

**FY 2025-26: HEALTH AND HUMAN SERVICES**  
**Summary: As Passed by the Senate**  
**Senate Bill 180 (S-1) as Amended**



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	FY 2024-25 Year-to-Date as of 2/5/25	FY 2025-26 Executive	FY 2025-26 Senate	Difference: Senate From FY 2024-25 YTD	
				Amount	%
IDG/IDT	\$14,707,900	\$15,448,000	\$15,448,000	\$740,100	5.0
Federal	26,644,177,600	27,369,656,600	27,478,281,100	834,103,500	3.1
Local	170,492,500	190,421,900	188,378,200	17,885,700	10.5
Private	177,599,600	180,133,600	180,133,600	2,534,000	1.4
Restricted	3,922,022,500	4,030,240,400	4,188,607,900	266,585,400	6.8
GF/GP	6,717,231,000	7,365,958,300	7,267,705,900	550,474,900	8.2
<b>Gross</b>	<b>\$37,646,231,100</b>	<b>\$39,151,858,800</b>	<b>\$39,318,554,700</b>	<b>\$1,672,323,600</b>	<b>4.4</b>
FTEs	15,941.5	16,364.5	16,030.5	89.0	0.6

*Note: 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.

	FY 2024-25 Year-to-Date (as of 2/5/25)	FY 2025-26 Senate Change
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**Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations**

**MEDICAID – GENERAL**

**1. Traditional Medicaid Cost Adjustments**

Executive includes an increase of \$753.2 million Gross (\$259.4 million GF/GP) to recognize caseload, utilization, inflation, and special financing adjustments, and traditional FMAP cost-sharing adjustments from FMAP increasing from 65.13% to 65.30% for medical and behavioral health services in the traditional Medicaid program. Compared to FY 2023-24 expenditures, and including actuarial soundness adjustments in item #3, State Budget Office forecasts an average annual increase of 3.7%. Senate concurs, but includes an additional \$80.4 million Gross (\$27.9 million GF/GP) in managed care caseload savings.

<b>Gross</b>	<b>\$20,522,491,800</b>	<b>\$672,821,300</b>
Federal	13,312,825,800	474,971,200
Local	44,686,000	(2,422,900)
Private	7,165,100	2,673,000
Restricted	3,110,411,800	(33,950,500)
GF/GP	\$4,047,403,100	\$231,550,500

**2. Healthy Michigan Plan Cost Adjustments**

Executive includes an increase of \$110.8 million Gross (\$17.7 million GF/GP) to recognize caseload, utilization, inflation, and special financing adjustments for medical and behavioral health services in the Healthy Michigan Plan (HMP). Compared to FY 2023-24 expenditures, and including actuarial soundness adjustments in item #3, State Budget Office forecasts an average annual increase of 4.3%. Senate concurs.

<b>Gross</b>	<b>\$6,648,194,800</b>	<b>\$110,841,600</b>
Federal	5,976,755,900	90,413,000
Local	1,771,700	0
Private	1,122,800	0
Restricted	577,498,600	2,761,100
GF/GP	\$91,045,800	\$17,667,500

**3. Actuarial Soundness**

Executive includes \$664.6 million Gross (\$185.3 million GF/GP) to support actuarial soundness adjustments for prepaid inpatient health plans (PIHPs), Medicaid Health plans, Program of All-inclusive Care for the Elderly (PACE), home- and community-based services, Integrated Care Organizations (MI Health Link), and Healthy Kids Dental. Senate concurs.

<b>Gross</b>	<b>NA</b>	<b>\$664,555,100</b>
Federal	NA	479,254,200
GF/GP	NA	\$185,300,900

<b>Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations</b>		<b>FY 2024-25 Year-to-Date (as of 2/5/25)</b>	<b>FY 2025-26 Senate Change</b>
<b>DEPARTMENT ADMINISTRATION</b>			
<b>4. Coordination of Children's Healthcare</b>	FTE	74.0	0.0
<u>Executive</u> transfers \$24.7 million Gross (\$10.8 million GF/GP) and 74.0 FTE positions from throughout DHHS, and includes \$7.5 million restricted revenue from the Healthy Michigan Fund for tobacco and smoking prevention and cessation. Consolidates programs and services such as early child mental health, MiKidsNow, Transitions of Care programming, and youth smoking prevention under a single programmatic line item. YTD amounts reflect appropriations associated with programs transferred from other line items. <u>Senate</u> concurs, but does not include additional Healthy Michigan Fund revenue.	<b>Gross</b>	<b>\$24,688,300</b>	<b>\$0</b>
	TANF	450,200	0
	Federal	13,271,100	0
	Private	200,000	0
	Restricted	0	0
	GF/GP	\$10,767,000	\$0
<b>5. Information Technology Systems and Services Cost Increase</b>	<b>Gross</b>	<b>\$532,841,400</b>	<b>\$9,016,000</b>
<u>Executive</u> includes \$9.0 million Gross (\$4.2 million GF/GP) for cost adjustments related to increased prices for system hardware, software, program licensing fees, and vendor/service provider contractual costs. <u>Senate</u> concurs.	IDT/IDG	609,700	0
	TANF	24,471,400	0
	Federal	356,556,000	4,775,900
	Local	6,700	0
	Private	5,250,000	0
	Restricted	2,010,400	0
	GF/GP	\$143,937,200	\$4,240,100
<b>COMMUNITY SERVICES AND OUTREACH</b>			
<b>6. TANF GF/GP Swap</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Executive</u> includes \$6.2 million GF/GP to replace TANF within the diaper assistance program, foster care suitcases, and newborn car seats initiatives. The use of GF/GP in these programs would allow for greater flexibility in spending by the department and expanded access to services. <u>Senate</u> concurs with the Executive, but does not include the \$5.2 million GF/GP swap for the diaper assistance program.	TANF	NA	(1,000,000)
	GF/GP	NA	\$1,000,000
<b>7. Assistance Programs – TANF Increase</b>	FTE		0.0
<u>Executive</u> includes a total of \$6.2 million federal TANF reallocated from the diaper assistance program, foster care suitcases, and newborn car seats initiatives to supplement various programs. Investments include:	<b>Gross</b>	<b>NA</b>	<b>\$1,202,200</b>
<ul style="list-style-type: none"> <li>\$5.0 million and a 1.0 new FTEs for child support enforcement programming to support responsible fatherhood.</li> <li>\$1.2 million to increase the FIP – Child Supplemental Payment for eligible families.</li> </ul>	TANF	NA	1,202,200
<u>Senate</u> concurs with the Executive, but does not include the \$5.0 million TANF and 1.0 FTEs for responsible fatherhood programming.	GF/GP	NA	\$0
<b>8. Permanent Supportive Housing</b>	<b>Gross</b>	<b>NA</b>	<b>\$10,000,000</b>
<u>Senate</u> includes \$10.0 million GF/GP for supportive housing services and to build administrative capacity to seek Medicaid reimbursement for eligible services.	GF/GP	NA	\$10,000,000
<b>9. Shelter Per Diem Rate Increase</b>	<b>Gross</b>	<b>NA</b>	<b>\$5,000,000</b>
<u>Senate</u> includes \$5.0 million TANF to increase the per diem rate for the emergency shelter program from \$19 to \$24.	TANF	NA	5,000,000
	GF/GP	NA	\$0
<b>10. Nazarene Community Housing</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
<u>Senate</u> includes \$1.0 million GF/GP for capital costs to convert structures into emergency housing for women, children, and parolees.	GF/GP	NA	\$1,000,000
<b>11. Youth Homeless Protection Council</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
<u>Senate</u> includes \$1.0 million GF/GP to support the activities of a Youth Homeless Protection Council.	GF/GP	NA	\$1,000,000

