

SENATE BILL No. 1149

October 20, 2016, Introduced by Senator MACGREGOR and referred to the Committee on Oversight.

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending section 117a (MCL 400.117a), as amended by 2016 PA 279.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 117a. (1) As used in this section and sections 117b to
2 ~~117g~~:117H:

3 (a) "County juvenile agency" means that term as defined in
4 section 2 of the county juvenile agency act, 1998 PA 518, MCL
5 45.622.

6 (b) "County juvenile agency services" means all juvenile
7 justice services for a juvenile who is within the court's
8 jurisdiction under section 2(a) or (d) of chapter XIIIA of the

1 probate code of 1939, 1939 PA 288, MCL 712A.2, or within the
2 jurisdiction of the court of general jurisdiction under section 606
3 of the revised judicature act of 1961, 1961 PA 236, MCL 600.606, if
4 that court commits the juvenile to a county or court juvenile
5 facility under section 27a of chapter IV of the code of criminal
6 procedure, 1927 PA 175, MCL 764.27a. If a juvenile who comes within
7 the court's jurisdiction under section 2(a) or (d) of chapter XIIA
8 of the probate code of 1939, 1939 PA 288, MCL 712A.2, is at that
9 time subject to a court order in connection with a proceeding for
10 which the court acquired jurisdiction under section 2(b) or (c) of
11 chapter XIIA of the probate code of 1939, 1939 PA 288, MCL 712A.2,
12 juvenile justice services provided to the juvenile before the court
13 enters an order in the subsequent proceeding are not county
14 juvenile agency services, except for juvenile justice services
15 related to detention.

16 (c) "Juvenile justice service" means a service, exclusive of
17 judicial functions, provided by a county for juveniles who are
18 within or likely to come within the court's jurisdiction under
19 section 2 of chapter XIIA of the probate code of 1939, 1939 PA 288,
20 MCL 712A.2, or within the jurisdiction of the court of general
21 criminal jurisdiction under section 606 of the revised judicature
22 act of 1961, 1961 PA 236, MCL 600.606, if that court commits the
23 juvenile to a county or court juvenile facility under section 27a
24 of chapter IV of the code of criminal procedure, 1927 PA 175, MCL
25 764.27a. A service includes intake, detention, detention
26 alternatives, probation, foster care, diagnostic evaluation and
27 treatment, shelter care, or any other service approved by the

1 office or county juvenile agency, as applicable, including
2 preventive, diversionary, or protective care services. A juvenile
3 justice service approved by the office or county juvenile agency
4 must meet all applicable state and local government licensing
5 standards.

6 (2) A juvenile justice funding system for counties that are
7 not county juvenile agencies, including a child care fund, is
8 established and shall be administered under the department's
9 superintending control.

10 (3) The department shall promulgate rules under the
11 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
12 24.328, to monitor juvenile justice services money and to prescribe
13 child care fund accounting, reporting, and authorization controls
14 and procedures and child care fund expenditure classifications. For
15 counties required to have a child care fund, the department shall
16 fund services that conform to the child care rules promulgated
17 under this act.

18 (4) The department shall ~~provide for the distribution of~~
19 **DISTRIBUTE** money appropriated by the legislature ~~to counties for~~
20 ~~the cost of juvenile justice services~~ **PURPOSES DESCRIBED IN THIS**
21 **SECTION** as follows:

22 (A) **PAYMENT FOR EXPENDITURES FOR CHILDREN PLACED WITH THE**
23 **DEPARTMENT FOR CARE, SUPERVISION, OR PLACEMENT, INCLUDING CHILDREN**
24 **WHO ARE WITHIN THE COURT'S JURISDICTION UNDER SECTION 2(A) AND (B)**
25 **OF CHAPTER XIIIA OF THE PROBATE CODE OF 1939, 1939 PA 288, MCL**
26 **712A.2, MAY BE PAID BY THE DEPARTMENT OR A COUNTY, DEPENDING ON**
27 **WHICH ENTITY EXPENDED THE MONEY.**

1 (B) PAYMENT FOR EXPENDITURES FOR CHILDREN WHO ARE NOT PLACED
2 WITH THE DEPARTMENT FOR CARE, SUPERVISION, OR PLACEMENT, INCLUDING
3 CHILDREN WHO ARE WITHIN THE COURT'S JURISDICTION UNDER SECTION 2(A)
4 AND (B) OF CHAPTER XIIIA OF THE PROBATE CODE OF 1939, 1939 PA 288,
5 MCL 712A.2, SHALL BE PAID BY A COUNTY AND BE REIMBURSED BY THE
6 DEPARTMENT.

