



STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING

RICK SNYDER  
GOVERNOR

MAURA D. CORRIGAN  
DIRECTOR

February 16, 2011

The Honorable Bruce Caswell, Chair  
Senate Appropriations Subcommittee on DHS  
915 Farnum Building  
P.O. Box 30036  
Lansing, Michigan 48909-7536

The Honorable Dave Agema, Chair  
House Appropriations Subcommittee on DHS  
House Office Building, Room N0993  
P.O. Box 30014  
Lansing, Michigan 48909-7514

Dear Senator Caswell and Representative Agema:

Section 532(1) of Public Act 190 (Enrolled House Bill No.5882) requires the Department of Human Services (DHS) to report to the Senate and House fiscal agencies, and the state budget director on the department's implementation of the licensing and contract compliance review process.

DHS initially addressed this section by convening a collaborative work group in December 2004, which concluded work in February 2006. In summary, the Bureau of Children and Adult Licensing (BCAL) and the Child Welfare Contract Compliance Unit (CWCCU), formerly Purchased Services Division:

- Eliminated duplicative onsite inspection activities when legally permitted.
- Took steps to eliminate PSD rule related reviews of agency functions, which are also monitored by BCAL.
- Coordinated routine onsite inspections and complaint investigations when feasible and legally permitted.
- Formalized a process for sharing investigative findings.

In March 2008, BCAL drafted an administrative rule which would allow nationally accredited Child Caring Institutions to request a modified onsite inspection. A similar administrative rule for Child Placing Agencies was drafted during a rules work group convened in January 2009.

In April 2010, BCAL in order to comply with Dwayne B v. Granholm settlement agreement section XII C. modified the renewal inspection to consider maltreatment in Child Placing Agencies (CPA) and Child Caring Institutions (CCI). The licensing consultant when completing a renewal inspection in a CCI or CPA will consider the following:

- All incidents of substantiated abuse/neglect and corporal punishment occurring in a CCI, CPA and in foster homes supervised by the CPA.
- Compliance with all corrective action plans in place during the renewal period.
- All repeat violations of the Public Act 116 and applicable administrative rules.
- The severity and frequency of the statutory and administrative violations.

If you have any questions regarding this information, please contact Susan Kangas, chief financial officer, at (517) 373-7787.

Sincerely,  
 for Maura Corrigan  
Maura D. Corrigan