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<b>12. Senate One-Time Items</b>	<b>Gross</b>	<b>NA</b>	<b>\$3,185,800</b>
<u>Senate</u> includes \$3.2 million GF/GP for the following:	GF/GP	NA	\$3,185,800
• Chaldean Community Foundation Housing Project - \$2.0 million GF/GP.			
• Food Pantry Grants - \$1.0 million GF/GP.			
• Diaper Assistance Procurement Implementation - \$185,800 GF/GP.			
<b>CHILDREN'S SERVICES AGENCY – CHILD WELFARE</b>			
<b>13. Child Welfare Caseload Adjustments</b>	<b>Gross</b>	<b>\$861,186,300</b>	<b>\$31,536,700</b>
<u>Executive</u> increases funding for child welfare programs by \$56.6 million	TANF	72,665,900	(4,523,500)
Gross (\$64.4 million GF/GP) as follows:	Federal	211,630,600	(11,167,400)
• Adoption Subsidies is reduced \$7.4 million Gross (\$1.2 million GF/GP).	Local	40,687,800	5,041,200
• Child care fund is increased \$48.4 million Gross (\$45.1 million GF/GP).	Private	1,503,300	(276,400)
• Foster Care Payments is increased \$15.5 million Gross (20.7 million GF/GP).	Restricted	3,615,800	156,500
• Guardianship Assistance Program is increased by \$56,400.	GF/GP	\$531,082,900	\$42,306,300
Amount includes \$347,200 GF/GP reduction from changes in the FY 2025-26 FMAP to 65.30%.			
<u>Senate</u> concurs with all except for the following change to the Child Care Fund Line:			
• Child care fund is increased \$23.4 million Gross (\$23.0 million GF/GP).			
<b>14. Kinship Support Services</b>	FTE	NA	0.0
<u>Executive</u> includes \$24.4 million Gross (\$22.6 million GF/GP) and authorizes an additional 157.0 FTEs to fund programming that supports foster children and the relatives that care for them. Funds would be used to support the Kinship Advisory Council, Kinship Support Program in partnership with Michigan State University, kinship activities for family bonding, and family finding specialists. Amount includes \$471,000 Gross (\$428,600 GF/GP) for IT costs. <u>Senate</u> does not include.	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
	Federal	NA	0
	GF/GP	NA	\$0
<b>15. Foster Home Array and Permanency Planning</b>	FTE	NA	0.0
<u>Executive</u> includes \$13.3 million Gross (\$11.2 million GF/GP) and authorizes an additional 22.0 FTEs to support foster parent recruitment efforts, community reintegration for youth exiting foster care, expanding enhanced treatment foster care services, and increase the Family Incentive Grant to address continued safety issues. <u>Senate</u> concurs with the Executive on funding for a Family Incentive Grant increase and includes the following:	<b>Gross</b>	<b>NA</b>	<b>\$600,400</b>
• \$100 GF/GP placeholder for foster parent recruitment.	Federal	NA	15,000
• \$100 GF/GP placeholder for expansion of enhanced treatment foster care services.	GF/GP	NA	\$585,400
• \$100 GF/GP placeholder to support child welfare licensing staff and training.			
• \$100 GF/GP placeholder for the Team Decision Making model.			
<b>16. Adoption Support Investment</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,480,000</b>
<u>Executive</u> includes \$17.5 million Gross (\$12.7 million GF/GP) to support efforts to improve access to behavioral health supports for adopted children. Amount includes \$5.1 million Gross (\$1.2 million GF/GP) to account for increases in medical subsidies expenditures. <u>Senate</u> includes \$1.5 million GF/GP to support an increase to medical subsidies as well as \$980,000 Gross (\$785,200 GF/GP) to increase adoption rates.	Federal	NA	194,800
	GF/GP	NA	\$2,285,200

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<b>17. Foster Youth Benefits</b>		<b>Gross \$0</b>	<b>\$0</b>
<u>Executive</u> includes an increase of \$3.5 million GF/GP to offset the loss of federal funds from federal benefits such as Supplemental Security Income (SSI). Currently, federal benefits are used to fund the child's care while they are in foster care. Funds will now be set aside for the youth to use as they transition out of foster care. <u>Senate</u> concurs with the Executive.	Restricted GF/GP	3,615,800 (\$3,615,800)	(3,500,000) \$3,500,000
<b>18. Independent Living Plus Rate Increase</b>		<b>Gross NA</b>	<b>\$100</b>
<u>Executive</u> includes \$2.0 million Gross (\$1.9 million GF/GP) to fund a 20% increase to the Independent Living Plus per diem rates for both Staff-Supported Housing from \$210.25 to \$252.30 and the Host Home rate from \$99.21 to \$119.05. <u>Senate</u> includes \$100 GF/GP placeholder.	GF/GP	NA	\$100
<b>19. Indian Child Welfare Act Foster Care Rate Increase</b>		<b>Gross NA</b>	<b>\$100</b>
<u>Executive</u> includes \$325,700 Gross (\$261,000 GF/GP) to fund a \$10.02 increase to the add-on rate paid to child placing agencies. Currently, child placing agencies receive an add-on rate of \$2.50 for Indian foster youth in addition to the general administrative per diem of \$60.20. The add-on rate is required for the state to remain in compliance with the Indian Child Welfare Act of 1978. <u>Senate</u> includes \$100 GF/GP placeholder.	GF/GP	NA	\$100
<b>20. Foster Care Aging-Out Assistance Pilot</b>		<b>Gross NA</b>	<b>\$2,500,000</b>
<u>Senate</u> includes \$2.5 million GF/GP to support 1,000 youth transitioning out of the child welfare system.	GF/GP	NA	\$2,500,000
<b>21. Foster Care Emergent Needs</b>		<b>Gross \$50,000</b>	<b>\$25,000</b>
<u>Senate</u> includes \$25,000 GF/GP to increase funding for caseworkers to access in order to provide urgent need items to children in foster care. In FY 2024-25, \$50,000 GF/GP was allocated for emergent needs on an ongoing basis.	GF/GP	\$50,000	\$25,000
<b>22. Juvenile Justice Operations</b>		FTE NA	53.0
<u>Executive</u> includes \$12.8 million Gross (\$6.2 million GF/GP) and authorizes an additional 62.0 FTEs for the following juvenile justice investments:	<b>Gross NA</b>	<b>\$2,560,400</b>	
<ul style="list-style-type: none"> <li>Bay Pines Operations: \$4.1 million Gross (\$2.0 million GF/GP) and an additional 4.0 FTEs.</li> <li>Juvenile Justice Programmatic Improvements: \$6.5 million GF/GP and an additional 5.0 FTEs.</li> <li>New Michigan Youth Treatment Center: \$16.1 million Gross (\$7.6 million GF/GP) and an additional 111.0 FTEs.</li> <li>Shawono Closure: \$7.6 million Gross (\$3.6 million GF/GP) savings and reduction of 58.0 FTEs.</li> <li>Foster Care savings: \$6.4 million GF/GP savings.</li> </ul>	Federal NA	90,500	
<u>Senate</u> concurs with the Executive on all but the following:	Local NA	4,412,600	
<ul style="list-style-type: none"> <li>Juvenile Justice Programmatic Improvements: \$100 GF/GP placeholder.</li> <li>Bay Pines Operations: \$100 GF/GP placeholder.</li> </ul>	GF/GP NA	\$4,057,300	
<b>23. Senate One-Time Items</b>		<b>Gross NA</b>	<b>\$2,750,000</b>
<u>Senate</u> includes \$2.8 million for the following:	GF/GP	NA	\$2,750,000
<ul style="list-style-type: none"> <li>FACT Community Hubs - \$2.0 million GF/GP.</li> <li>Family Match Software Pilot - \$750,000 GF/GP.</li> </ul>			

