,000	\$14,696,000			\$102,500	0.7
<b>Federal</b>	23,187,321,000	23,617,962,500	23,554,766,100			367,445,100	1.6
<b>Local</b>	167,951,100	183,502,800	167,407,700			(543,400)	(0.3)
<b>Private</b>	172,276,500	179,716,400	179,716,400			7,439,900	4.3
<b>Restricted</b>	2,986,632,100	2,991,928,100	2,993,028,100			6,396,000	0.2
<b>GF/GP</b>	5,448,429,200	6,456,860,100	6,020,047,100			571,617,900	10.5
<b>Gross</b>	<b>\$31,977,203,400</b>	<b>\$33,444,665,900</b>	<b>\$32,929,661,400</b>			<b>\$952,458,000</b>	<b>3.0</b>
<b>FTEs</b>	15,587.5	15,800.5	15,584.5			(3.0)	(0.0)

Notes: (1) FY 2021-22 year-to-date figures include mid-year budget adjustments through February 9, 2022. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as “one-time.”

**Overview**

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

**Major Budget Changes from FY 2021-22 YTD Appropriations**

<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 House Change</b>
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**MEDICAID AND BEHAVIORAL HEALTH – GENERAL**

**1. Traditional Medicaid Cost Adjustment**

Executive includes a reduction of \$328.8 million Gross (increase of \$194.5 million GF/GP) to recognize caseload, utilization, and inflation adjustments, removing the additional 6.2 percentage point increase to the state FMAP provided under the federal Families First Coronavirus Response Act and associated prohibition on closing Medicaid cases, and traditional FMAP cost-sharing adjustments from FMAP reducing from 65.48% to 64.71%, for medical and behavioral health services in the traditional Medicaid program. Compared to FY 2020-21 expenditures, and including actuarial soundness adjustments in item #3, State Budget Office forecasts an average annual increase of 5.5%. House concurs.

<b>Gross</b>	<b>\$16,499,311,900</b>	<b>(\$328,811,600)</b>
Federal	11,000,733,400	(660,819,600)
Local	50,496,500	11,015,900
Private	7,000,000	0
Restricted	2,158,300,300	126,451,900
GF/GP	\$3,282,781,700	\$194,540,200

**2. Healthy Michigan Plan Cost Adjustment**

Executive includes a reduction of \$373.0 million Gross (increase of \$5.2 million GF/GP) to recognize caseload, utilization, and inflation adjustments, and removing prohibition on closing Medicaid cases provided under the federal Families First Coronavirus Response Act for medical and behavioral health services in the Healthy Michigan Plan (HMP). Compared to FY 2020-21 expenditures, and including actuarial soundness adjustments in item #3, State Budget Office forecasts an average annual increase of 3.5%. House concurs.

<b>Gross</b>	<b>\$5,767,637,700</b>	<b>(\$372,953,300)</b>
Federal	5,172,523,800	(335,019,700)
Local	2,038,800	0
Private	200,000	0
Restricted	539,443,100	(43,097,400)
GF/GP	\$53,432,000	\$5,163,800

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 House Change
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>3. Actuarial Soundness</b>	<b>Gross</b>	<b>NA</b>	<b>\$340,745,600</b>
<u>Executive</u> includes \$340.7 million Gross (\$88.4 million GF/GP) to support an estimated 2.0% to 5.0% actuarial soundness adjustment for prepaid inpatient health plans (PIHPs), 2.0% to 2.5% for Medicaid Health plans, Program of All-includes Care for the Elderly (PACE); home- and community-based services; and Integrated Care Organizations (MI Health Link); and 1.0% for Healthy Kids Dental. <u>House</u> concurs.	Federal	NA	252,356,500
	GF/GP	NA	\$88,389,100
<b>DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>			
<b>4. Warehouse Operations</b>	<b>Gross</b>	<b>\$0</b>	<b>\$3,400,000</b>
<u>Executive</u> includes \$3.4 million GF/GP to support the stockpiling of medical supplies, including personal protective equipment, in accordance with the Emergency Management Act, 1976 PA 390. <u>House</u> concurs.	GF/GP	\$0	\$3,400,000
<b>5. CCWIS Development – One-Time</b>	FTE	6.0	0.0
<u>Executive</u> adds \$11.0 million Gross (\$5.2 million GF/GP) for a total of \$27.8 million Gross (\$13.9 million GF/GP) to support the continued development of the Comprehensive Child Welfare Information System (CCWIS) – the replacement system for MISACWIS. This includes the development of the next 3 of the remaining cloud-based modules to be implemented over the course of the next 3 to 4 years. <u>House</u> concurs and retains \$1.7 million designated as ongoing by the <u>Executive</u> as additional one-time appropriations.	<b>Gross</b>	<b>\$16,824,200</b>	<b>\$12,654,100</b>
	Federal	8,075,600	6,630,500
	GF/GP	\$8,748,600	\$6,023,600
<b>6. MMIS – CHAMPS Maintenance and Operations</b>	<b>Gross</b>	<b>\$18,000,000</b>	<b>(\$17,599,900)</b>
<u>Executive</u> retains \$2.2 million GF/GP from FY 2021-22 one-time technology upgrades for system maintenance and operations of CHAMPS, the state Medicaid system. Of the \$2.2 million GF/GP, \$1.8 million remains a one-time appropriation and \$400,000 is included in the MMIS line item as an increase in ongoing appropriations. <u>House</u> retains \$400,100 as one-time.	Federal	15,850,000	(15,850,000)
	GF/GP	\$2,150,000	(\$1,749,900)
<b>7. Information Technology Contracts – Inflation Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,074,800</b>
<u>Executive</u> includes \$2.1 million Gross (\$1.4 million GF/GP) to adjust for inflationary increases to contractual payments across IT systems. <u>House</u> concurs.	Federal	NA	712,400
	GF/GP	NA	\$1,362,400
<b>8. Information Technology – Systems Maintenance</b>	<b>Gross</b>	<b>\$261,364,200</b>	<b>\$3,631,200</b>
<u>Executive</u> includes \$3.6 million Gross (\$2.7 million GF/GP) for department-wide information technology services and projects maintenance costs. <u>House</u> concurs.	TANF	16,689,000	0
	Federal	190,087,300	882,000
	Private	250,000	0
	Restricted	1,922,300	0
	GF/GP	\$52,415,600	\$2,749,200
<b>9. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$48,052,300</b>
<u>Executive</u> reflects increased costs of \$48.1 million Gross (\$21.4 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2022 and 0.5% to annualize the FY 2022 1.0% increase that began on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> concurs.	IDG	NA	102,500
	TANF	NA	7,325,200
	Federal	NA	18,078,200
	Local	NA	280,800
	Private	NA	356,600
	Restricted	NA	470,700
	GF/GP	NA	\$21,438,300

