Exhibit B: Terms and Conditions & Allowable Expenditures
Updated January 9, 2024

The following information is intended to provide grant recipients with a general list of allowable activities and expenditures. Funding for these grants is provided in full or in part through the Michigan Department of Health and Human Services, Office of the Chief Medical Executive.

For questions regarding specific allowable and unallowable activities and expenditures, please email MI_JailMOUD_LC@healthmanagement.com.

1. Terms & Conditions of Grant Funding

A. No more than 5 percent of the total grant award may be used for administrative and infrastructure development.

1. As of October 2022, telehealth costs are not considered part of this 5%.

B. No more than 5 percent of the total grant award for the budget period may be used for data collection, performance measurement, and performance assessment.

C. Grant funds shall not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana.

1. Grant funds also cannot be provided to any individual or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders.

2. Allowable & Unallowable Costs

A. Personnel

1. **Allowable**
   a. Salaries and fringe benefits for staff directly serving patients or managing grant funds or activities.
   b. Reference manuals and tools used for personnel and community education.
   c. Copying and printing costs for patient/provider materials, as allowable by copyright laws.
   d. Time/expenses related to data collection activities (up to 5% of total grant award)
   e. Costs for training staff, coaching/supervision costs and cost of conducting fidelity assessments for therapies being delivered
2. **Unallowable**
   a. Salaries and fringe benefits to personnel not performing Jail MOUD Expansion Project activities
   b. Salaries and fringe benefits for personnel performing both grant activities and non-grant activities without sufficient documentation (i.e. payroll records, paystubs, and job descriptions clearly identifying cost- sharing methodologies)

B. Treatment Services for Un/Under-Insured Patients

1. **Allowable**
    a. FDA approved medications for Opioid Use Disorder (OUD) during the period of incarceration and coverage of coverage of up to 30-day supply for patient at release:
        i. Methadone
        ii. Buprenorphine products, including single-entity buprenorphine products, buprenorphine/naloxone tablets, films, buccal preparations, long-acting injectable buprenorphine products.
        iii. Naltrexone products, including extended-release and oral formulations.
    b. FDA-approved medications or devices for withdrawal management
    c. HIV, Hepatitis C testing
    d. Hepatitis A & B testing, vaccination
    e. Services for incarcerated patients with OUD or stimulant use disorder
    f. Any allowable services or activities provided via telehealth
    g. Urine drug screening/testing costs
    h. Fentanyl and Xylazine test strips
    i. Any other services or activities for SUD treatment not covered/not sufficiently covered by the individual's insurance
    j. Utilization of grant funds to purchase naloxone to meet demand and supplement existing supply.
        i. Naloxone can be requested through the MDHHS Naloxone Portal free of charge. More information on requesting naloxone through the portal can be found here.
2. **Unallowable**
    a. Non-FDA approved medications
    b. Non-FDA approved devices
    c. Services or medications for patients who are covered by other funding sources (e.g., Medicaid, Healthy Michigan, Plan, private insurance, MDHHS or federal funding sources.).
    d. Services or medications that are already covered to provide MOUD treatment through funding from MDHHS or federal sources. If a jail is already receiving funding from MDHHS or federal sources, funding from this initiative **must** be used to expand current services such as but not limited to, expanding treatment eligibility and or offering additional medication types.
    e. Direct payments to individuals to induce their entry into treatment or continuation in treatment. It is unallowable to provide an "undue inducement" that removes the voluntary nature of participation in treatment.

C. Telehealth Equipment & Services

1. **Allowable**
    a. Purchase or upgrades related to provider telehealth systems. Examples include:

i. Hardware to be used by providers, such as: desktops, monitors, laptops, tablets, servers, iPad and other tablet stands, and webcams

ii. Software and broadband subscriptions

iii. Reference manuals and tools used for personnel and community education

iv. Improvements to electronic health records, adding electronic forms, and other data infrastructure specific to MAT services

b. Purchases or upgrades related to virtual meeting platforms

c. Telehealth equipment or services for clients may be purchased for patient use if purchased and owned by county department (i.e., no equipment will be purchased that would belong to patients).

d. Purchase of computerized inventory systems, medication administration and dispensing systems and technology that clients can use for receiving mutual support or psychosocial treatment, as well as appointments with treatment team and in-reach appointments.