<b>Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations</b>		<b>FY 2024-25 Year-to-Date (as of 2/5/25)</b>	<b>FY 2025-26 Senate Change</b>
<b>PUBLIC ASSISTANCE / LOCAL OFFICE OPERATIONS</b>			
<b>24. Michigan Energy Assistance Program</b>	<b>Gross</b>	<b>\$50,000,000</b>	<b>\$50,000,000</b>
<u>Executive</u> includes a total of \$75.0 million Gross (\$25.0 million GF/GP) for energy assistance services for low-income residents. Amount includes:	Restricted	50,000,000	50,000,000
	GF/GP	\$0	\$0
<ul style="list-style-type: none"> <li>\$50.0 million from the Low-income energy assistance fund (LIEAF) and its associated new revenue from PA 168 and 169 of 2024.</li> <li>\$25.0 million GF/GP on a one-time basis.</li> </ul> <u>Senate</u> concurs with the Executive, but does not include the additional one-time funding.			
<b>25. Water Affordability</b>	<b>Gross</b>	<b>\$10,000,000</b>	<b>\$3,000,000</b>
<u>Executive</u> continues a total of \$7.0 million GF/GP (\$1.0 million ongoing; \$6.0 million one-time) to support water affordability efforts, including paying water arrearages, shut off notices, and subsidizing other water affordability programs. Program received \$10.0 million GF/GP in FY 2024-25 on a one-time basis. <u>Senate</u> includes a total of \$13.0 million GF/GP (\$7.0 million ongoing; \$6.0 million one-time).	GF/GP	\$10,000,000	\$3,000,000
<b>26. Public Assistance Caseload Adjustments</b>	<b>Gross</b>	<b>\$4,182,176,700</b>	<b>(\$519,793,400)</b>
<u>Executive</u> includes a net reduction of \$519.8 million Gross (\$1.7 million GF/GP) for current year and FY 2025-26 caseload adjustments for the Family Independence Program (FIP), Food Assistance Program (FAP), State Disability Assistance (SDA), and State Supplementation (SSI). The Gross reduction is primarily from a decrease in federal FAP authorization in the current year. Caseload changes include:	TANF	90,370,200	0
	Federal	4,013,660,000	(518,591,700)
	Restricted	14,785,700	457,500
	GF/GP	\$63,360,800	(\$1,659,200)
<ul style="list-style-type: none"> <li>FAP - reduction of \$518.6 million Federal.</li> <li>SDA - reduction of \$1.1 million Gross (\$1.5 million GF/GP).</li> <li>SSI - reduction of \$62,800 GF/GP.</li> </ul> <u>Senate</u> concurs with the Executive.			
<b>27. Family Impact Teams</b>	FTE	NA	0.0
<u>Executive</u> includes a net increase of \$390,000 Gross (\$0 GF/GP) for statewide expansion of Family Impact Teams. Funds will be used to embed public assistance local office staff in child welfare services to support families in applying for public assistance and accessing other resources. Amount includes a reduction of \$26.6 million Gross (\$11.3 million GF/GP) and a net reduction of 12.0 FTEs from the elimination of the Pathways to Potential program. <u>Senate</u> includes \$100 GF/GP placeholder.	<b>Gross</b>	<b>NA</b>	<b>\$100</b>
	IDG/IDT	NA	0
	TANF	NA	0
	Federal	NA	0
	GF/GP	NA	\$100
<b>28. Prenatal and Infant Support Program Increase</b>	<b>Gross</b>	<b>\$20,000,000</b>	<b>\$58,000,000</b>
<u>Senate</u> adds \$58.0 million Gross (\$48.0 million GF/GP) to expand the Rx Kids program to additional areas of the state.	TANF	20,000,000	0
	Restricted	0	10,000,000
	GF/GP	\$0	\$48,000,000
<b>BEHAVIORAL HEALTH</b>			
<b>29. Certified Community Behavioral Health Clinics (CCBHCs)</b>	<b>Gross</b>	<b>\$525,913,900</b>	<b>\$39,372,800</b>
<u>Executive</u> adds \$39.3 million Gross (\$6.3 million GF/GP) for utilization and cost adjustments for the CCBHC demonstration program. Also includes a net \$0 transfer of \$350.8 million Gross (\$75.7 million GF/GP) of base CCBHC payments currently within the Medicaid Mental Health and Healthy Michigan Plan – Behavioral Health lines into the supplemental payments CCBHC line. <u>Senate</u> concurs.	Federal	441,942,600	33,086,200
	GF/GP	\$83,971,300	\$6,286,600