<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 House Change</b>
<b>COMMUNITY SERVICES AND OUTREACH</b>			
<b>10. Sexual Assault Evidence Kit (SEAK) Tracking System Adjustment</b>	FTE	0.0	0.0
<u>Executive</u> reduces funding by \$430,500 Gross (increase of \$369,500 GF/GP) for the Sexual Assault Kit Tracking System. Replaces expired Sexual Assault Tracking Kit Fund with GF to maintain Track Kit software contract. <u>House</u> reduces funding by \$574,900 Gross (increase of \$225,100 GF/GP).	<b>Gross</b>	<b>\$800,000</b>	<b>(\$574,900)</b>
	Restricted	800,000	(800,000)
	GF/GP	\$0	\$225,100
<b>11. Child Advocacy Centers</b>	FTE	0.5	0.0
<u>House</u> includes \$1.0 million GF/GP increase to support child advocacy centers.	<b>Gross</b>	<b>\$2,407,000</b>	<b>\$1,000,000</b>
	Restricted	1,407,000	0
	GF/GP	\$1,000,000	\$1,000,000
<b>12. Sexual Assault Nurse Examiner Program (SANE)</b>	<b>Gross</b>	<b>NA</b>	<b>\$102,600</b>
<u>House</u> includes \$102,600 GF/GP to support a Sexual Assault Nurse Examiner Program (SANE).	GF/GP	NA	\$102,600
<b>13. Diaper Assistance Program</b>	<b>Gross</b>	<b>\$250,000</b>	<b>\$1,250,000</b>
<u>Executive</u> transfers Diaper Assistance line and funding (\$250,000 TANF) to Community Services and Outreach. <u>House</u> concurs and increases funding by \$1.3 million Gross (\$500,000 GF/GP).	TANF	250,000	750,000
	GF/GP	\$0	\$500,000
<b>14. Community Services and Outreach One-Time Funding</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,660,300</b>
<u>House</u> includes:	GF/GP	NA	\$1,660,300
<ul style="list-style-type: none"> <li>Human trafficking survivors program grants (\$1.0 million)</li> <li>Community shelter for domestic violence survivors (\$210,300)</li> <li>County grants for human trafficking collaboratives (\$250,000)</li> <li>Child Advocacy Centers (\$200,000)</li> </ul>			
<b>CHILDREN'S SERVICES AGENCY – CHILD WELFARE</b>			
<b>15. Child Welfare Caseload Adjustments</b>	<b>Gross</b>	<b>\$793,637,300</b>	<b>\$16,446,300</b>
<u>Executive</u> increases funding for child welfare programs by \$16.4 million Gross (\$18.7 million GF/GP) as follows:	TANF	69,464,500	2,835,400
<ul style="list-style-type: none"> <li>Foster care payments are increased by \$16.8 million Gross (\$12.7 million GF/GP) from 7,958 cases at \$31,552 per year to 7,138 cases at \$41,349 per year.</li> <li>Adoption subsidies is reduced by \$4.1 million Gross (\$10.1 million GF/GP) from 21,877 cases at \$723.92 per month to 21,025 cases at \$732.95 per month.</li> <li>Guardianship assistance payments are increased by \$261,600 Gross (\$250,900 GF/GP) from 1,209 cases at \$687.87 per month to 1,229 cases at \$694.41 per month.</li> <li>The Child Care Fund is increased by \$3.5 million Gross (\$15.8 million GF/GP).</li> </ul>	Federal	225,517,200	(843,300)
	Local	43,378,600	(4,223,400)
	Private	2,700,000	0
	GF/GP	\$452,577,000	\$18,677,600
<u>House</u> concurs.			
<b>16. Child Welfare FMAP Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Executive</u> includes a \$5.9 million GF/GP increase to offset the decrease in federal funding due to the decrease in federal FMAP match from 65.48% to 64.71%. Also reverses FY22 Enhanced FMAP adjustments for base caseload in applicable child welfare lines. <u>House</u> concurs.	Federal	NA	(5,912,300)
	GF/GP	NA	\$5,912,300
<b>17. Federal Title IV-E Administration Decrease</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Executive</u> includes \$34.9 million GF/GP adjustment to correct an overclaim of federal title IV-E administrative reimbursements identified during FY 2020-21 book closing. <u>House</u> concurs.	Federal	NA	(34,945,000)
	GF/GP	NA	\$34,945,000

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 House Change</b>
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>18. Family Maintenance Payment Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$33,664,700</b>
<u>Executive</u> includes \$33.7 million Gross (\$13.3 GF/GP) to fund an 18% increase in regular maintenance payments to foster parents, adoptive families, and juvenile guardians. <u>House</u> concurs with Executive and adds \$100.	TANF	NA	5,846,200
	Federal	NA	13,253,500
	Local	NA	1,248,400
	GF/GP	NA	\$13,316,600
<b>19. Residential Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$10,519,500</b>
<u>Executive</u> includes \$10.5 million Gross (\$9.0 million GF/GP) to fund a 5% reimbursement increase to residential child caring institutions as well as a 12% reimbursement increase to private residential juvenile justice providers. <u>House</u> concurs.	Federal	NA	1,543,500
	GF/GP	NA	\$8,976,000
<b>20. Direct Care Worker to Residential Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,668,200</b>
<u>House</u> includes a net \$1.7 million federal increase from 1) adding \$11.1 million Gross (\$9.5 million GF/GP) for a general rate increase to private residential facilities and 2) removing private residential facilities from the direct care wage pass through.	Federal	NA	1,668,200
	GF/GP	NA	\$0
<b>21. Raise the Age Fund Adjustment</b>	<b>Gross</b>	<b>\$9,150,000</b>	<b>\$7,688,900</b>
<u>Executive</u> adds \$7.7 million GF/GP to adjust the Raise the Age fund for county incurred service costs based on county budget submissions to DHHS. <u>House</u> concurs.	G/F/GP	\$9,150,000	\$7,688,900
<b>22. Adoption Marketing and Education Program</b>	<b>Gross</b>	<b>\$0</b>	<b>\$10,000,000</b>
<u>House</u> includes \$10.0 million GF/GP to fund marketing programs that promote adoption of infants and to develop educational materials to promote adoption as an alternative to abortion.	G/F/GP	\$0	\$10,000,000
<b>23. Adoptive Parent Tax Credit</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,000,000</b>
<u>House</u> includes \$2.0 million GF/GP to fund a tax credit for adoptive parents.	G/F/GP	NA	\$2,000,000
<b>24. Child Welfare Day Treatment Pilot Program – One-Time</b>	FTE	NA	0.0
<u>Executive</u> includes \$2.5 million GF/GP to fund a pilot treatment program targeted to children ages 7-18 who have been expelled or are at risk of being expelled from school with behaviors that threaten the stability of their foster care placement. <u>House</u> moves to one-time and includes \$100 placeholder.	<b>Gross</b>	<b>NA</b>	<b>\$100</b>
	GF/GP	NA	\$100
<b>25. Congregate Care Pandemic Relief Grants – One-Time</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Executive</u> provides \$15.0 million GF/GP for pandemic-related fiscal relief to residential child welfare providers. <u>House</u> does not include.	GF/GP	NA	\$0
<b>26. Child Welfare One-Time Funding</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,600,000</b>
<u>House</u> includes:	GF/GP	NA	\$1,600,000
• Housing/support for youth aging out of foster care (\$100,000)			
• Education supports for developmentally disabled foster youth (\$1.0 million)			
• In-home care grants (\$500,000)			

**Major Budget Changes from FY 2021-22 YTD Appropriations**

**FY 2021-22  
Year-to-Date  
(as of 2/9/22)**      **FY 2022-23  
House  
Change**

**PUBLIC ASSISTANCE**

**27. Public Assistance Caseload Adjustments**

Executive recognizes a \$1.1 billion Gross net increase (\$3.3 million GF/GP net reduction) resulting from adjusted estimates to Family Independence Program (FIP), Food Assistance Program (FAP), State Disability Assistance (SDA), and State Supplementation (SSI) caseloads for FY 2021-22 and FY 2022-23. Adjustments include pandemic-related increases to food assistance (P-EBT).