7 (C) ~~(a) For a county that is not a county juvenile agency, the~~
8 **THE COUNTY** amount distributed shall equal 50% of the annual
9 expenditures from the child care fund of the county established
10 under section 117c, except that expenditures under section 117c(3)
11 and expenditures that exceed the amount of a budget approved under
12 section 117c shall not be included. A distribution under this
13 subdivision shall not be made to a county that does not comply with
14 the requirements of this act. ~~The~~ **SUBJECT TO A COUNTY'S APPROVAL,**
15 **THE** department may reduce the amount distributed to a county by the
16 amount owed to the state for care received in a state operated
17 facility or for care received under 1935 PA 220, MCL 400.201 to
18 400.214, or under the youth rehabilitation services act, 1974 PA
19 150, MCL 803.301 to 803.309. ~~The distribution may be reduced by the~~
20 ~~amount of uncontested liability.~~

21 (D) ~~(b) For a county that is a county juvenile agency, the~~ **A**
22 county's block grant amount as determined under section 117g in
23 equal distributions on October 1, January 1, April 1, and July 1 of
24 each state fiscal year.

25 (E) ~~(e) Notwithstanding the provisions in subdivision (a),~~
26 subject to appropriations, until September 30, 2017, the department
27 shall pay 100% of the costs of the \$8.00 increase to the

1 administrative rate for providers of foster care services provided
2 in the annual appropriation for the department budget. For the
3 purposes of this subdivision only, "foster care" means 24-hour
4 substitute care for children placed away from their parents or
5 guardians, as a result of a court order under section 2(b) of
6 chapter XIIIA of the probate code of 1939, 1939 PA 288, MCL 712A.2,
7 in placements supervised by the department or a private child
8 placing agency under contract with the department for foster care
9 services. Foster care services include supervision of placements in
10 foster family homes, foster family group homes, and preadoptive
11 placements.

12 (F) ~~(d)~~—Notwithstanding the provisions of subdivision ~~(a)~~—(C),
13 until September 30, 2017, the department shall pay 100% of the
14 administrative rate for providers of treatment foster care services
15 and foster care services provided in the annual appropriation for
16 the department budget. For the purposes of this subdivision only,
17 "foster care" means 24-hour substitute care for children placed
18 away from their parents or guardians, as a result of a court order
19 under section 2(b) of chapter XIIIA of the probate code of 1939,
20 1939 PA 288, MCL 712A.2, in placements supervised by the department
21 or a private child placing agency under contract with the
22 department for foster care services. Foster care services include
23 supervision of placements in foster family homes, foster family
24 group homes, treatment foster care, preadoptive placements, and
25 supervision of children reunified with the parent with whom the
26 child lived at the time of removal.

27 (G) ~~(e)~~—Notwithstanding the provisions in subdivision ~~(a)~~—(C),

1 until September 30, 2017, the department shall pay 100% of the
2 costs of any rate increase to the providers of residential foster
3 care services under contract with the department, as provided in
4 the annual appropriation for the department budget.

5 (H) ~~(f)~~—Notwithstanding the provisions in subdivision ~~(a)~~—(C)
6 and subject to appropriations, in a county with a population of not
7 less than 575,000 or more than 650,000, for the purpose of this
8 subdivision only for cases transferred by the department to a child
9 placing agency, the department shall pay 100% of the administrative
10 rate to providers responsible for foster care case management
11 services to families of children who are court-ordered into foster
12 care due to child abuse or child neglect and placed in the care and
13 supervision of the department, regardless of placement setting
14 until the prospective payment system described in subdivision ~~(g)~~
15 (I) is implemented. This subdivision does not apply after May 1,
16 2018.

17 (I) ~~(g)~~—Notwithstanding the provisions in subdivision ~~(a)~~—(C)
18 and subject to appropriations, the department shall implement a
19 prospective payment system as part of a state-administered
20 performance-based child welfare system in a county with a
21 population of not less than 575,000 or more than 650,000, for
22 foster care case management in accordance with section 503 of
23 article X of 2014 PA 252. The county is only required to contribute
24 to foster care services payments in an amount that does not exceed
25 the average of the annual net contribution made by the county for
26 cases received under section 2(b) of chapter XIIA of the probate
27 code of 1939, 1939 PA 288, MCL 712A.2, in the 5 previous fiscal

1 years before October 1, 2015. The prospective payment system as
2 part of the state-administered performance-based child welfare
3 system shall be implemented as described in this subdivision but
4 shall not include in-home care service funding. This subdivision
5 does not apply after May 1, 2018.

6 (J) ~~(h)~~—Subdivisions ~~(f)~~—(H) and ~~(g)~~—(I) only impact child
7 abuse and child neglect services and not juvenile justice program
8 funding. This subdivision does not apply after May 1, 2018.

9 (5) The department is liable for the costs of all juvenile
10 justice services in a county that is a county juvenile agency other
11 than county juvenile agency services.

12 (6) The department shall establish guidelines for the
13 development of county juvenile justice service plans in counties
14 that are not county juvenile agencies.

15 (7) A county that is not a county juvenile agency and receives
16 state funds for in-home or out-of-home care of children shall
17 submit reports to the department at least quarterly or as the
18 department otherwise requires. The reports shall be submitted on
19 forms provided by the executive director and shall include the
20 number of children receiving foster care services and the number of
21 days of care provided.

22 (8) The department shall maintain a reporting system providing
23 that reimbursement under subsection ~~(4)(a)~~—(4)(C) shall be made
24 only on submission of billings based on care given to a specific,
25 individual child.

26 Enacting section 1. This amendatory act takes effect 90 days
27 after the date it is enacted into law.