Spring 2022 Public Policy Updates

Overview

* Budget
* Behavioral Health Restructuring
* Senate Integration Proposal
* Advocacy Efforts

Budget Items

Figure 1

Budget Update

FY23 Executive Budget Proposal

Specific Mental Health/Substance Abuse Services Line items

	FY'21 (Final)	FY'22 (Final)	FY'23 (exec rec)
-CMH Non-Medicaid services	$125,578,200	$125,578,200	$125,578,200
-Medicaid Mental Health Services	$2,653,305,500	$3,124,618,700	$2,975,480,500
-Medicaid Substance Abuse services	$87,663,200	$83,067,100	$82,657,700
-State disability assistance program	$2,018,800	$2,018,800	$2,018,800
-Community substance abuse (Prevention, education, and treatment programs)	$108,333,400	$79,705,200	$79,705,200
-Health Homes Program	$26,769,700	$33,005,400	$61,337,400
-Autism services	$271,721,000	$339,141,600	$286,697,900
-Healthy MI Plan (Behavioral health)	$589,941,900	$603,614,300	$583,086,100
-CCBHC	$0	$25,597,300	$101,252,100
-Total Local Dollars	$20,380,700	$15,285,600	$15,285,600

Budget Update

Other Highlights of the FY23 Executive Budget:

The Executive Budget provides significant funding to enhance and expand availability of behavioral health services. The Governor proposes new resources to specifically address a shortage in available inpatient beds for children and adults through enhancements to existing capacity as well as the eventual replacement of outdated state hospital facilities.

FY 22 (Supplemental Request)

$135 million to promote recruitment and retention of behavioral health direct care staff, a one-year bonus payment will be provided on per pay period basis to almost 1,000 state psychiatric hospital direct care staff and to approximately 50,000 behavioral health workers operating in Michigan communities.
$5.25 million to renovate two additional units at Hawthorne
$5.75 million to operate forensic center satellite facilities (82 FTEs)
$15 million to renovate the new CFP Satellite Facility
$14.8 million to purchase access to private, inpatient community-based services
$31.8 million for non-clinical nursing home staff ($2.35 for non-clinical staff)
$47 million for SUD Block Grant
$19 million for Mental Health Block Grant
$73 million for CCBHC
$11.7 million for Health Homes
$15 million for Behavioral Health community supports and services – 5 FTE positions
$16 million for Opioid Response Activities – settlement related?

Budget Update

FY 23 One-Time

$25 million for student loan reimbursement for behavioral health providers working in HPSAs.

* **$15 million** to the Jail Diversion Fund to be used by the Mental Health Diversion Council to distribute grants to local entities to establish and expand jail diversion programs in partnership with local law enforcement and behavioral health services providers, ensuring that individuals with mental illness receive appropriate treatment
* **$325 million** in one-time general fund towards the design and construction of a new psychiatric hospital campus that would ultimately replace the state-operated beds at Hawthorn Center and the Walter P. Reuther State Hospital. The new facility will have the capacity to operate 260 beds, 45 more than the two combined currently have, to provide inpatient psychiatric treatment, care, and services to children, adolescents, and adults. Enactment of the recommended funding in FY 2023 would allow the state to open this new campus as early as 2027

FY 23 Ongoing

* **$16 million Gross** Currently, the behavioral health homes program exists in 37 counties and opioid health homes are in 40 counties. The proposal is to expand Behavioral Health homes to 5 additional counties and opioid health homes to 9 additional counties will increase access to behavioral and physical health, improve health outcomes for people who need mental health and substance use disorder services, and promote care coordination.
* **$10 million GF** for two new units to be renovated and established at Hawthorn Center to allow 28 more children access to needed inpatient hospital services.
* **$11.5 million GF** for a satellite facility for the Center for Forensic Psychiatry will also be established to allow an additional 28 beds for persons in need of forensic care and to reduce strain on existing state hospital beds for adults. A total of 164 additional staff will be hired to enable each facility to provide both clinical and non-clinical services. The intent is to provide immediate relief to the behavioral health system and create access for individuals in need of services.
* **$29 million Gross** to increase the availability of inpatient community-based mental health services to support an additional 48 adults and 12 children. Funding will be used by DHHS to contract with private providers for intensive treatment (including crisis stabilization, diagnostic assessment, medication, and community support) outside of state-operated beds. Administrative support will be critical to ensure successful implementation of this initiative.