- FIP: reduction of \$3.7 million Gross (\$0 GF/GP).
- FAP: increase of \$1.2 billion Gross (\$0 GF/GP).
- SDA: reduction of \$452,800 GF/GP.
- SSI: reduction of \$2.8 million GF/GP.

House concurs.

<b>Gross</b>	<b>NA</b>	<b>\$1,148,718,500</b>
IDG	NA	(180,000)
TANF	NA	(3,558,200)
Federal	NA	1,155,716,600
GF/GP	NA	(\$3,259,900)

**28. Food Security Council – One-Time**

Executive includes \$50.0 million GF/GP to support grants to food banks and other charity-based organizations that distribute food, update food distribution facilities, create a new food distribution center in the U.P., information technology updates for the Bridges system, and attempt coordination between primary health care services and food access. House includes \$100 placeholder.

<b>Gross</b>	<b>\$0</b>	<b>\$100</b>
GF/GP	\$0	\$100

**29. Home Repair and Plumbing Assistance Grants – One-Time**

Executive includes \$40.0 million GF/GP to support grants through local Community Action Agencies to households for minor home repair work, including plumbing repairs. House includes \$100 placeholder.

<b>Gross</b>	<b>\$0</b>	<b>\$100</b>
GF/GP	\$0	\$100

**30. Cross-Enrollment Expansion – One-Time**

Executive includes \$2.5 million Gross (\$1.3 million GF/GP) to support efforts to enroll public assistance recipients in all other assistance programs that they are eligible for. Funding would support administrative and outreach efforts, as well as changes to the MI Bridges enrollment portal. House does not include.

<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
Federal	0	0
GF/GP	\$0	\$0

**31. Family Independence Program – Young Child Supplements**

Executive includes \$8.3 million in TANF block-grant funds to increase monthly FIP distributions by \$100 per child under the age of 6. House does not include.

<b>Gross</b>	<b>\$59,751,700</b>	<b>\$0</b>
TANF	48,722,100	0
Restricted	10,121,900	0
GF/GP	\$907,700	\$0

**32. Family Independence Program – Child Support Pass-Through**

Executive includes \$0 Gross (\$1.1 million GF/GP) to backfill forgone state-share collections of child support for administrative purposes. This would eliminate the remainder of state-share collections to allow those child support collections to pass through to FIP applicable cases. House does not include.

<b>Gross</b>	<b>\$59,751,700</b>	<b>\$0</b>
TANF	48,722,100	0
Restricted	10,121,900	0
GF/GP	\$907,700	\$0

**33. Employment Verification Contract Increase**

Executive includes \$5.4 million Gross (\$3.2 million GF/GP) to support the employment verification contract with TALX (Equifax). This includes moving the payment rate from a flat-rate to a per-unit rate, and account for increased employment verifications. House concurs.

<b>Gross</b>	<b>\$17,595,000</b>	<b>\$5,374,700</b>
IDG	145,400	0
TANF	3,597,500	3,800
Federal	6,279,800	2,127,300
GF/GP	\$7,572,300	\$3,243,600

**34. Security Services Contract Increase**

Executive includes \$1.4 million Gross (\$783,800 GF/GP) to increase payments to DK Security for infrastructure protection. The increase in funds would be utilized to increase personnel wages from the current hourly minimum of \$12.40 to \$16.00 statewide, with the exception of Detroit, which would see an increase to \$18.00. House concurs.

<b>Gross</b>	<b>\$17,595,000</b>	<b>\$1,400,000</b>
IDG	145,400	0
TANF	3,597,500	264,700
Federal	6,279,800	351,500
GF/GP	\$7,572,300	\$783,800

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 House Change
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>35. Migrant Family Independence Specialists</b>	FTE	4,417.5	0.0
<u>Executive</u> includes \$555,700 Gross (\$277,900 GF/GP) and 5.0 FTE positions to place Migrant Family Independence Specialists at Intercare, Cherry Health, Northwest Michigan Human Services, and Great Lakes Bay health centers. The additional Family Independence Specialists would provide for targeted outreach to migrant populations. <u>House</u> does not include.	<b>Gross</b>	<b>\$471,827,100</b>	<b>\$0</b>
	IDG	6,805,700	0
	TANF	52,195,400	0
	Federal	208,849,800	0
	GF/GP	\$203,976,200	\$0
<b>36. Food Distribution Grant – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$500,000</b>
<u>House</u> includes \$500,000 GF/GP to support a grant to Feeding America West Michigan to re-develop and equip a new distribution warehouse facility in Kentwood.	GF/GP	\$0	\$500,000
<b>37. Wrap-Around Services Grant – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$200,000</b>
<u>House</u> includes \$200,000 GF/GP to support a grant to the Boys and Girls Club facility in Bay City for site maintenance and improvement.	GF/GP	\$0	\$200,000
<b>38. Legal Assistance</b>	<b>Gross</b>	<b>\$20,000</b>	<b>\$30,000</b>
<u>House</u> includes \$30,000 GF/GP to increase the grant to the Allegan County Legal Assistance Center, used to provide civil law services to low-income individuals.	GF/GP	\$20,000	\$30,000
<b>39. SSI Advocacy Legal Services - Placeholder</b>	<b>Gross</b>	<b>\$0</b>	<b>(\$324,900)</b>
<u>House</u> reduces LSAM grant to \$100 placeholder.	GF/GP	\$0	(\$324,900)
<b>40. Food Assistance Reinvestment – Waived Penalty Period</b>	<b>Gross</b>	<b>\$10,985,000</b>	<b>(\$3,551,500)</b>
<u>Executive</u> reduces penalty payments to the U.S. Department of Agriculture – Food and Nutrition Services by \$3.6 million GF/GP. The USDA waived food assistance distribution error rate-related penalties due to the inability to determine correct error rates during certain periods in the 2 previous fiscal years, resulting from the COVID-19 pandemic and related mitigation measures. <u>House</u> concurs.	GF/GP	\$10,985,000	(\$3,551,500)
<b>BEHAVIORAL HEALTH SERVICES</b>			
<b>41. Michigan Crisis and Access Line (MiCAL)</b>	<b>Gross</b>	<b>NA</b>	<b>\$3,000,000</b>
<u>House</u> adds \$3.0 million GF/GP to continue to MiCAL statewide, a behavioral health crisis intervention and support call center and also provides primary coverage in regions where a regional national suicide prevention 988 lifeline center does not provide coverage and for statewide secondary coverage for 988.	GF/GP	NA	\$3,000,000
<b>42. Family Support Subsidy Caseloads Adjustments</b>	<b>Gross</b>	<b>\$11,832,400</b>	<b>(\$1,637,300)</b>
<u>Executive</u> reduces \$1.6 million TANF to support an estimated 3,700 family support subsidy cases. <u>House</u> concurs.	TANF	11,832,400	(1,637,300)
	GF/GP	\$0	\$0
<b>43. Opioid Healing and Recovery Fund</b>	<b>Gross</b>	<b>\$0</b>	<b>\$16,000,000</b>
<u>Executive</u> includes \$16.0 million of restricted funds from court settlements between the state and opioid manufacturers and distributors. State statute would also be required to create the fund and establish the use of the funds. <u>House</u> concurs.	Restricted	0	16,000,000
	GF/GP	\$0	\$0
<b>44. Medicaid Mental Health Local Match</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>House</u> includes \$5.1 million GF/GP to replace a like amount of local funding used for Medicaid mental health supports and services. Amount would reflect the third year of phasing out the local match portion over a 5-year period.	Local	NA	(5,095,100)
	GF/GP	NA	\$5,095,100
<b>45. Medicaid Methadone Bundled Services Rate Increase</b>	<b>Gross</b>	<b>\$0</b>	<b>\$5,446,600</b>
<u>House</u> adds \$5.4 million Gross (\$1.2 million GF/GP) to increase the Medicaid bundled reimbursement rate for administering and servicing methadone to \$19.00.	Federal	0	4,202,800
	GF/GP	\$0	\$1,243,800