<b>Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations</b>		<b>FY 2024-25 Year-to-Date (as of 2/5/25)</b>	<b>FY 2025-26 Senate Change</b>
<b>30. Michigan Opioid Healing and Recovery Fund</b> <u>Executive</u> includes a net increase of \$21.8 million in Michigan Opioid Healing and Recovery Funds to increase opioid use disorder services, including prevention, treatment, harm reduction, and data collection for a total of \$70.0 million. Of that amount, \$55.0 million would be allocated on an ongoing basis and \$15.0 million would be allocated on a one-time basis. <u>Senate</u> includes \$55.0 million on an ongoing basis, with Sec. 917 itemizing out the use of the funds.	<b>Gross</b>	<b>\$48,202,300</b>	<b>\$6,796,500</b>
	Restricted	48,202,300	6,796,500
	GF/GP	\$0	\$0
<b>31. Youth Cannabis Prevention</b> <u>Senate</u> includes \$500,000 GF/GP for educational material aiming at reducing the use of recreational and medical cannabis products by children.	<b>Gross</b>	<b>NA</b>	<b>\$500,000</b>
	GF/GP	NA	\$500,000
<b>32. Autism Benefit Carve-Out</b> <u>Senate</u> transfers in \$25.0 million Gross (\$8.7 million GF/GP, which is a net GF/GP increase of \$2.6 million GF/GP) from the CCBHC line for the department to make payments to PIHPs and CMHSPs for autism services outside of the managed care per-capita payment process.	<b>Gross</b>	<b>NA</b>	<b>\$25,000,000</b>
	Federal	NA	16,325,000
	GF/GP	NA	\$8,675,000
<b>33. Medicaid Pre-Release Services Demonstration Start-Up Costs</b> <u>Executive</u> includes \$40.0 million Gross (\$20.0 million GF/GP) for start-up costs for correctional and other facilities, staffing, outreach, and IT costs of a new Medicaid demonstration program to provide 90 days of Medicaid covered pre-release services, including: case management, medication assisted treatment, pharmaceutical services, practitioner services, and diagnostics. Services that would begin in the following fiscal year. <u>Senate</u> includes \$2.5 million GF/GP on a one-time basis.	<b>Gross</b>	<b>NA</b>	<b>\$2,500,000</b>
	Federal	NA	0
	GF/GP	NA	\$2,500,000
<b>34. Multicultural Integration Funding</b> <u>Senate</u> includes \$8.6 million GF/GP on an ongoing basis to multicultural organizations. \$8.6 million GF/GP has been allocated on a one-time basis to these organizations for the past 3 fiscal years. Year-to-date amount includes both the ongoing and one-time amounts for multicultural integration.	<b>Gross</b>	<b>\$25,884,900</b>	<b>\$0</b>
	TANF	421,000	0
	Federal	694,500	0
	GF/GP	\$24,769,400	\$0
<b>35. Behavioral Health Lapse Savings</b> <u>Senate</u> includes \$6.3 million of GF/GP lapse savings within the health homes, behavioral health community supports, community substance use disorder, and diversion council line items.	<b>Gross</b>	<b>NA</b>	<b>(\$6,250,200)</b>
	GF/GP	NA	(\$6,250,200)
<b>36. New State Psychiatric Hospital Operations</b> <u>Executive</u> includes \$15.2 million GF/GP and authorizes 147.0 FTEs for the state to transition patients into the new State Psychiatric Hospital in Northville. The patients are currently residing at the Walter Reuther Psychiatric Hospital in Westland, and the year-to-date amount reflects the authorization for Walter Reuther. The new State Psychiatric Hospital has a 264-bed capacity, of which 72 would be for children and adolescents. The census for Walter Reuther and Hawthorn has averaged 215 individuals, of which 50 have been children and adolescents. <u>Senate</u> includes \$100 GF/GP placeholder.	FTE	786.2	0.0
	<b>Gross</b>	<b>\$123,069,900</b>	<b>\$100</b>
	Federal	29,765,600	0
	Local	6,263,900	0
	Restricted	5,282,600	0
	GF/GP	\$81,757,800	\$100
<b>37. Other State Psychiatric Hospital Adjustments</b> <u>Executive</u> includes a total of \$4.7 million Gross (\$618,400 GF/GP) for pharmaceutical cost increases, funding to open a new kitchen at the Forensic Center, and updated revenue estimates from first and third party reimbursements. <u>Senate</u> concurs.	<b>Gross</b>	<b>NA</b>	<b>\$4,727,600</b>
	Federal	NA	109,200
	Local	NA	0
	Restricted	NA	4,000,000
	GF/GP	NA	\$618,400

Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations		FY 2024-25 Year-to-Date (as of 2/5/25)	FY 2025-26 Senate Change	
<b>38. First Responder Mental Health Service (One-Time)</b>		<b>Gross</b>	<b>\$2,500,000</b>	<b>(\$2,500,000)</b>
<u>Executive</u> continues \$2.5 million GF/GP on a one-time basis for first responder mental health services to support first responders suffering from post-traumatic stress and other mental health conditions. Program received \$2.5 million GF/GP in FY 2024-25, also on a one-time basis. <u>Senate</u> does not continue.		GF/GP	\$2,500,000	(\$2,500,000)
<b>39. Senate One-Time Items</b>		<b>Gross</b>	<b>NA</b>	<b>\$6,900,100</b>
Senate includes \$6.9 million GF/GP for the following programs:		GF/GP	NA	\$6,900,100
<ul style="list-style-type: none"><li>• Oakland County Health Network - \$3.0 million GF/GP.</li><li>• Team Wellness - \$1.5 million GF/GP.</li><li>• Mosaic Counseling - \$1.4 million GF/GP.</li><li>• Macomb County addiction pilot programs - \$1.0 million GF/GP.</li><li>• Living and Learning Center of Northville - \$100 GF/GP placeholder.</li></ul>				
PUBLIC HEALTH AND AGING				
<b>40. Crime Victim's Rights Sustaining Grants Increase</b>		<b>Gross</b>	<b>\$30,000,000</b>	<b>\$100</b>
<u>Executive</u> includes \$20.0 million GF/GP to offset a projected shortfall in the state restricted Crime Victim's Rights fund and federal Victims of Crime Act (VOCA) funding. <u>Senate</u> includes \$100 GF/GP placeholder.		GF/GP	\$30,000,000	\$100
<b>41. Tobacco Prevention and Smoking Cessation Increase</b>		FTE	33.0	0.0
<u>Executive</u> includes \$22.9 million Gross (\$1.5 million GF/GP) and an additional 7.0 FTEs to support smoking prevention programs such as cancer screenings, free nicotine quit kits, and cessation counseling services as well as anti-smoking campaigns. Programming would be largely funded by revenues from a new tax on vaping and other nicotine products. <u>Senate</u> includes \$100 GF/GP placeholder.		<b>Gross</b>	<b>\$23,076,100</b>	<b>\$100</b>
		Federal	14,630,600	0
		Private	700,000	0
		Restricted	1,661,900	0
		GF/GP	\$6,083,600	\$100
<b>42. Essential Local Public Health Services for Youth</b>		<b>Gross</b>	<b>\$117,662,000</b>	<b>\$11,057,300</b>
<u>Executive</u> includes \$11.1 million in local funding authorization to align vision and hearing screening service levels with School Aid Act Appropriations for schools and Child and Adolescent Health Centers. <u>Senate</u> concurs with the Executive.		Local	46,392,700	11,057,300
		GF/GP	\$71,269,300	\$0
<b>43. Statewide Paramedic Competency Exam</b>		FTE	NA	6.0
<u>Executive</u> includes \$3.1 million GF/GP and an additional 6.0 FTEs to implement a statewide paramedic competency exam as required by PA 48 of 2024. <u>Senate</u> includes \$1.1 million and an additional 6.0 FTEs.		<b>Gross</b>	<b>NA</b>	<b>\$1,100,000</b>
		GF/GP	NA	\$1,100,000
<b>44. Detroit Trauma Recovery Pilot</b>		<b>Gross</b>	<b>NA</b>	<b>\$2,000,000</b>
<u>Senate</u> includes \$2.0 million GF/GP to continue a 3-year trauma recovery center pilot in Detroit. In FY 2024-25, \$4.0 million GF/GP was allocated on a one-time basis.		GF/GP	NA	\$2,000,000
<b>45. Domestic Violence and Sexual Assault Services</b>		<b>Gross</b>	<b>NA</b>	<b>\$4,000,000</b>
<u>Senate</u> includes \$4.0 million GF/GP to support domestic violence and sexual assault services provided by the Kalamazoo YWCA. Of the above funding, \$1.5 million GF/GP shall be allocated to support maternal and child health programs.		GF/GP	NA	\$4,000,000
<b>46. Child Advocacy Center – Supplemental Grants Increase</b>		<b>Gross</b>	<b>\$2,000,000</b>	<b>\$6,000,000</b>
<u>Senate</u> includes \$6.0 million GF/GP increase to support child advocacy centers. In FY 2024-25, \$2.0 million GF/GP was allocated on an ongoing basis along with \$2.0 million GF/GP on a one-time basis.		GF/GP	\$2,000,000	\$6,000,000
<b>47. Community Health Screenings</b>		<b>Gross</b>	<b>NA</b>	<b>\$5,000,000</b>
<u>Senate</u> includes \$5.0 million GF/GP to provide free chest CT scans to underserved populations.		GF/GP	NA	\$5,000,000