Budget Update

$425 million for mental health in schools

$150 Million – Statewide Expansion of the Transforming Research into Action to Improve the Lives of Students (TRAILS) program

Builds capacity in school buildings for teachers and school leaders to help students manage stress, build healthy relationships, and manage their own mental health, funding is over three years

$25 million – Universal mental health screenings

Collaborates with universities to develop and deploy a Michigan-survey in schools which will collect, analyze, and report on mental health data

$120 million – School-based mental health professionals

Provides funding for additional mental health professionals and counselors in schools, could allow for up to 425 staff over the three years

$50 million – Strengthen school-based mental & physical health

Increases existing appropriations for mental health grants from $37.8m to $87.8m

$11 million – Expand school-based health clinics

Open 40 new school-based health clinics and serve 20,000 more kids ages 5-21

$5 million – Expand specialized service for children with severe mental health needs

Connects local mental health professionals with psychiatry support as they treat children with significant needs. This helps expand access to psychiatric services and build capacity in local communities

$15 million – Strengthen school-based mental and physical health

Create model that will expand services for youth threatening violence. Identify and implement cross-sector approaches to prevent mass violence through partnership with schools, public safety, mental health professionals, and communities

$50 million – School safety grants

Expands allowable uses to include personnel (including trained school resource officers) and training for new and existing staff

Behavioral Health Restructuring

Behavioral Health Restructuring

- Creating the Bureau of Children's Coordinated Health Policy and Supports to improve and build upon the coordination and oversight of children's behavioral health services and policies.
  - Lindsey McLaughlin will oversee the Bureau of Children's Coordinated Health Policy and Supports.

- Shifting the administration of Behavioral Health and Developmental Disabilities Administration to different administrations and divisions within MDHHS to improve coordination of services and leverage expertise that exists among staff in these areas.

- Renaming the MDHHS Health and Aging Services Administration to Behavioral and Physical Health and Aging Services. This administration - which already handles Medicaid and services for aging adults - will oversee community-based services for adults with intellectual and developmental disabilities, serious mental illness and substance use disorders. This will build upon the administration's existing efforts to deliver services to adults with mild to moderate mental illness.
  - Farah Hanley, Chief Deputy for Health will oversee the new Behavioral and Physical Health and Aging Services and the State Hospital Administration.

- Moving substance use and gambling disorder prevention programs to the Bureau of Health and Wellness under the Division of Chronic Disease within the Public Health Administration.

- March 21 – effective date

Senate Proposal – Gearing Towards Integration

https://www.youtube.com/watch?v=vUi1PdYn5nk

Senate Proposal – Gearing Towards Integration

Observations

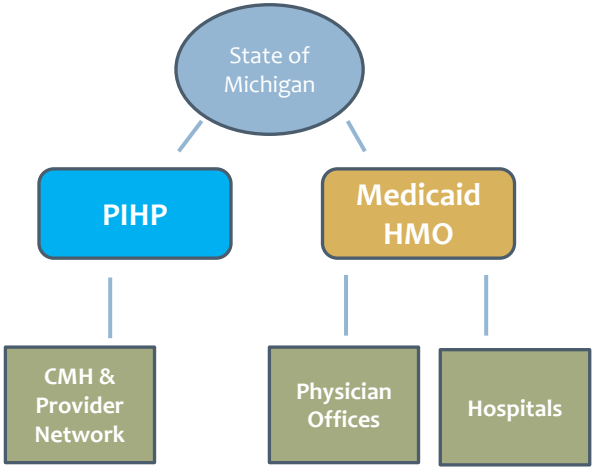
* VERY serious threat – Sen. Shirkey is planning on moving this forward
  * **Shirkey Legacy Package**
* Up hill climb so far, but still a lot of time
* Sen Shirkey controls what happens in MI Senate
* House proposal
* Where is the DHHS? (legislative issue, not going to get involved at this point)
* Where is the Governor, will she veto??