<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 House Change</b>
<b>46. Behavioral Health Inpatient Capacity and Operations</b>	FTE	NA	0.0
<u>Executive</u> includes \$52.5 million GF/GP and authorizes 169.0 FTE positions to increase capacity of state-operated and private purchase psychiatric inpatient beds. Funding for state-operated psychiatric hospitals would be used to staff an additional 56 beds at Hawthorn and Center for Forensic Psychiatry. Funding for private purchase would support the purchase of 60 beds. <u>House</u> does not include.	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
	GF/GP	NA	\$0
<b>47. New State-Operated Psychiatric Hospital – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$85,000,000</b>
<u>Executive</u> adds \$325.0 million in one-time GF/GP to construct a new state-operated psychiatric hospital campus in Southeast Michigan to replace Hawthorn and Walter P. Reuther. Campus would have an estimated capacity of 260 total beds, which would be 45 more than the current occupancy of the 2 current facilities. <u>House</u> adds \$85.0 million in one-time GF/GP to construct a new Hawthorn Center for children and adolescents.	GF/GP	\$0	\$85,000,000
<b>48. New Non-State Behavioral Health Facility Capacity – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$178,600,000</b>
<u>House</u> adds \$178.6 million Gross (\$53.6 million GF/GP), including \$125.0 million of federal Coronavirus State Fiscal Recovery Funds (SFRF) in one-time funding for:	SFRF	0	125,000,000
	GF/GP	\$0	\$53,600,000
<ul style="list-style-type: none"> <li>• Pine Rest pediatric behavioral health center (\$50.0 million)</li> <li>• Detroit Wayne Integrated Health Network psychiatric campus (\$45.0 million)</li> <li>• Establishing crisis stabilization units (\$30.0 million)</li> <li>• U of M Medicine children's emergency psychiatry and day program for children and adults (\$11.0 million)</li> <li>• Establishing psychiatric residential treatment facilities (\$10.0 million)</li> <li>• Team Wellness adolescent behavioral wraparound health care program (\$10.0 million)</li> <li>• Northern Michigan psychiatric inpatient (\$5.0 million)</li> <li>• Bay County pediatric psychiatric inpatient (\$5.0 million)</li> <li>• Kalamazoo or Berrien County pediatric psychiatric inpatient (\$5.0 million)</li> <li>• War Memorial psychiatric inpatient (\$3.6 million)</li> <li>• McLaren emergency psychiatric assessment, treatment, and healing (EmPATH) unit (\$3.0 million)</li> <li>• McLaren Greenlawn (\$1.0 million)</li> </ul>			
<b>49. Health Homes</b>	FTE	1.0	0.0
<u>Executive</u> includes \$16.8 million Gross (\$2.5 million GF/GP) to increase the number counties with behavioral health homes from 37 and 42 and the number of counties with opioid health homes from 40 to 49. <u>House</u> includes Executive amount but also requires funds be used to implement intellectual or developmental disability health home.	<b>Gross</b>	<b>\$33,005,400</b>	<b>\$16,832,100</b>
	Federal	29,524,900	14,332,100
	Local	246,900	0
	Restricted	677,300	0
	GF/GP	\$2,556,300	\$2,500,000
<b>50. Central Administrative Support for State Psychiatric Hospitals and Centers</b>	FTE	NA	0.0
<u>Executive</u> includes a net increase of \$1.1 million GF/GP and authorizes a net 8.0 FTE positions to increase administrative support for admission and discharges, the Michigan Community Transition Program, and Psychiatric Residential Treatment Facilities. <u>House</u> does not include the net increase.	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
	GF/GP	NA	\$0

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 House Change
<b>Major Budget Changes from FY 2021-22 YTD Appropriations</b>			
<b>51. Occupational Health Clinics</b>	FTE	NA	0.0
<u>Executive</u> adds \$3.6 million Gross (\$3.2 million GF/GP) to establish permanent occupational health clinics in each of the 5 state-operated psychiatric hospitals and centers. The occupational health clinics would manage occupational health issues including workplace safety, infectious disease control, and quality control. <u>House</u> includes \$100 placeholder.	<b>Gross</b>	<b>NA</b>	<b>\$100</b>
	Federal	NA	0
	GF/GP	NA	\$100
<b>52. State Psychiatric Hospital Pharmacy Cost Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$436,700</b>
<u>Executive</u> adds \$436,700 Gross (\$357,700 GF/GP) to support an estimated 5% inflationary increase in pharmacy costs within the state psychiatric hospitals. <u>House</u> concurs.	Federal	NA	30,600
	Local	NA	32,400
	Restricted	NA	16,000
	GF/GP	NA	\$357,700
<b>53. Behavioral Health One-Time Funding</b>	<b>Gross</b>	<b>NA</b>	<b>\$12,690,300</b>
<u>Executive</u> includes \$1.0 million GF/GP to continue Jail Diversion Funds at \$15.0 million GF/GP, multicultural integration funding at \$8.6 million GF/GP, and first responder mental health funding at \$2.5 million GF/GP. <u>House</u> includes:	SFRF	NA	7,500,000
	GF/GP	NA	\$5,190,300
<ul style="list-style-type: none"> <li>• First responder mental health funding (\$7.5 million SFRF)</li> <li>• Easterseals - autism comprehensive care center (\$2.5 million)</li> <li>• Western Upper Peninsula CMHSP health professionals in schools (\$1.0 million)</li> <li>• Altarum substance use disorder programming (\$850,000)</li> <li>• Easterseals – Parent/Family stress programs (\$500,000)</li> <li>• Great Lakes Recovery Center (\$250,000)</li> <li>• Endeavor to Persevere – teen walk-in mental health (\$50,000)</li> <li>• Mediation services (\$40,000)</li> <li>• \$100 placeholders for Jail Diversion Fund, Families Against Narcotics, and Salvation Army Safe Harbor (\$300)</li> </ul>			
<b>PUBLIC HEALTH</b>			
<b>54. New Initiatives to Reduce Health Disparities – One-Time</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Executive</u> includes one-time funding of \$20.0 million Gross (\$15.0 million GF/GP) for new initiatives to reduce health disparities, including:	Federal	NA	0
	GF/GP	NA	\$0
<ul style="list-style-type: none"> <li>• \$10.0 million Gross (\$5.0 million GF/GP) for Medicaid health plan racial disparities incentive pool.</li> <li>• \$4.2 million GF/GP for expansion of access to Centering Pregnancy sites to reduce racial disparities in pre-term births.</li> <li>• \$4.0 million GF/GP for health education and training to improve birth outcomes for adolescent mothers.</li> <li>• \$1.3 million GF/GP for health care workforce diversification development.</li> <li>• \$500,000 GF/GP for outreach to minority women regarding uterine fibroid disease and health disparities.</li> </ul>			
Sections 1979 through 1983 are related boilerplate sections. <u>House</u> does not include.			
<b>55. Essential Health Provider - Behavioral Health – One-Time</b>	<b>Gross</b>	<b>\$3,519,600</b>	<b>\$0</b>
<u>Executive</u> provides one-time funding of \$25.0 million GF/GP to support behavioral health provider repayment of medical education loans in exchange for service in health professional shortage areas, an expansion of the existing Michigan essential health provider state/federal program. Sec. 1985 is related boilerplate and establishes the funding as a work project. <u>House</u> does not include.	Federal	1,236,300	0
	Private	855,000	0
	GF/GP	\$1,428,300	\$0