<b>Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations</b>		<b>FY 2024-25 Year-to-Date (as of 2/5/25)</b>	<b>FY 2025-26 Senate Change</b>
<b>48. Community Violence Intervention Grants</b>		FTE 8.9	0.0
<u>Senate</u> includes \$5.0 million GF/GP to support community-based violence prevention programming. In FY 2024-25, \$800,000 GF/GP was allocated as ongoing funding along with 2.0 FTEs for the central Office of Community Violence along with \$6.0 million for CVI programming on a one-time basis.		<b>Gross \$14,062,100</b>	<b>\$5,000,000</b>
	Federal	12,620,000	0
	GF/GP	\$1,442,100	\$5,000,000
<b>49. Meals on Wheels Increase</b>		<b>Gross \$50,004,200</b>	<b>\$1,268,100</b>
<u>Senate</u> includes \$1.3 million GF/GP to increase funding for meals for seniors.		Federal 37,107,000	0
	Private	300,000	0
	GF/GP	\$12,597,200	\$1,268,100
<b>50. Senate One-Time Items</b>		<b>Gross NA</b>	<b>\$31,350,300</b>
<u>Senate</u> includes \$31.4 million GF/GP for the following programs:		GF/GP NA	\$31,350,300
<ul style="list-style-type: none"> <li>Menopause Initiatives - \$2.5 million GF/GP.</li> <li>Uterine Fibroid Study - \$250,000 GF/GP.</li> <li>Medical Debt Relief - \$5.0 million GF/GP.</li> <li>Reproductive Health Access Grants - \$10.0 million GF/GP.</li> <li>Yes Rx - \$3.0 million GF/GP.</li> <li>Genesee County United Way SDOH - \$3.0 million GF/GP.</li> <li>Air Quality Data Sensor Pilot - \$100,000 GF/GP.</li> <li>Our Own Wallstreet - \$250,000 GF/GP.</li> <li>Hispanic Maternal Mortality Study - \$100 GF/GP placeholder.</li> <li>Mi Nurses Foundation Scholarships - \$3.0 million GF/GP.</li> <li>Wayne State University Psychiatric Nurse Practitioner Program - \$1.3 million GF/GP.</li> <li>National Council of Dementia Minds - \$100 GF/GP placeholder.</li> <li>My Community Dental Centers Equipment Funding - \$100 GF/GP placeholder.</li> <li>Female Liver Screening - \$1.0 million GF/GP.</li> <li>America's Community Council Primary Care Clinic - \$2.0 million GF/GP.</li> </ul>			
<b>HEALTH SERVICES</b>			
<b>51. Medicaid Protected Income – Spend Down Threshold</b>		<b>Gross NA</b>	<b>\$41,309,500</b>
<u>Executive</u> includes \$96.4 million Gross (\$33.1 million GF/GP) to detach the Medicaid protected income level from the Family Independence Program standard, pursuant to MCL 400.106, and align it with federal poverty standards issued by the U.S. Department of Health and Human Services. For CY 2025, the spend down threshold would increase from approximately 28% to 100% of FPL (\$363 per month to \$1,304 per month) for an individual. DHHS assumes a spend down population of 78,252. Sec. 1605 includes related boilerplate. <u>Senate</u> includes \$41.3 million Gross (\$14.2 million GF/GP) to align the protected income level with 60% of FPL.		Federal NA	27,123,800
	GF/GP	NA	\$14,185,700
<b>52. Mothering Justice Decision – DCW Wage Continuation</b>		<b>Gross NA</b>	<b>\$315,000,000</b>
<u>Senate</u> includes \$315.0 million Gross (\$0 GF/GP), including \$115.0 million of work project lapse funds, to continue the pandemic-era wage uplift for direct care workers.		Federal NA	200,000,000
	Restricted	NA	115,000,000
	GF/GP	NA	\$0
<b>53. Dental Rate Safety Net Payments</b>		<b>Gross \$297,080,100</b>	<b>\$4,000,000</b>
<u>Senate</u> includes \$4.0 million GF/GP to provide higher rates for select dental services.		Federal 201,124,300	0
	GF/GP	\$95,955,800	\$4,000,000
<b>54. Federally Qualified Health Centers – Training</b>		<b>Gross \$210,000,000</b>	<b>\$2,000,000</b>
<u>Senate</u> includes \$2.0 million GF/GP to support the Health Center's Career Training Program for recruitment and employee training.		Federal 152,104,700	0
	GF/GP	\$57,895,300	\$2,000,000