Bills introduced in mid-July 2021, referred to the Senate Government Operations Committee (Chair Sen. Shirkey)

* Committee heard testimony on 9/14, 9/21 & 9/28
* Bills voted out of committee on 10/26
* Bills on Senate agenda March 2 – moved from general orders to 3rd reading of bills
* SB 714 – mental health supplemental - $539 million as a way to sway votes and support

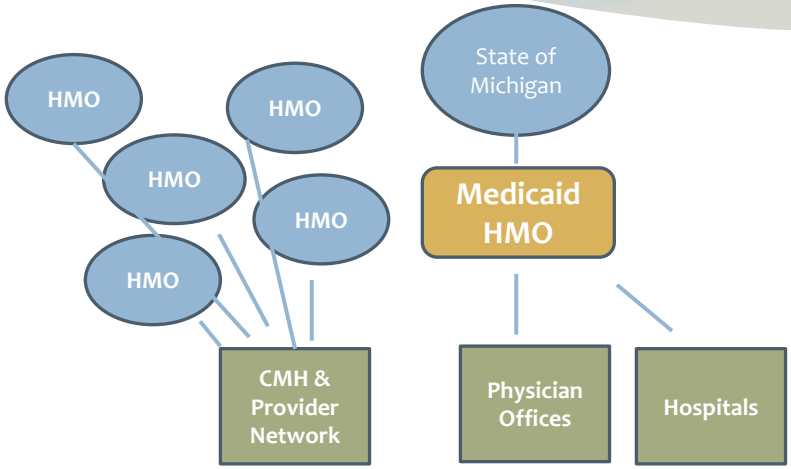
Senate Proposal = Section 298 2.0

Current System



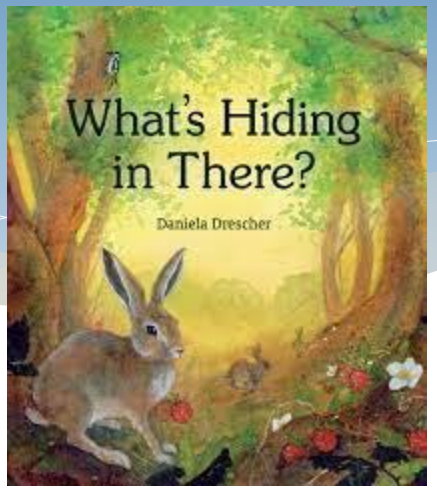
Behavioral Health Services provided include:
Housing, employment supports, transportation, intensive case management & other social determinates of health.

Section 298



Traditional Healthcare Services provided include:
Traditional medical care—wellness visits, prescription drug, hospital care, etc.

SBs 597 & 598: Gearing Towards Integration



What's in the proposal?

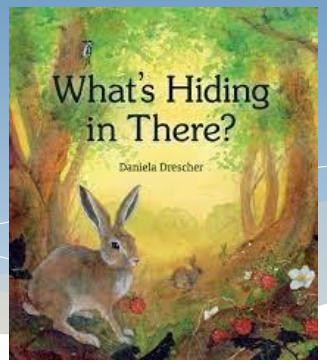
* Proposal would create new entities – Specialty Integrated Plans (SIP)
* Bid process for SIPs
* SIP licensing requirements:
* Essentially the definition of a health plan (including insolvency coverage = reserves)

* At least 2 SIPs (unless rural exception)
* Phased in process – 1st kids (KB lawsuit), 2nd SMI, 3rd SUD, 4th I/DD
  * After phased in process is complete the PIHPs would be eliminated by the SIPs
  * A phase must be determined successful before the state can move to the next phase

* Establishes an office of the behavioral health ombudsman (oversees Recipient Rights office) – appointed by governor (advise and consent by Senate)

* Establishes a behavioral health accountability council, made up of ombudsman, health plans, 1 CMH rep, 5 persons served, 3 private providers and 4 individuals appointed by the legislature.

SBs 597 & 598: Gearing Towards Integration



CMH role

* Department would require a contract with CMH and SIP
* BUT SIPs can contract directly with other behavioral health providers as they deem appropriate
* SIP care coordinators will serve as the main point of contact for beneficiaries (not CMH or providers)
* SB 598 inserts language into the MHC allowing plans to take on the unique safety net role of a CMH.