		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 House Change
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>56. Health Workforce Development Initiatives – One-Time</b>	<b>Gross</b>	<b>\$1,573,000</b>	<b>\$4,977,000</b>
<u>House</u> adds \$5.0 million GF/GP for 4 projects to increase the number of psychiatric-mental health nurse practitioners, provide social workers training in crisis stabilization management, and provide skills development and training for direct care workers. Sec. 1970 is related boilerplate and establishes the funding as a work project.	GF/GP	\$1,573,000	\$4,977,000
<b>57. Bone Marrow Donor and Blood Bank Programs – One-Time</b>	<b>Gross</b>	<b>\$750,000</b>	<b>(\$749,900)</b>
<u>House</u> reduces current funding for bone marrow donor and blood bank programs from \$750,000 GF/GP to a \$100 placeholder and moves the funding to one-time. Related boilerplate sections 1146 and 1147 are combined and moved to Sec. 1959.	GF/GP	\$750,000	(\$749,900)
<b>58. Information on Human Embryo Constitution Provisions</b>	<b>Gross</b>	<b>\$100,000</b>	<b>(\$100,000)</b>
<u>House</u> removes \$100,000 GF/GP funding for informational materials related to State Constitution provisions regarding human embryo and embryonic stem cell research; revises related Sec. 1148 boilerplate to require a report on the expenditure of the FY 2021-22 funding.	GF/GP	\$100,000	(\$100,000)
<b>59. Notice of Prohibited Use of State Funds for Elective Abortion</b>	<b>Gross</b>	<b>\$0</b>	<b>\$50,000</b>
<u>House</u> includes \$50,000 GF/GP to provide notice and information to health providers and the public concerning the prohibited use of state restricted or state general funds by DHHS, grantees, or subcontractors to fund any elective abortion. Sec. 243 is related boilerplate. Vetoes in FY 2021-22 budget.	GF/GP	\$0	\$50,000
<b>60. Newborn Screening Inflationary Adjustment</b>	<b>Gross</b>	<b>\$17,912,100</b>	<b>\$967,300</b>
<u>Executive</u> recognizes increased newborn screening fee revenue of \$967,300 from automatic fee adjustment for inflation (4.5%) pursuant to statute, for screening of newborns for genetic conditions, in 2 line items. <u>House</u> concurs.	Restricted	17,912,100	967,300
	GF/GP	\$0	\$0
<b>61. Healthy Communities Grant – One-Time</b>	<b>Gross</b>	<b>\$300,000</b>	<b>(\$299,900)</b>
<u>House</u> provides a \$100 placeholder to continue one-time funding for healthy living, obesity prevention, and substance abuse prevention programs of Leaders Advancing and Helping Communities. Sec. 1956 is related boilerplate	GF/GP	\$300,000	(\$299,900)
<b>62. Sexually Transmitted Disease Control and Prevention</b>	<b>Gross</b>	<b>\$6,418,200</b>	<b>\$2,000,000</b>
<u>Executive</u> increases private funding by \$2.0 million for state and local prevention activities and drug programs related to sexually transmitted infections (STI). Funds are pharmaceutical manufacturer rebates for drug expenditures within this program. <u>House</u> concurs.	Federal	3,358,100	0
	Private	136,500	2,000,000
	Restricted	2,296,600	0
	GF/GP	\$627,000	\$0
<b>63. Gun Violence Prevention and Reduction – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
<u>Executive</u> includes one-time funding of \$10.0 million GF/GP for firearm injury and violence prevention initiatives, including evidence-based school and community programs, training for health, community, and law enforcement workers, data infrastructure development, and evaluation of initiatives. Sec. 1986 is related boilerplate and establishes the funding as a work project. <u>House</u> does not include.	GF/GP	\$0	\$0
<b>64. Healthy Moms Healthy Babies - Doula Care – One-Time</b>	<b>Gross</b>	<b>\$0</b>	<b>\$100</b>
<u>Executive</u> increases funding by \$1.2 million GF/GP for expansion of Healthy Moms Healthy Babies maternal and infant health and support programs to provide professional doula care services for high-risk pregnant women, new mothers, and their families. <u>House</u> moves to one-time as a \$100 placeholder for a doula care services pilot program.	GF/GP	\$0	\$100