<b>Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations</b>		<b>FY 2024-25 Year-to-Date (as of 2/5/25)</b>	<b>FY 2025-26 Senate Change</b>
<b>55. MiDOCS Enhancement</b>	<b>Gross</b>	<b>\$20,200,000</b>	<b>\$4,600,000</b>
<u>Senate</u> includes \$4.6 million GF/GP to increase grant base to support medical doctors through tuition loan relief for services provided in underserved and impoverished communities in this state.	Federal	10,100,000	0
	Restricted	3,700,000	0
	GF/GP	\$6,400,000	\$4,600,000
<b>56. Long-Term Care – Nursing Facility Ventilators</b>	<b>Gross</b>	<b>\$2,434,890,200</b>	<b>\$14,100,000</b>
<u>Senate</u> includes \$14.1 million Gross (\$5.0 million GF/GP) to support the costs of installing ventilator systems in skilled nursing facilities.	Federal	1,544,691,300	9,136,800
	Local	6,618,800	0
	Private	6,100,000	0
	Restricted	400,613,500	0
	GF/GP	\$476,866,600	\$4,963,200
<b>57. Long-Term Care – Current Asset Value</b>	<b>Gross</b>	<b>\$2,434,890,200</b>	<b>\$4,862,600</b>
<u>Senate</u> includes \$4.9 million Gross (\$1.7 million GF/GP) to increase the current asset value for skilled nursing facilities. Intent is to assist with recent construction costs.	Federal	1,544,691,300	3,151,000
	Local	6,618,800	0
	Private	6,100,000	0
	Restricted	400,613,500	0
	GF/GP	\$476,866,600	\$1,711,600
<b>58. Nonclinical Long-Term Care Staff Wage Increase</b>	<b>Gross</b>	<b>\$2,434,890,200</b>	<b>\$14,000,000</b>
<u>Executive</u> includes \$14.0 million Gross (\$6.2 million GF/GP) to provide a \$0.85 per hour wage increase for nonclinical staff employed in skilled nursing facilities. Amends boilerplate Sec. 1645 include nursing unit clerks and non-certified aides as eligible classifications. <u>Senate</u> concurs.	Federal	1,544,691,300	7,801,400
	Local	6,618,800	0
	Private	6,100,000	0
	Restricted	400,613,500	0
	GF/GP	\$476,866,600	\$6,198,600
<b>59. MI Choice Risk Pool</b>	<b>Gross</b>	<b>\$500,319,100</b>	<b>\$14,400,000</b>
<u>Senate</u> includes \$14.4 million Gross (\$5.0 million GF/GP) to create a risk-sharing pool for service providers managing high-cost cases under the Medicaid Home and Community-Based Services waiver.	Federal	325,435,500	9,400,000
	Private	366,700	0
	GF/GP	\$174,516,900	\$5,000,000
<b>60. Medicaid Orthodontic Benefit Expansion</b>	<b>Gross</b>	<b>\$4,301,700</b>	<b>\$442,700</b>
<u>Executive</u> retains \$1.5 million GF/GP appropriated in FY 2024-25 for a Medicaid orthodontic benefit pilot program in Kent and Wayne Counties, and transfers to the Children's Special Health Care Services. Removes pilot program boilerplate Sec. 1632. <u>Senate</u> includes \$442,700 Gross (\$154,400 GF/GP) and expands the pilot to Grand Traverse, Lapeer, and Muskegon Counties.	Federal	2,801,700	288,300
	GF/GP	\$1,500,000	\$154,400
<b>61. Birth Clinics – Licensed Midwives</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,881,800</b>
<u>Senate</u> includes \$2.9 million Gross (\$1.0 million GF/GP) to include free-standing birthing clinics, and licensed midwives, as reimbursable Medicaid providers.	Federal	NA	1,881,800
	GF/GP	NA	\$1,000,000
<b>62. PACE Slot Increase</b>	<b>Gross</b>	<b>\$270,385,800</b>	<b>\$100</b>
<u>Executive</u> includes \$2.9 million Gross (\$1.0 million GF/GP) to provide 54 additional slots at existing PACE sites in Newaygo (2), Saginaw (32), and Traverse City (20). Revises boilerplate Sec. 1854 to incorporate additional slots. <u>Senate</u> includes a \$100 GF/GP placeholder.	Federal	176,099,000	0
	GF/GP	\$94,286,800	\$100
<b>63. Home Help Caregiver Council</b>	<b>Gross</b>	<b>NA</b>	<b>\$7,000,000</b>
<u>Executive</u> includes \$7.0 million Gross (\$3.5 million GF/GP) to establish the Home Help Caregiver Council, in accordance with 2024 PA 144. Funding to provide for administrative costs, pre-service orientation, communications, advisory group support, and voluntary training over a 5-year period with the intent to work project the appropriations. <u>Senate</u> concurs.	Federal	NA	3,500,000
	GF/GP	NA	\$3,500,000

<b>Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations</b>		<b>FY 2024-25 Year-to-Date (as of 2/5/25)</b>	<b>FY 2025-26 Senate Change</b>
<b>64. Prior Authorization Processing</b>	FTE	458.0	30.0
<u>Executive</u> includes \$3.6 million Gross (\$1.8 million GF/GP) to support 30.0 additional FTE positions. Staffing increase is requested in preparation for the January 2026 implementation of CMS regulations requiring the processing of all prior authorization requests within 7 calendar days. <u>Senate</u> concurs.	<b>Gross</b>	<b>\$128,854,100</b>	<b>\$3,633,400</b>
	Federal	85,538,600	1,816,700
	Local	37,700	0
	Private	1,001,300	0
	Restricted	336,300	0
	GF/GP	\$41,940,200	\$1,816,700
<b>65. Medicaid Eligibility Phone Renewal Services</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,837,000</b>
<u>Executive</u> includes \$2.8 million Gross (\$1.4 million GF/GP) to provide Medicaid eligibility phone renewal services. These renewal services were previously funded with one-time Medicaid redetermination funding and remain federally mandated. <u>Senate</u> concurs.	Federal	NA	1,418,500
	GF/GP	NA	\$1,418,500
<b>66. Federal State Psychiatric DSH Clawback (One-Time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$78,664,100</b>
<u>Executive</u> includes \$78.7 million GF/GP in the one-time unit for the third of a 4-year repayment plan back to the federal government for state psychiatric disproportionate share hospital payments that the state inappropriately claimed prior to 2007. The total GF/GP cost is \$236.6 million. <u>Senate</u> concurs.	GF/GP	NA	\$78,664,100
<b>67. Continuous Childhood Eligibility Evaluation (One-Time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$100</b>
<u>Executive</u> includes \$400,000 Gross (\$200,000 GF/GP) for a one-time feasibility study to assess the implementation of continuous eligibility for Medicaid recipients aged 0-5. <u>Senate</u> includes \$100 GF/GP placeholder.	Federal	NA	0
	GF/GP	NA	\$100
<b>68. Merit Award Trust Fund – Revenue Shift</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Senate</u> offsets \$75.0 million GF/GP with net-zero appropriations of Tobacco Settlement revenue from the Merit Award Trust Fund. Revenue available through the elimination of annual deposits into the 21 <sup>st</sup> Century Jobs Trust Fund from Tobacco Settlement revenues.	Restricted	NA	75,000,000
	GF/GP	NA	(\$75,000,000)
<b>69. Restricted Fund Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Executive</u> includes net-zero adjustments that replace \$43.5 million GF/GP with state restricted revenues. Adjustments include \$21.4 million of GF/GP offsets from estimated revenue related to the proposed Vape Tax increase deposited into the Medicaid Benefits Trust Fund. Also assumes \$17.5 million additional Merit Award Trust Fund revenue to be available by eliminating tobacco settlement deposits into the Budget Stabilization Fund. <u>Senate</u> concurs, but does not include estimated Vape Tax revenue.	Restricted	NA	38,252,700
	GF/GP	NA	(\$38,252,700)
<b>70. Health Services One-Time Appropriations</b>	<b>Gross</b>	<b>NA</b>	<b>\$19,000,100</b>
<u>Senate</u> includes \$19.0 million GF/GP in one-time funding for the following:	GF/GP	NA	\$19,000,100
• FQHC alternative payment transition - \$18.0 million GF/GP.			
• MIHP electronic medical records pilot - \$1.0 million GF/GP.			
• Memorial Hospital Owosso boiler replacement - \$100 GF/GP placeholder.			
<b>71. Removal of FY 2024-25 One-Time Appropriations</b>	<b>Gross</b>	<b>\$195,654,900</b>	<b>(\$195,654,900)</b>
<u>Executive</u> removes \$195.7 million Gross (\$155.3 million GF/GP) of one-time funding for 74 items that were included in the FY 2024-25 budget. Any funding retained into FY 2025-26 is noted elsewhere. <u>Senate</u> concurs.	Federal	15,354,900	(15,354,900)
	Restricted	25,000,000	(25,000,000)
	GF/GP	\$155,300,000	(\$155,300,000)

<b>Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations</b>		<b>FY 2024-25 Year-to-Date (as of 2/5/25)</b>	<b>FY 2025-26 Senate Change</b>
<b>72. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$34,660,000</b>
<u>Executive</u> reflects increased costs of \$34.7 million Gross (\$23.7 million GF/GP) for negotiated salary and wage increases (3.0% on October 1, 2025), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments. <u>Senate</u> concurs.	IDG	NA	12,900
	Federal	NA	10,572,500
	Local	NA	51,100
	Private	NA	138,300
	Restricted	NA	216,600
	GF/GP	NA	\$23,668,600

## **Major Boilerplate Changes from FY 2024-25**

### **Executive Boilerplate Deletions**

The Executive Budget Recommendation deletes a significant amount of boilerplate language, including legislative reporting requirements, included in the FY 2024-25 budget. The list below includes major changes to boilerplate and is not a comprehensive list of all sections proposed to be deleted.