SBs 597 & 598 – Changes on 03/02/22

Below is the new language included in SB 598 – Sub 3 (page 17):

* Sec. 203. Throughout this chapter, a specialty integrated plan is not responsible for the duties set forth in this chapter until after completion of a successful transition under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. **After the specialty integrated plan has completed a successful transition, the specialty integrated plan must take over the administrative and management functions set forth in this chapter and the community mental health services program is responsible only for providing services,** unless other functions are determined by the department, or accounted for in delegated contract arrangements with the specialty integrated plan, as considered acceptable. The behavioral health accountability council shall determine the successful transition at each phase of integration establishing when the specialty integrated plan is responsible for the administrative and management functions set forth in this chapter.

* In addition to the language above, SB 598 (mental health code bill) **inserts specialty integrated plan (Medicaid health plans) 49 TIMES in the mental health code where previously it only described a function of a CMH and did NOT include PIHPs** (meaning health plans will be usurping the role of the CMHs) – how exactly does this bill NOT HARM your local CMH?

SBs 597 & 598 – Changes on 03/02/22

Below is the new language included in SB 597 – Sub 3:

SB 597 – Sub 3 (page 25)

(o) Establish a Medicaid loss ratio that is based on actuarially sound capitation rates and **built on a standardized fee schedule for all covered Medicaid behavioral health services.**

SB 597 – Sub 3 (Page 21)

Not later than 2 years after the effective date of the amendatory act that added this sentence, **the department must consolidate the 10 regional specialty prepaid health plans existing on that date into a single statewide entity that must manage Medicaid**-covered specialty services and supports for Medicaid beneficiaries who are not yet included in the benefit delivery system described in subsection (3).

SB 597 – Sub 3 (Page 29)

(12) Except in a case of malfeasance or misfeasance, **the department must require the prepaid inpatient health plan system and community mental health services programs to maintain all current provider contractual arrangements throughout the duration of the transition period.** A prepaid inpatient health plan or community mental health services program shall not reduce provider choice within the service networks by restructuring delegated services or altering reimbursement rates during the transition period. A prepaid inpatient health plan or community mental health services program that reduces choice within the current provider network or otherwise tampers with the structure of the current network or its ability to continue providing services **is subject to economic sanctions, up to and including disqualification from participating in a specialty integrated plan.**

Why we OPPOSE SBs 597 & 598

* We MUST broaden the conversation beyond Medicaid – mental illness and addiction impact millions of individuals and families across the state of Michigan regardless of their insurance.

* Solutions MUST get at the root cause and address the areas of greatest need – access to care, increasing providers and workforce, and the lack of sufficient inpatient care.
  - SBs 597 & 598 DO NOT increase access to care
  - SBs 597 & 598 DO NOT increase providers or address workforce shortages
  - SBs 597 & 598 DO NOT address the lack of sufficient inpatient care
  - SBs 597 & 598 DO NOT improve or guarantee better outcomes.

* SBs 597 & 598 ONLY solution is to change who is paying the bills in the Medicaid program = missing the mark

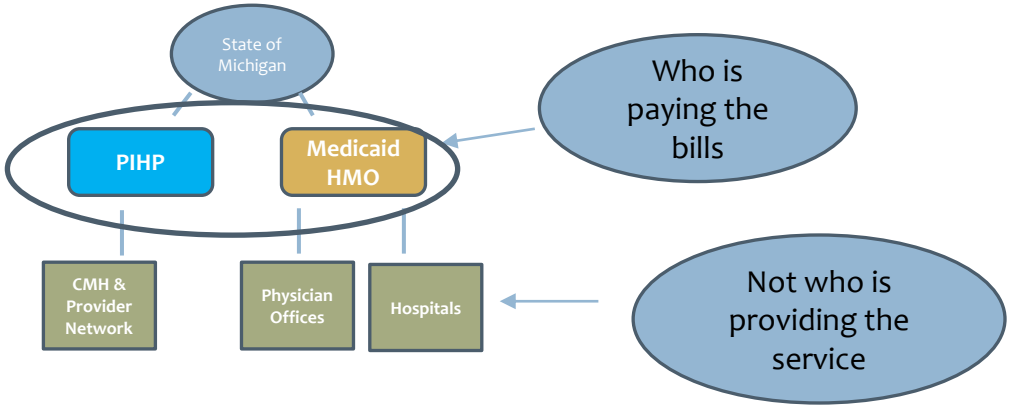
* SB 597 & 598 Wrong Step at the Wrong Time