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 House Change
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>65. Child and Adolescent Health Care and Centers</b>	<b>Gross</b>	<b>\$16,242,700</b>	<b>\$0</b>
<u>Executive</u> retains FY 2021-22 \$5.0 million supplemental increase and provides additional increase of \$11.0 million of local school district revenue originating from the state School Aid Fund for primary health care services to children and youth in clinical and school-based settings, included as a proposed increase in the School Aid budget. Note \$5.0 million supplemental amount is reflected in the FY 2021-22 year-to-date. <u>House</u> retains \$5.0 million supplemental increase only.	Local	16,242,700	0
	GF/GP	\$0	\$0
<b>66. Alternative Pregnancy and Parenting Program</b>	<b>Gross</b>	<b>\$36,818,200</b>	<b>\$700,000</b>
<u>House</u> includes \$700,000 increase of federal TANF funding for Real Alternatives pregnancy and parenting services program which promotes childbirth, alternatives to abortion, and grief counseling. Sec. 1307 is related boilerplate. Vetoed in FY 2021-22 budget.	TANF	0	700,000
	Federal	15,828,300	0
	Restricted	50,000	0
	GF/GP	\$20,939,900	\$0
<b>67. Title X &amp; Title V Block Grant Funds Replacement and Redirect</b>	<b>Gross</b>	<b>\$27,697,100</b>	<b>\$0</b>
<u>House</u> replaces \$8.3 million of federal title X family planning funds with GF/GP in two appropriation lines, and \$19.4 million of federal title V maternal and child health (MCH) block grant funds with GF/GP, in 11 appropriation lines. \$1.7 million of funds previously allocated from the block grant to family planning is redirected to local MCH services and childhood lead prevention program with the replacement GF/GP. Sec. 1344 is related boilerplate.	Federal	27,697,100	(27,697,100)
	GF/GP	\$0	(\$27,697,100)
<b>68. Maternal Navigator Pilot Program</b>	<b>Gross</b>	<b>\$0</b>	<b>\$3,000,000</b>
<u>House</u> includes \$3.0 million GF/GP for a maternal navigator pilot program by nonprofit organizations in 2 geographically diverse areas to provide referrals and services to pregnant women; grantee organizations must promote childbirth and alternatives to abortion. Sec. 1345 is related boilerplate. Vetoed in FY 2021-22 budget.	GF/GP	\$0	\$3,000,000
<b>69. Pregnancy Resource Center Grants</b>	<b>Gross</b>	<b>\$0</b>	<b>\$1,500,000</b>
<u>House</u> includes \$1.5 million GF/GP for grants to pregnancy resource centers, to be distributed equally to applicants; centers are defined as private nonprofit organizations that promote childbirth and alternatives to abortion, and provide referrals and information to pregnant women. Sec. 1346 is related boilerplate. Vetoed in FY 2021-22 budget.	GF/GP	\$0	\$1,500,000
<b>70. Maternity Homes Expansion</b>	<b>Gross</b>	<b>\$0</b>	<b>\$4,000,000</b>
<u>House</u> includes \$4.0 million GF/GP for maternity home expansion grants for safe housing and supportive services for pregnant women who are without a safe home, and for a statewide assessment of need for access to maternity home programs. Sec. 1323 is related boilerplate.	GF/GP	\$0	\$4,000,000
<b>71. Lead Abatement Grant SCHIP Adjustments</b>	<b>Gross</b>	<b>\$32,745,400</b>	<b>\$0</b>
<u>Executive</u> includes a net \$0 Gross fund shift of \$393,000 from federal to GF/GP for FMAP adjustment for federal Children's Health Insurance Program funds used for lead abatement in Flint and other high-risk communities since 2016-17. <u>House</u> concurs.	Federal	19,999,500	(393,000)
	Private	77,800	0
	Restricted	723,700	0
	GF/GP	\$11,944,400	\$393,000
<b>72. Public Health Non-GF/GP Funds Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,584,400</b>
<u>Executive</u> recognizes net \$1.6 million Gross adjustment for federal, private, and state restricted funding, including:	Federal	NA	301,100
<ul style="list-style-type: none"> <li>\$400,000 state restricted revenue for body art facility licensure.</li> <li>Removes \$1.4 million for 3 federal grants for rural health services now provided directly to grantee, Michigan Center for Rural Health</li> <li>\$1.2 million federal funds for AIDS prevention, testing, and care.</li> <li>\$500,000 federal smoking prevention funds.</li> <li>\$883,300 private funds for WIC program vendor system.</li> </ul>	Private	NA	883,300
	Restricted	NA	400,000
<u>House</u> concurs.	GF/GP	NA	\$0

		FY 2021-22 Year-to-Date (as of 2/9/22)	FY 2022-23 House Change
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>AGING AND ADULT SERVICES</b>			
<b>73. Aging Services</b>	<b>Gross</b>	<b>\$126,630,000</b>	<b>\$3,460,000</b>
<u>Executive</u> recognizes \$3.5 million of additional federal funds available for senior programs including \$1.0 million for senior community services, \$1.5 million for senior nutrition services including congregate meals and home-delivered meals, and \$1.0 million for administration and authorization of funds carried forward from prior fiscal years. <u>House</u> concurs, and also removes \$40,000 GF/GP and Sec. 1426 boilerplate regarding friendly caller service that is already being provided by DHHS.	Federal	65,343,900	3,500,000
	Private	1,020,000	0
	Restricted	6,068,700	0
	GF/GP	\$54,197,400	(\$40,000)
<b>MEDICAL SERVICES</b>			
<b>74. Dementia Care Unit</b>	<b>Gross</b>	<b>\$400,000</b>	<b>\$0</b>
<u>Executive</u> retains \$400,000 GF/GP one-time funding for dementia care and redesignates the funding as ongoing. <u>House</u> concurs.	GF/GP	\$400,000	\$0
<b>75. Dental Program Redesign</b>	<b>Gross</b>	<b>NA</b>	<b>\$50,953,500</b>
<u>Executive</u> includes \$247.6 million Gross (\$69.8 million GF/GP) to consolidate fee-for-service (FFS), Healthy Michigan Plan (HMP), and Healthy Kids (HKD) dental programs into a single, direct contract with dental health plans; and increase reimbursement rates for outpatient and ambulatory surgical facilities. Specifically, rates for outpatient hospitals would increase from \$124.90 to \$829.15, and rates for ambulatory surgical centers would increase from \$81.84 to \$538.95. The intent would be to rebid the Medicaid contract in FY 2022-23 and increase the rates for FFS and HMP dental programs to reach equivalency in dental utilization from the higher reimbursement rate of HKD. <u>House</u> includes \$51.0 million Gross (\$17.7 million GF/GP) to increase adult fee-for-services reimbursements and concurs with <u>Executive</u> increase to outpatient hospitals and ambulatory surgical centers.	Federal	NA	33,279,900
	GF/GP	NA	\$17,673,600
<b>76. Hospice Room and Board</b>	<b>Gross</b>	<b>\$3,318,000</b>	<b>\$1,682,000</b>
<u>Executive</u> includes an additional \$1.7 million GF/GP to support room and board costs of Medicaid recipients at hospice residences that are licensed by the state, but not certified for Medicare. Sec. 1856 is related, revised boilerplate. Total appropriations for monthly Medicaid hospice room and board grants would be increased to \$5.0 million GF/GP. <u>House</u> concurs with additional funding with revised Sec. 1856.	GF/GP	\$3,318,000	\$1,682,000
<b>77. Birth Expense Recovery</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Executive</u> includes \$13.7 million Gross (\$4.9 million GF/GP) to forgo financial reimbursements from fathers of unwed pregnancies, used to partially offset the cost of Medicaid-paid birth expenses. <u>House</u> does not include.	Federal	NA	0
	GF/GP	NA	\$0
<b>78. Long-Term Care: Non-Clinical Staff Wage Increase</b>	<b>Gross</b>	<b>\$1,990,930,000</b>	<b>\$0</b>
<u>Executive</u> includes \$60.0 million Gross (\$21.2 million GF/GP) to increase non-clinical nursing facility staff hourly wages by \$2.35. <u>House</u> does not include.	Federal	1,323,812,100	0
	Local	6,618,800	0
	Private	6,100,000	0
	Restricted	358,142,500	0
	GF/GP	\$296,256,600	\$0
<b>79. PACE – Site Expansions</b>	<b>Gross</b>	<b>\$198,118,300</b>	<b>\$100</b>
<u>Executive</u> includes \$4.6 million Gross (\$1.6 million GF/GP) for the expansion of enrollment caps at the PACE sites in Wayne County, Traverse City, and the Central Michigan regional site. <u>House</u> adds \$100 placeholder.	Federal	133,489,100	0
	GF/GP	\$64,629,200	\$100