### **GENERAL SECTIONS**

#### **Sec. 205. Purchase of Foreign Goods and Services – REVISED**

Prohibits department from purchasing foreign goods and services if competitively priced American goods or services of comparable quality are available; requires preference for goods and services manufactured by Michigan businesses and their associated subcontractors and manufactured or provided by Michigan businesses owned and operated by veterans. Executive retains. Senate revises to add subsection requiring preference for goods and services manufactured in facilities that employ union members.

#### **Sec. 213. Unenforceable Boilerplate Sections Report – NEW**

Senate requires the department to report to standard report recipients on any boilerplate sections deemed unenforceable.

#### **Sec. 214. Federal Policy Change Report – NEW**

Senate requires the department to report quarterly to standard report recipients any federal policy changes that affect the department, those that engage with the department, related regulations, or create a regulatory gap with a potential negative public impact.

#### **Sec. 225. Internet Posting of Reports – NEW**

Senate requires the department to conspicuously post each report required by boilerplate by the report's due date on the department's Michigan.gov website.

#### **Sec. 229. General Fund Expenditure Restrictions – NEW**

Senate prohibits the department from expending general fund if federal or private funding are available for the same expenditures, requires the department to notify standard report recipients if a reduction in departmental expenditures is necessary.

#### **Sec. 250. Single Recipient Grants – REVISED**

Requires that for any grant program or project funded in part 1 intended for a single recipient organization or local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless it can fully validate, through information detailed in this section and outline departmental process for review and execution of grants. Also includes reporting requirements. Executive deletes. Senate revises to further define eligible grant recipients and requirements.

#### **Sec. 296. Employee Legal Costs Related to Flint Water System – DELETED**

Requires that DHHS, as permissible under the Governmental Immunity Act, be responsible for legal costs of private attorneys defending current and former DHHS employees in a legal action or investigation related to the City of Flint or other community in which a declaration of emergency was issued because of drinking water contamination. Executive and Senate delete.

### **COMMUNITY SERVICES AND OUTREACH**

#### **Sec. 453. Homeless Programs Per Diem Rate – REVISED**

Requires DHHS to maintain emergency shelter program per diem rates at \$19.00 per night; requires report. Executive retains. Senate revises by requiring a per diem rate of \$24.00 per night.

#### **Sec. 458. Homeless Shelter Data – RETAINED**

Directs DHHS to require any entities receiving direct or indirect state funds for homeless programs to report data to a Homeless Management Information system. Executive deletes. Senate retains.

## **Major Boilerplate Changes from FY 2024-25**

### ***Sec. 461. Permanent Supportive Housing – NEW***

Senate allocates \$10.0 million to expand supportive housing services and establishes program criteria; limits grants for administrative capacity building to no more than 8% of funds; allocates at least 1% of funds to the Corporation for Supportive Housing; designates unexpended funds as a work project appropriation.

### ***Sec. 464. Diaper Assistance Grants – REVISED***

Allocates \$6.4 million to purchase diapering supplies in bulk and allocate those supplies to diaper assistance programs, maternity homes, local county offices, and other nonprofit agencies that distribute diapers free of charge; states requirements of eligibility; states requirements of distribution; requires report; designates unexpended funds as work project appropriation. Executive revises by requiring the funds to be allocated as grants, striking report, and striking requirement that unexpended funds be designated as work project appropriation. Senate revises by amending the tentative work project completion date from September 30, 2029 to September 30, 2030.

### ***Sec. 465. 2-1-1 Statewide Calling System – REVISED***

Allocates \$2.9 million to Michigan 2-1-1 to coordinate and support a statewide 2-1-1 call system; funding shall not exceed 50% of total operating expenses; requires 2-1-1 to refer to DHHS any calls reporting fraud, waste, or abuse of state-administered public assistance. Executive revises by striking requirement that funding shall not exceed 50% of total operating expenses. Senate concurs.

### ***Sec. 466. Runaway and Homeless Youth Grants – REVISED***

Allocates \$5.3 million to support program expansion; establishes methodology for allocating funding based on geographic coverage, population demographics, scope of services provided, and need; requires that provider agencies must provide continued infrastructure improvements and support for expanded staff, supervision, and training, and expansion of direct services for client stabilization; requires annual report. Executive deletes. Senate revises by deleting the allocation, methodology, and requirement to provide continued infrastructure improvements, staff supports, and direct services expansion.

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

### ***Sec. 503. Child Welfare Performance-Based Funding – RETAINED***

Directs DHHS to review actuarially sound case rates for child welfare services by DHHS and private providers. Executive deletes. Senate retains.

### ***Sec. 504. West Michigan Partnership for Children Consortium – RETAINED***

Allows DHHS to continue a master agreement with the West Michigan Partnership for Children Consortium and requires the Consortium to maintain a revised agreement that supports the transition to a global capitated payment model and maintain a risk reserve of at least \$1.5 million; requires report. Executive deletes. Senate retains.

### ***Sec. 546. Foster Care Agency Administrative Rates – REVISED***

Establishes foster care administrative rate of \$60.20 for private child placing agencies under contract with DHHS; requires payments for independent living plus services at the statewide per diem; requires providers to submit quarterly expenditure reports, if required by federal guidelines. Executive revises by allowing for per diem to be less than \$60.20, establishes criteria for agencies not receiving incentive payment, increases independent living plus rate, increases independent living plus age limit from 19 to 26 years old, and strikes reporting requirements for providers. Senate revises by requiring that the department pay out administrative rates before incentive payments, increases independent living plus age limit from 19 to 26 years old, and retains reporting requirements.

### ***Sec. 564. Parent-Child and Parent-Caseworker Visitations – REVISED***

Requires DHHS to maintain policy for parent-child visitations; requires local offices to meet an 85% success rate, after accounting for factors outside of the caseworker's control; requires caseworkers to achieve a success rate of 85% for parent-caseworker visitations, after accounting for factors outside of the caseworker's control; requires report. Executive revises by requiring private child placing agencies to ensure an 85% success rate for parent-child and parent-caseworker visits. Senate revises by requiring private child placing agencies and local county offices to ensure an 85% success rate for parent-child and parent-caseworker visits.

## **PUBLIC ASSISTANCE**

### ***Sec. 678. Annual FIP Young Child Supplement – RETAINED***

Provides for annual supplemental payments to FIP cases that include young children; allocates additional funds by 2 age categories, 0 through 5 and 6 through 13; establishes distribution methodology; and requires an annual report. Executive revises by establishing monthly payments, strikes age categories. Senate retains.