* CCGP – CARE, COST, GOVERANCE, PERFORMANCE

CARE

SBs 597 & 598 & Health plans are focused on contracts & money (not people)

* Bills only integrate funding - Integration takes place where people receive their services… **The bills do not FOCUS on CARE**

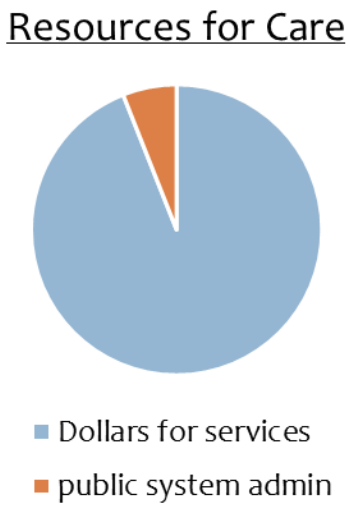


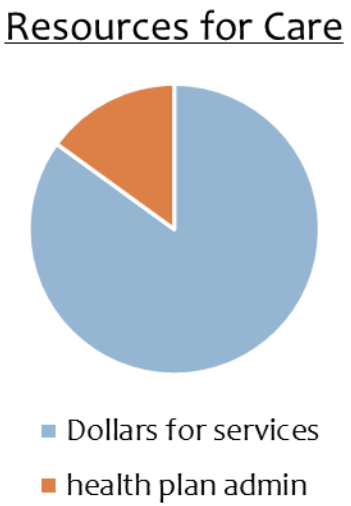
COST

* COST – Our fear is this proposal will dramatically increase costs WITHOUT an increase in services delivered or quality and will ultimately lead to an overall reduction in services – NOT an increase
  * Michigan Medicaid Health Plans showed record profits in 2020 – over $550 million in profits

* Health Plans have DOUBLE the overhead of the current public system

  * 12-15% (Health Plans) vs 6% (PIHP) admin costs = $200,000,000-$300,000,000+ MORE in costs without providing additional services or a guarantee of better quality or outcomes
    * Result = few dollars for services





GOVERANCE

The bills eliminate our local control / local decision making from our community and gives our money and mental health care decisions to out-of-state based insurance companies.

Care decisions will be made in corporate board rooms hundred or thousands miles away…

* Local County Board of Commissioners will have ZERO input with these insurance companies, who will they call during a crisis.

Large Health Plan Corporate Headquarters:

* Centene HQ – St. Louis MO
* United HQ – Minnetonka MN
* Molina HQ – Long Beach CA
* Anthem HQ – Indy IN
* Magellen HQ – Phoenix AZ

PERFORMANCE

* **Health plans do not have a good track record on behavioral health.** Currently they are responsible for the Medicaid mild/moderate benefit for mental health services

* The National Committee for Quality Assurance (NCQA) annual report card rating for Michigan's 10 private Medicaid health plans show that for the 8 key areas for treatment: Mental & Behavioral health category Michigan's health plans average less than 2.4 stars out of 5, which is a FAILING GRADE.

- July 2019, Health Endowment Fund Commissioned a report – Access to Mental Health Care in MI

  - **Showed the area of greatest unmet need for AMI (Adults with mental illness) in Michigan is mild-to-moderate conditions.**

If we REALLY want to improve people's lives

We believe these legislative proposals miss the mark, rather than focusing efforts at the PIHP level we believe the legislature should take this opportunity to address the following areas:

* Address & expand access to mental health and addiction services
  * For those individuals who are not in the current CMH system, but those on the outside looking in – MHP mild/moderate benefit and those with commercial insurance.
* Address the desperate need for more inpatient care settings for those most in need and
* Find ways to dramatically expand and increase the mental health and addiction workforce shortage
  * From front line DCWs to psychiatrists

Improving these areas would have an immediate impact on communities across this state.