2. **Unallowable**

a. Telehealth infrastructure:

i. Structural development to integrate broadband lines

D. Administrative & Infrastructure Development

1. **Allowable**

a. Salaries of administrative or clerical staff under specific conditions where their services are integral to an activity and are not captured as indirect costs.

b. Medical equipment necessary to project operation.

c. Locked medication carts and/or safes to store MOUD

d. Locked medication carts and/or safes or lockboxes for patients

e. Installation or retrofitting of security cameras and alarms for medication storage security

f. Minor Alterations and Renovations (A&R) may be authorized for up to 5% of the total grant award, if necessary and appropriate to the project.

i. A&R is defined as work that changes the interior arrangement or other physical characteristics of an existing facility or installed equipment so that it can be used more effectively for its currently designed purpose or adapted to an alternative use to meet a programmatic requirement. A&R may include work referred to as improvements, conversion, rehabilitation, or remodeling.

ii. Minor A&R examples include:

- Dispensing window addition or improvement
- Minor internal office infrastructure, such as adding walls or doors to house personnel
- Alarms and cameras specific to MAT program

2. **Unallowable**

a. Structural changes (e.g., to the foundation, roof, floor, or exterior or loadbearing walls of a facility, or extension of an existing facility) to achieve the following: Increase the floor area; and/or, change the function and purpose of the facility.

b. A&R exceeding 5% of the total grant award.

c. New facility construction.
d. Facility improvements unrelated to the expansion of OUD prevention, treatment, and recovery services
e. Facility improvements to building foundation, roofing, heating and air conditioning, or other structural improvements
f. Purchase of building
g. Supplies, equipment, or furniture for use in non-contract operations of the entity
h. Automated External Defibrillators (AED)

E. Outreach & Engagement

1. **Allowable**
   a. Patient outreach/engagement activities and resources
   b. Costs of meetings, conventions or other events related to Jail MOUD Expansion Project operations within Michigan, including conferences designed to improve MAT personnel clinical skills
   c. Outreach/presentations to community agencies, local organizations, law enforcement, etc.
   d. Costs related to operation of local opioid coalitions
   e. Advertising costs directly related to contracted services
2. **Unallowable**
   a. Costs of meetings, conventions or other events not related to Jail MOUD Expansion Project operations
   b. Costs of promotional items and memorabilia, including models, gifts, and souvenirs related to other activities of the entity
   c. Meals are generally unallowable unless they are an integral part of a conference grant or specifically stated as an allowable expense
   d. Sporting events and entertainment
   e. Alcoholic beverages

F. Miscellaneous

1. **Allowable**
   a. Subcontracts with community providers to deliver MOUD services
   b. Travel reasonably incurred paid at the State rate (State travel reimbursement rates) [include MI link here?]
   c. Patient transportation, such as bus passes, taxis, and ride-sharing services
   d. Patient transportation to transport individuals from jails to Opioid Treatment Programs (OTP)
   e. Office supplies critical to project operation
   f. Furniture necessary to project operation, such as additional desks, office chairs, and other minor equipment.
   g. Deterra pouches used to deactivate medications for disposal.
   h. Bandages, ice pack, and non-procedural first aid supplies that can be administered by patient
   i. Naloxone vending machine
   j. HEPA air filters

k. Enhancements and purchase of software to improve health information exchange capabilities that relate to MDHHS data initiatives such as AMIB (automating the Medicaid Incar-benefit) and CareConnect360, if philanthropic funding is not available to cover the expenditures.

2. **Unallowable**
   a. Travel unrelated to Jail MOUD Expansion Project operations
   b. Travel costs in excess of the State rate
   c. Purchasing vehicles to dispense MOUD to patients
   d. Natural remedies (herbs, acupuncture, etc.)
   e. Medical procedures, such as suturing or removal of sutures, abscess management, etc.
   f. Sterile needles or syringes for the hypodermic injection of any illegal drug