

**DEPARTMENT OF COMMUNITY HEALTH**  
**POLICY AND LEGAL AFFAIRS ADMINISTRATION**  
**MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES**  
**FAMILY SUPPORT SUBSIDY PROGRAM**

(By authority conferred on the department of community health by Executive Reorganization Order No. 1996-1, MCL 330.3101)

**SUBPART 6. FAMILY SUPPORT SUBSIDY PROGRAM**

**R 330.1601 Definitions.**

Rule 1601. As used in these rules:

(a) "Autistic impaired" means an eligible minor who is determined to have an eligibility category of autism pursuant to R 340.1715 and who is receiving special education services in 1 of the following programs:

(i) Programs for students with autism as specified in R340.1758(1).

(ii) Programs for students with severe cognitive impairment as specified in R 340.1738.

(iii) Programs for students with severe multiple impairments as specified in R 340.1748.

(b) "Month of eligibility" means the month the family member, for whom application has been made, meets the requirements for participation in the program, regardless of the month the eligibility is verified by the community mental health program.

(c) "Severely mentally impaired" means an eligible minor who is determined to have an eligibility category of cognitive impairment pursuant to R 340.1705 and who shows development at a rate of approximately 4-1/2 or more standard deviations below the mean as determined through intellectual assessment.

(d) "Severely multiply impaired" means an eligible minor who is determined to have an eligibility category of severe multiple impairment pursuant to R 340.1714.

History: 1984 AACCS; 2003 AACCS.

**R 330.1606 Rescinded.**

History: 1984 AACCS; 2003 AACCS.

**R 330.1607 Diagnostic determination and classroom placement verification.**

Rule 1607. (1) An applicant for the family support subsidy program shall provide written verification from the public school which the family member attends or

would attend if the family member were in the public school system which shall report the diagnostic category recommended for the family member by the school's multidisciplinary evaluation team.

(2) If the family member has been recommended by the multidisciplinary evaluation team for the diagnostic category of autistic impaired, then the parent or legal guardian shall ensure that the written verification includes the classroom or program placement that is required for family members who are determined to be autistic impaired.

History: 1990 AACRS.

**R 330.1611 Entitlement grants not income.**

Rule 1611. The family support subsidy program is an entitlement program which is administered by the department and county programs. The family support subsidy shall not be deemed to be income for the purposes of part 8 of these rules. Unless otherwise specifically funded by the legislature, utilization of the funds appropriated is restricted to the payment of actual grants.

History: 1984 AACRS.

**R 330.1613 Program participants not recipients.**

Rule 1613. Family members, as defined in the act, will not be deemed recipients of mental health services solely by participation in the family support subsidy program, and therefore are not subject to the requirements or protections for recipients as provided in the act.

History: 1984 AACRS.

**R 330.1616 Availability of forms.**

Rule 1616. Copies of blank application forms, parent report forms, the forms for changed family circumstances, and appeal forms shall be available from the community mental health program.

History: 1984 AACRS.

**R 330.1621 Application; notice of changed family circumstances; failure to file.**

Rule 1621. (1) A parent or legal guardian may apply for a family support subsidy if he or she believes a family member is eligible for the subsidy or will become eligible in the near future.

(2) An applicant shall file a completed application and all required documentation with the community mental health board serving the county of residence.

(3) When a change of family circumstances occurs or is anticipated which affects the eligibility of the family member or administration of the program, such as income exceeding the statutory limit or a change of name, address, or living arrangement, the parent or legal guardian shall complete the prescribed form and file it with the community mental health program within 2 weeks of the change.

(4) Failure to file the form required under subrule (3) of this rule, when such failure allows an inappropriate continuation of eligibility, shall subject a family which continues to utilize the program to liability, and the family shall promptly repay the amount illegally received, together with interest at the rate authorized by section 6013(2) of Act No. 236 of the Public Acts of 1961, as amended, being S600.6013(2) of the Michigan Compiled Laws.

History: 1984 AACCS; 1990 AACCS.

**R 330.1626 Parent report form.**

Rule 1626. To continue in the program, the parent or legal guardian shall submit the parent report form to the community mental health program during the month in which, or up to 90 days before, the family member's birthday occurs. If the family member's birthday occurs within 3 months of initial application, submission of the parent report form shall not be required until the birth month of the following year.

History: 1984 AACCS; 1990 AACCS.

**R 330.1631 Ineligibility due to out-of-home placement.**

Rule 1631. (1) A family member becomes ineligible for the subsidy program if the family member resides out of the home in a publicly supported residential setting for more than a total of 15 days during each of 2 consecutive calendar months for reasons other than physical health care.

(2) Reapplication for family members who were deemed ineligible under this rule may occur in any month following the month that the family member became ineligible.

History: 1984 AACCS.

**R 330.1636 One-time lump sum payment.**

Rule 1636. For the purpose of section 158(1)(c) of the act, a 1-time, lump sum payment will also be available to family members who had previously participated in the family support subsidy if both of the following provisions are met:

(a) Subsequent ineligibility was due to out-of-home placement.

(b) The family member's placement currently exists and has existed for more than 1 year.

History: 1984 AACCS.

**R 330.1641 Application review.**

Rule 1641. A community mental health program shall review an application and promptly approve or deny the application and shall provide written notice to the applicant of its action and of the opportunity to administratively appeal the decision if the decision is to deny the application. If the denial is due to the insufficiency of the information on the application form or the required attachments, the board shall identify the insufficiency.

History: 1984 AACCS.

**R 330.1643 Appeal.**

Rule 1643. If an application is denied or the subsidy terminated, a parent or legal guardian may file an appeal. The appeal shall be in writing and be presented to the community mental health program within 2 months of the notice of denial or termination.

History: 1984 AACCS.

**R 330.1646 Program coverage; calculation.**

Rule 1646. Program coverage will be calculated on a monthly basis. If a family member becomes qualified for the program, coverage will start the calendar month following the month of eligibility or application, whichever occurs later. If eligibility terminates during a month, coverage will continue for that calendar month.

History: 1984 AACCS.

**R 330.1651 Forms.**

Rule 1651. (1) The form for application for participation in the family support subsidy program shall meet the requirements of section 157 of the act and shall assist in the development of information necessary to administer the program.

(2) In addition to the application form specified in subrule (1) of this rule, the department shall also prescribe the following:

(a) The form for changed family circumstances.

(b) The parent report form.

(c) The format, the time for submission, and the instructions for the reporting of information by the community mental health program to the department for the general information which is necessary to comply with the provisions of section 161 of the act and with the contract allocation system.

History: 1984 AACCS.

**R 330.1656 Verification of income eligibility.**

Rule 1656. (1) Verification of income eligibility may be accomplished utilizing 1 of the following provisions:

(a) Examination of the taxable income line of the family's previous year Michigan income tax return.

(b) If a Michigan income tax form was not filed, the family's federal or other state's previous year income tax returns may be used.

(c) If the information specified in subdivisions (a) and (b) of this subrule is not available, then other evidence of current incomes may be used as verification from which a projection of family income can be made.

(d) For a new applicant, if the previous year's taxable income would make the family member ineligible, but the current year's taxable income would make the family member eligible, then verification of income eligibility shall be accomplished by examination of the evidence of current incomes from which a projection of family income shall be made.

(2) A family that loses eligibility for the family support subsidy program due to a taxable income of more than \$60,000.00 shall not reapply until 1 year after the termination of the subsidy.

(3) A family in repayment status with this program shall not reapply until its debt is repaid.

History: 1984 AACS; 1990 AACS; 2003 AACS.