* CCBHC & BHH/OHH must be part of the solution – patient-centered initiatives

Concepts we support in any redesign effort

We are fighting to protect what is best for individuals and families served across the state, we believe that is a PUBLIC SYSTEM:

* Has the care expertise and proven ability to develop and implement evidence-based and promising practices.
* Best understands the complex needs of the people served.
* Maximizes the amount of resources going into care for people – does not take profit off the top. We want the dollars to follow the person.
* Has a proven record of high performance.
* Has a transparent policy-making and decision-making process, ensured by the Open Meetings Act and FOIA.
* Has longstanding and deep partnerships with community organizations across a range of sectors: education, law enforcement, judiciary, housing, employment, public health, aging services, among many others

Concepts we support in any redesign effort

Public system must have:

- CMHs at the central role of care & serve as the local network managers
  - CMHs retaining risk, clinical, quality, and financial management functions in their traditional and proven role as a comprehensive specialty services network organizer
  - CMHs receive capitated or sub-capitated payment arrangement to best allow for coordination of care.
- Maintains local control, governance & local decision making tied to local elected officials
- Protects the safety net role that is tied to the community – people in need of services and community partners know who to turn to in a crisis

Potential Models & key concepts to support:

- State/Regional publicly run risk-bearing entity (PIHPs are regional risk-bearing entities)
- Public / private partnership that forms a joint entity which is jointly governed and managed.
- Publicly run system that has a private partner come along side and work collaboratively

  - Any model should fully fund CCBHC & BHH/OHH models, to ensure continuation and expansion of patient-center integration initiatives.
  - Any model must have a focus on access to care and the appropriate intensity and duration of services and supports
  - Clarity as to risk-bearing and savings retention by CMHs
  - Clarity as to how SUD services are managed and organized at the state and local levels

Advocacy Efforts

New Advocacy Video

* As we wrap up 2021, I wanted to share an advocacy video that we developed with the help of West Michigan CMH. This video is on our CMHAM.ORG website and Facebook page, please check it out by using the link below. The video does a great job outlines our main concerns – CCGP (Care – Cost – Governance – Performance). Thank you Lisa Williams & Brooke Felger at WMCMH for their leadership and creativity on this project – please add to your social media and share with your community partners.

* Video Link: https://fb.watch/9Xo-NhPBFs/

Online Petition

* Please don't forget to sign our new online petition opposing the Shirkey bills, please join us and sign the petition by visiting:

* cmham.org/advocacy

* Our strength is our numbers, and we need to show it – please sign our petition AND please forward this message to your board members, staff, and your community partners and ask them to sign and share the petition.

Advocacy Resources Page

* CMHA has added a resources section to our advocacy page on our website. The resources section will include all of our SBs 597 & 598 opposition handouts, reference material, etc. all in one easy to find location – www.cmham.org

Advocacy Efforts

The numbers are on our side – we have many more friends than the health plans…

Well over 100+ different organizations have joined us in opposing SBs 597 & 598:

Advocacy Efforts

Disability and other Consumer Advocate Groups
•The Arc Michigan
•Association for Children's Mental Health
•Michigan's Children
•Michigan Developmental Disabilities Council
•Michigan Developmental Disabilities Institute
•Michigan Disability Rights Coalition
•Michigan United Cerebral Palsy
•National Alliance on Mental Illness