		<b>FY 2021-22 Year-to-Date (as of 2/9/22)</b>	<b>FY 2022-23 House Change</b>
<b><u>Major Budget Changes from FY 2021-22 YTD Appropriations</u></b>			
<b>80. Medicaid Neonatology Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,416,800</b>
<u>House</u> includes \$1.4 million Gross (\$500,000 GF/GP) to increase Medicaid neonatology rates by 5%.	Federal	NA	916,800
	GF/GP	NA	\$500,000
<b>81. Medicaid Private Duty Nursing Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$6,263,800</b>
<u>House</u> includes \$6.3 million Gross (\$2.2 million GF/GP) to increase Medicaid private duty nursing rates by 15%.	Federal	NA	4,053,200
	GF/GP	NA	\$2,210,600
<b>82. Vaccine Administration – Medicaid Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Executive</u> includes \$14.1 million Gross (\$4.5 million GF/GP) to increase Medicaid reimbursement rates for non-COVID vaccines up to Medicare reimbursement rates. <u>House</u> does not include.	Federal	NA	0
	GF/GP	NA	\$0
<b>83. Restricted Fund Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Executive</u> includes \$27.5 million GF/GP as a net-zero replacement of restricted revenue authorization to recognize a decrease in revenues from the Medicaid Benefits Trust Fund (\$20.0 million), Healthy Michigan Fund (\$2.0 million), and from the Insurance Providers Assessment (\$5.5 million). <u>House</u> concurs.	Restricted	NA	(27,527,300)
	GF/GP	NA	\$27,527,300
<b>84. Medical Services One-Time Funding</b>	<b>Gross</b>	<b>NA</b>	<b>\$44,400,200</b>
<u>House</u> includes:	SFRF	NA	40,000,000
<ul style="list-style-type: none"> <li>• PACE cost recovery and site expansion (\$40.0 million SFRF)</li> <li>• Muskegon pathway hub model (\$3.4 million)</li> <li>• Region VII wellness center pilot project (\$1.0 million)</li> <li>• \$100 placeholders for Mary Free Bed and Altarum long-term care value process (\$300)</li> </ul>	GF/GP	NA	\$4,400,200

#### **ONE-TIME APPROPRIATIONS**

<b>85. Remove FY 2021-22 One-Time Appropriations</b>	FTE	6.0	(6.0)
<u>Executive</u> removes one-time appropriations included in FY 2021-22, including one-time appropriations within 133 PA 2021 (HB 4398). Any of this funding that is retained into FY 2022-23 is noted elsewhere. <u>House</u> concurs.	<b>Gross</b>	<b>\$515,885,100</b>	<b>(\$515,885,100)</b>
	SFRF	41,900,000	(41,900,000)
	Federal	352,626,800	(352,626,800)
	GF/GP	\$121,358,300	(\$121,358,300)

#### **Major Boilerplate Changes from FY 2021-22**

##### **GENERAL SECTIONS**

##### **Sec. 210. Contingency Fund Appropriations – RETAINED**

Appropriates federal, state restricted, local, and private contingency funds of up to \$47 million total, available for expenditure when transferred to a line item through the legislative transfer process. Executive revises to increase maximum amounts for contingency appropriations for a total of up to \$290 million. House retains.

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

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

##### **Sec. 218. Basic Health Services and Report – REVISED**

Lists eight health services to be included in an annual list of proposed basic health services to be funded, as required under Part 23 of the Public Health Code; requires report. House revises to strike the list and report; and directs department to provide an annual list of proposed basic health services by October 1 to the Legislature.

##### **Sec. 219. & 219a. Regarding Michigan Public Health Institute Contracts & Employment – 219 REVISED, 219A NEW**

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

## **Major Boilerplate Changes from FY 2021-22**

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

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

### ***Sec. 231. Direct Care Worker Wage Increase and Report – REVISED***

Requires DHHS to increase wages by up to \$2.35 per hour paid to direct care workers funded by DHHS appropriations, and states specific workers and wage increases to be supported. Includes provisions if a worker elects to reject the increase. Requires contractor reporting, and requires DHHS to report by March 1 including details on wages paid. House revises to require Medicaid managed care organizations of MI Choice, MI Health Link, and PIHPs to continue the direct care wage increase and to report quarterly to DHHS on direct care salaries paid, for DHHS to perform a market rate survey, and removes references to private child caring institutions, area agencies on aging, and long-term care (which is moved to new Sec. 1644).

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

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

### ***Sec. 237. Conditions on Funding Regarding COVID Information and Requirements - RETAINED***

Prohibits DHHS from requiring proof of individual COVID-19 vaccination to access state facilities or services, creating a COVID vaccine passport, or providing COVID vaccine status of an individual to any entity or person without the individual's consent. Also prohibits DHHS from requiring proof of COVID vaccination as a condition of certain employment or subjecting an individual to negative employment consequences because of COVID vaccine status, and requires exemptions to any COVID vaccine policy required to be established due to a federal mandate. Executive deletes. House retains.

### ***Sec. 238. Remote Work Restriction - NEW***

House adds boilerplate that prohibits state employees who did not work remotely prior to February 28, 2020 from working remotely beginning October 1.

### ***Sec. 239. Medicaid Reimbursement for Telemedicine - RETAINED***

Requires DHHS to reimburse Medicaid telemedicine services the same as if the services involved face-to-face contact between the provider and patient; this applies to the non-facility component of the reimbursement rate. Executive deletes. House retains.

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

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

### ***Sec. 258. Education Initiatives Regarding Trauma, Human Trafficking, and Sexual Abuse Prevention – RETAINED***

Directs DHHS to collaboratively promote and support school and education initiatives including training regarding use of trauma-informed practices and age-appropriate information about human trafficking and sexual abuse prevention, and to provide a report by March 1. Executive deletes. House retains.

## **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

### ***Sec. 301. Terminal Leave Payments – RETAINED***

Requires that spending for terminal leave payments not exceed designated appropriations, unless a legislative transfer of funds from another line item supporting administrative costs is requested and approved. Executive deletes. House retains.

## **COMMUNITY SERVICES AND OUTREACH**

### ***Sec. 463. Runaway and Homeless Youth Grants – NEW***

Executive authorizes DHHS to make allocations of TANF revenue only to agencies that report necessary data to the department for the propose of meeting TANF eligibility reporting requirements. House concurs.

### ***Sec 463. Diaper Assistance Program – REVISED***

Allocates \$250,000 of TANF revenue as grants to be used to purchase diapering supplies for children under 36 months of age; funds to be distributed evenly to all regions of the state. Executive transfers line to community services and outreach. House concurs, increases funding to \$1.5 million Gross, and allocates \$1.0 million to pregnancy resource centers to fund diapering supplies for children under 36 months of age.

## **Major Boilerplate Changes from FY 2021-22**

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

#### ***Sec. 527. Private Child Placing Agencies' Adoption Worker Caseloads – DELETED***

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

#### ***Sec. 543. Child Abuse and Neglect Policy for Legal Proceedings – RETAINED***

Requires DHHS to develop a clear policy that provides children who are victims of abuse or child neglect to provide input in the legal proceedings. Executive deletes. House retains.