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

### ***Sec. 820. Matrix Human Services Medical Clinic – NEW***

Senate allocates \$750,000.00 to Matrix Human Services in Detroit to support the Osborn Family Medical Clinic.

## **Major Boilerplate Changes from FY 2024-25**

### **BEHAVIORAL HEALTH SERVICES**

#### ***Sec. 902. Contracts Between DHHS and CMHSPs/PIHPs – RETAINED***

Requires final authorizations to CMHSPs or PIHPs be made upon the execution of contracts between DHHS and CMHSPs or PIHPs; requires DHHS to report if there are new contracts or amendments to contracts with CMHSPs or PIHPs that would affect rates or expenditures. (Document from the State Budget Office dated September 3 noted this section is unenforceable.) Executive deletes. Senate 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. (Document from the State Budget Office dated September 3 noted this section is unenforceable.) Executive deletes. Senate retains.

#### ***Sec. 917. Michigan Opioid Healing and Recovery Fund and Report – REVISED***

Allocates \$19.2 million from the Michigan Opioid Healing and Recovery Fund, MCL 12.253, to supplement other opioid-related programs and services; allocates \$4.0 million for peer recovery services; and requires a semiannual report. Executive revises by updating allocation to \$55.0 million and removes \$4.0 million allocation for peer recovery services. Senate revises by updating allocation to \$55.0 million and itemized 10 required programs or distributions.

#### ***Sec. 920. Rate-Setting Process for PIHPs – RETAINED***

Requires the Medicaid rate-setting process for PIHPs include any state and federal wage and compensation increases. Executive deletes. Senate retains.

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

Requires DHHS to maintain a fee schedule for autism services by not allowing expenditures used for actuarially sound rate certification to exceed the identified fee schedule, also sets behavioral technician fee schedule at not less than \$66.00 per hour. (Document from the State Budget Office dated September 3 noted this section is unenforceable.) Executive deletes. Senate retains.

#### ***Sec. 1002. CCBHC Organization Criteria – RETAINED***

Establishes criteria organizations need to meet to be part of the CCBHC expansion including be a CMHSP or other eligible organization as outlined in federal law and be able to achieve CCBHC certification by September 1, 2024, and requires administrative funds be used for outreach to encourage CCBHC expansion into new counties. Executive deletes. Senate retains.

#### ***Sec. 1003. Policies and Procedures for PIHPs or CMHSPs – RETAINED***

Requires DHHS to notify the Community Mental Health Association of Michigan when developing policies and procedures that will impact PIHPs or CMHSPs. Executive deletes. Senate retains.

#### ***Sec. 1007. Autism Benefit Carve-Out – NEW***

Senate requires DHHS to make payments for autism services separate from per-capita payments to PIHPs and CMHSP.

#### ***Sec. 1051. Third-Party Payments and Revenue Recapture Project – RETAINED***

Requires DHHS to continue a revenue recapture project to generate additional third party revenue from cases that are closed or inactive. Executive deletes. Senate retains.

### **PUBLIC HEALTH**

#### ***Sec. 1157. Child Advocacy Centers – Supplemental Grants – REVISED***

Requires \$2.0 million funding for child advocacy centers be allocated as supplemental grants for operations and to increase services to victims and their families; directs DHHS to set an allocation formula in consultation with Children's Advocacy Centers of Michigan (CAC-MI) and includes base funding for each program. Senate revises by increasing allocated amount to \$8.0 million.

#### ***Sec. 1158. Crime Victims' Rights Sustaining Grants – REVISED***

Allocates \$29.9 million to supplement the loss of federal victims of crime act and state crime victim rights funding; directs DHHS to distribute funds consistent with the regular allocation formula used for crime victim justice assistance grants and crime victim rights service grants. Executive revises by increasing allocated amount to \$49.9 million. Senate revises by adding \$100 placeholder to current year funding.

#### ***Sec. 1231. PFAS Contamination and Other Public Health Threats – Local Health Department Response – RETAINED***

Allocates up to \$4.75 million for grants to local public health departments to support response to PFAS contamination or other public health threats such as infectious and vector-borne disease threats, vapor intrusion, drinking water contamination, and lead exposure. Requires report by March 1 on previous year and current year expenditures. Executive revises by striking reporting requirement. Senate retains.

## **Major Boilerplate Changes from FY 2024-25**

### ***Sec. 1301. Pregnancy Planning, Prenatal, and Maternal and Child Health Programs Report – RETAINED***

Requires DHHS to report by April 1 on funding allocations, breakdown of expenditures by urban and rural, and previous fiscal year service and expenditure data by population groups for the local maternal and child health, prenatal care, family planning, and pregnancy prevention programs. DHHS shall ensure that needs of rural communities are considered in distribution of funds for these programs. Defines "rural" as having a population of 30,000 or less. Executive deletes. Senate retains.

### ***Sec. 1403 Palliative Care Advisory Task Force – NEW***

Senate directs DHHS to implement a Palliative Care Advisory Task Force to complete the following: provide definition of palliative care, conduct research, recommend provisions for expansion of palliative care, develop program metrics, collaborate to improve services, public engagement strategies, and identify capacity; requires report.

## **HEALTH SERVICES**

### ***Sec. 1601. Remedial Services Costs and Medicaid Eligibility – DELETED***

Requires remedial service costs to be used in determining medically needy eligibility for those in adult foster care and homes for the aged. Executive and Senate delete.

### ***Sec. 1644. Medicaid Fee-For-Service Direct Care Worker Wage Increase – REVISED***

Requires DHHS to increase the established Medicaid fee-for-service wages by \$0.20 per-hour for direct care workers, and defines the term "direct care worker". Executive deletes. Senate revises to "maintain" wage rate.

### ***Sec. 1689. Non-Available Bed Plan – NEW***

Senate requires DHHS to request a Medicaid state plan amendment to retain pandemic-era nursing home bed plan flexibilities.

### ***Sec. 1690. Home Office Nursing Costs – NEW***

Senate requires DHHS to recognize home office nursing costs within base costs for patient care.

### ***Sec. 1691. Home Dialysis Services – NEW***

Senate requires DHHS to recognize in-home dialysis as reimbursable costs for skilled nursing facility services.

### ***Sec. 1786. Vaccine Reimbursements – REVISED***

Requires DHHS to maintain the Medicaid reimbursement rate for injectable and oral vaccines at \$23.03. Executive revises to include nasally administered vaccines as eligible for the reimbursement rate. Senate concurs.

### ***Sec. 1805. Long-Term Care Bed Dual Certification – DELETED***

Requires DHHS to seek a state plan amendment to allow long-term care facilities to seek dual Medicare/Medicaid eligibility for beds currently certified for Medicare recipients, and details eligibility criteria. Document from the State Budget Office dated September 3, 2024 noted this section is unenforceable for FY 2024-25. Executive and Senate delete.

### ***Sec. 1879. Medicaid Pharmaceutical Report – REVISED***

Requires DHHS to report no later than May 15 on total Medicaid pharmaceutical benefit expenses and rebates received, and pharmaceutical carve out expenses for the previous fiscal year. Executive revises to require health plans to cover physician-ordered drugs not included in the common formulary and apply the standard Medicaid co-payment. Senate concurs.