Educational Organizations
•Michigan Association of Intermediate School Administrators
•Michigan Association of School Psychologists
•Michigan Association of Superintendents & Administrators (MASA)
Human Rights Organizations
•American Civil Liberties Union
•NAACP Michigan State Conference
Judiciary
•Michigan Association for Family Court Administration
•Michigan Judges Association
•Michigan Probate Judges Association
Labor
•American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)
•American Federation of State, County, and Municipal Employees (AFSCME)
•Michigan Corrections Organization
•Service Employees International Union Local 517M (SEIU)
Law Enforcement
•Michigan Sheriffs' Association
Health & Human Services & Faith Community Associations
•Michigan Catholic Conference
•National Association of Social Workers Michigan Chapter
•Community Mental Health Association of Michigan
•Areas Agencies on Aging Association of Michigan
•Michigan League for Public Policy
•Michigan Coalition Against Homelessness
Local Government Leaders & Associations
•Michigan Association of Counties
•Antrim County Board of Commissioners
•Arenac County Board of Commissioners
•Benzie County Board of Commissioners
•Branch County Board of Commissioners
•Charlevoix County Board of Commissioners
•Cheboygan County Board of Commissioners
•Clinton County Board of Commissioners
•Eaton County Board of Commissioners
•Gladwin County Board of Commissioners
•Gratiot County Board of Commissioners
•Hillsdale County Board of Commissioners
•Huron Board of Commissioners
•Iosco County Board of Commissioners
•Isabella County Board of Commissioners
•Jackson Board of County Commissioners
•Kalamazoo County Board of Commissioners
•Lake County Board of Commissioners
•Lenawee County Board of Commissioners
•Manistee County Board of Commissioners
•Mason County Board of Commissioners
•Mecosta County Board of Commissioners
•Oakland County Board of Commissioners
•Oceana County Board of Commissioners
•Ogemaw County Board of Commissioners
•Osceola County Board of Commissioners
•Oscoda County Board of Commissioners
•Otsego County Board of Commissioners
•Saginaw County Board of Commissioners
Mental Health Services Provider & Payer Organizations
•Allegan County Community Mental Health Services
•AuSable Valley Community Mental Health Authority
•Barry County Community Mental Health Authority
•Bay-Arenac Behavioral Health Authority
•Berrien Mental Health Authority
•Centra Wellness Network
•Community Living Options
•Community Living Services, Inc.
•Community Mental Health Authority of Clinton-Eaton-Ingham Counties
•Community Mental Health for Central Michigan
•Community Mental Health of Ottawa County
•Community Mental Health Partnership of Southeast Michigan
•Community Mental Health & Substance Abuse Services of St. Joseph County
•Copper Country Community Mental Health Services
•Detroit Wayne Integrated Health Network
- Freedom Work Opportunities of Genesee County, Inc (FWOGC)
- Genesee Health System
- Gogebic Community Mental Health Authority
- Gratiot Integrated Health Network
- HealthWest
- Hiawatha Behavioral Health
- Huron Behavioral Health
- Integrated Services of Kalamazoo
- Lakeshore Regional Entity
- Lapeer County Community Mental Health Services
- Lenawee Community Mental Health Authority
- LifeWays Community Mental Health
- Livingston County Community Mental Health Authority
- Macomb County Community Mental Health Services
- Mid-State Health Network
- Monroe Community Mental Health Authority
- Montcalm Care Network
- Network180
- Newago County Mental Health Center
- NorthCare Network
- North Country Community Mental Health Authority
- Northeast Michigan Community Mental Health Authority
- Northern Lakes Community Mental Health Authority
- Northern Michigan Regional Entity
- Northpointe Behavioral Healthcare Systems
- Oakland Community Health Network
- Pathways Community Mental Health
- Pines Behavioral Health Services
- Region 10 PIHP
- Saginaw County Community Mental Health Authority
- Sanilac County Community Mental Health
- Shiawassee Health & Wellness
- Southwest Michigan Behavioral Health
- St. Clair County Community Mental Health Services
- Summit Point
- Ten16 Recovery Network
- The Right Door for Hope, Recovery and Wellness
- Training & Treatment Innovations
- Tuscola Behavioral Health Systems
- VanBuren Community Mental Health Authority
- Washtenaw County Community Mental Health
- West Michigan Community Mental Health System
- Woodlands Behavioral Healthcare Network

Factors impacting the future

What are the other factors that could play into the outcome of system redesign?

- COVID
- 2022 Campaign season (Governor, Senate and House all up)
  - Redistricting
- Economy & budget
  - Headlee issue
- Legislative priorities – horse trading
  - House could be backstop vs Shirkey bills (58-52 Republican majority)
- Lame Duck Session – late 2022

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