#### ***Sec. 575. Kinship Caregiver Advisory Council – NEW***

Executive requires DHHS to allocate \$200,000 to provide support and coordinated services to the kinship advisory council. Requires the establishment of a public awareness campaign to educate the public about kinship caregivers; consult and coordinate with kinship caregiver navigator program to collect data; establish, maintain, and update a list of local support groups and programs to provide services to kinship families; develop methods to promote and improve collaboration between states, counties, agencies, and stakeholders for improved services. House concurs.

### **PUBLIC ASSISTANCE**

#### ***Sec. 603. Public Assistance Benefits Notification – RETAINED***

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

### **BEHAVIORAL HEALTH SERVICES**

#### ***Sec. 908. Uniform Community Mental Health Credentialing – RETAINED***

States that contracts with PIHPs and CMHSPs must work toward implementing section 206b of the Mental Health Code on uniform community mental health services credentialing. Executive deletes. House retains.

#### ***Sec. 912. Salvation Army Harbor Light Program – RETAINED***

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

#### ***Sec. 927. Uniform Behavioral Health Service Provider Audits – RETAINED***

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

#### ***Sec. 960. Autism Services Cost Containment – RETAINED***

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

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

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

#### ***Sec. 1062. 5-Year Inpatient Psychiatric Bed Plan – DELETED***

Requires DHHS to report a 5-year plan to address need for public and private inpatient psychiatric beds for adults and children. Executive deletes. House deletes and removes associated funding.

### **PUBLIC HEALTH**

#### ***Sec. 1151. Opioid Addiction Treatment Education Collaboration – RETAINED***

Requires DHHS to coordinate with other state departments, law enforcement, and Medicaid health plans to work with substance use disorder providers to inform Medicaid beneficiaries of medically appropriate opioid addiction treatment options when an opioid prescription is completed, and to address other prescription drug and opioid abuse issues; requires a report by October 1. Executive deletes. House retains.

## **Major Boilerplate Changes from FY 2021-22**

### **Sec. 1222. Essential Local Public Health Services - REVISED**

Directs that essential local public health services line item funds be prospectively allocated to local public health departments for nine state and local cost-shared services, some provided in consultation with Department of Agriculture and Rural Development and Department of Environment, Great Lakes, and Energy; local public health departments are held to contractual standards and spending minimums; requires a report by December 1. States distribution formula required to be used, and that allocations shall not be less than the previous fiscal year. New subsection (4) directs that funding shall be unappropriated if a local health officer has an emergency order under Section 2453 of the Public Health Code in effect as of October 1, 2021; does not apply if a county board of commissioners passes a non-binding resolution to support any such emergency orders. Executive deletes subsection (4). House retains subsection (4), and adds new subsection (8) to require quarterly approval from the county board of commissioners of a local health department's quarterly budget for the state essential local public health services funding.

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

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

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

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

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

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

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

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

### **Sec. 1321. Revise Education Modules Regarding Sexual Abuse Prevention – REVISED**

Allows DHHS to revise the Michigan Model for Health curriculum for 2 education health modules to include age-appropriate information about the importance of consent, setting and respecting personal boundaries, prevention of child sexual abuse, and prevention of sexual assault and dating violence. House revises to add prevention of human trafficking.

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

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

### **Sec. 1347. Use of Funds for Activities Regarding Abortion or Human Embryo Use - RETAINED**

Prohibits use of state funds for abortion counseling, referrals, or services, or for any activities regarding human cloning or research in which a human embryo is destroyed or discarded. Executive deletes. House retains.

## **MEDICAL SERVICES**

### **Sec. 1501. Medicaid and Medicare Reimbursement Rate Comparison – NEW**

House requires DHHS to assess Medicaid reimbursement rates to associated Medicare reimbursement rates and provide a legislative report. House also adds \$200,000 in part 1 for this report.

### **Sec. 1517. Actuarial Analysis – Specialty Medicaid Managed Care Health Plan – REVISED**

Allocates funding to complete an actuarial analysis to assess the creation of a Medicaid managed care plan for children in foster care; provides for the requirements of specialty plan; and requires a report. Executive deletes. House removes associated funding and requires a report on implementation.

## **Major Boilerplate Changes from FY 2021-22**

### ***Sec. 1615. Encounter Claims Data Integrity – RETAINED***

Requires the department to provide oversight of Medicaid claims encounter data to insure the integrity of actuarial rates; allows the department to request certain information from Medicaid health plans; and provides for the intent that the department conduct annual audits of Medicaid claims and provide for remedial actions to mitigate errors in actuarial rates. Executive deletes. House retains.

### ***Sec. 1616. Community Health Workers – REVISED***

Requires DHHS to consult with the federal government on allowable avenues to further utilize Community Health Workers as Medicaid providers; possible federal matching funds for services; and requires any expansion be geographically broad-based, evidence-based, and commensurate with applicable training. Executive deletes. House adds doulas and requires a report .

### ***Sec. 1644. Direct Care Worker Wage Increase and Report – NEW***

House requires DHHS to continue the direct care wage increase for direct care workers at skilled nursing facilities and direct care workers at adult foster care and homes for the aged. (Language moves from current Sec. 231.)

### ***Sec. 1645. Nursing Facility Current Asset Value Bed Limit – REVISED***

Allows DHHS to establish a class I nursing facility current asset value bed limit based on a rolling 15-year history of new construction; state legislative intent that annual increase not exceed 4%. Executive deletes. House requires the use of a rolling 15-year history of new construction.

### ***Sec. 1647. Nursing Facility Quality Assurance Assessment Overcharge – NEW***

House allows a nursing home or hospital long-term care unit that was overcharged the QAAP during either FY 2017-18 or 2018-19 to request a recalculation and refund.

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

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

### ***Sec. 1803. Portable X-Ray and Ultrasound Provider Type – DELETED***

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

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

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

### ***Sec. 1875. Prior Authorization for Certain Drugs – DELETED***

Applies prior authorization prohibition to DHHS and its contractual agents for psychotropic medications, drugs for the treatment of HIV or AIDS, epilepsy/seizure disorder, or drugs for organ transplant therapy, if those drugs were either carved out or not subject to prior authorization procedures as of January 22, 2021, defines "prior authorization"; and requires DHHS to explore including medications for the treatment of Duchenne Muscular Dystrophy to the list of Medicaid prescriptions not subject to prior authorization. Executive and House delete.

### ***Sec. 1879. Single Preferred Drug List – REVISED***

Requires DHHS to maintain a standard preferred drug list for Medicaid managed care, requires any changes in the preferred drug list to be made in consultation with the Medicaid managed care organizations and the Pharmacy and Therapeutics Committee. Requires a report. House revises to require Medicaid managed care organizations to manage their own preferred drug lists, and for changes to the Medicaid managed care organization preferred drug lists to be made in consultation with the Pharmacy and Therapeutics Committee.

### ***Sec. 1895. Nursing Home Variable Cost Component – NEW***

Executive requires DHHS to adjust interim variable cost component at 102.5% of the interim rate provided on October 1, 2022, establishes quality assurance supplement formula, and requires DHHS to audit costs to establish a final audited rate. House concurs, with technical drafting edits.