



## Spring 2023 Public Policy Updates

Presented Friday, May 5, 2023

### First 100 Days

During the first 100 days of the new legislative session Governor Whitmer and the democratic led legislature were able to:

- Eliminate the retirement tax.
- Increased the Earned Income Tax Credit.
- Expanded Michigan's Elliott-Larson Civil Rights Act to protect sexual and gender identity.
- Eliminated the 1931 abortion law to protect reproductive freedoms.
- Repealed Right to Work.
- Restored the state's prevailing wage law.
- Passed gun reforms—background checks, safe storage, and extreme risk protection orders (red flag).
- Passed a bill to move up the Democratic Presidential Primary election to the end of February.
- Passed supplemental budgets to support hundreds of millions of dollars for corporations to build batteries for EVs, paper mill in UP, and other items.

Community Mental Health Association of Michigan (CMHA) is the state association representing the state's public Community Mental Health (CMH) centers, the public Prepaid Inpatient Health Plans (PIHP) public health plans formed and governed by the CMH centers and the providers within the CMH and PIHP provider networks.

#### CMHA Mission

The Community Mental Health Association of Michigan supports its membership by informing, educating, and advocating for mental health, emotional disturbance, intellectual and developmental disability, and substance use disorder services by strengthening collaboration with persons served, community, partners, and government.

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### Community Mental Health Association of Michigan Contact Information

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All information provided in this handout was presented on Friday, May 5, 2023 at the St. Clair County Community Mental Health Annual Awards Breakfast in Port Huron, Michigan, by Alan Bolter.

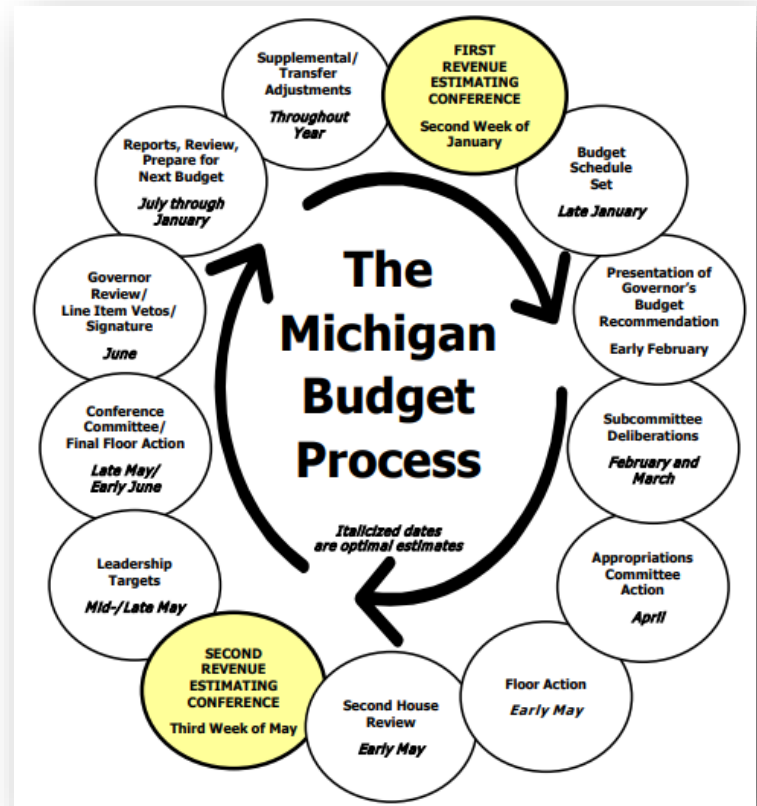


## Spring 2023 Public Policy Updates Budget Update

### Governor's Budget Recommendation Out-of-Balance

- ♦ 2015 road funding bill included a trigger that would cut the state income tax rate from 4.25% to 4.05%
  - ◇ Beginning with the 2021-22 fiscal year, a tax cut would be triggered when General Fund revenues increased at a greater rate than inflation.
  - ◇ \$800 million cost
- ♦ Democratic priorities—Earned Income Tax Credit (EITC) expansion and elimination of retirement taxes on pensions
  - ◇ \$800 million cost

Photo from A Legislator's Guide to Michigan's Budget Process  
[https://www.house.mi.gov/hfa/PDF/Alpha/approps\\_process\\_report.pdf](https://www.house.mi.gov/hfa/PDF/Alpha/approps_process_report.pdf)



### FY24 Senate & House Budget Proposals

#### Specific Mental Health/Substance Abuse Services Line items

	FY'23 (Final)	FY'24 (Exec Rec)	FY'24 (Senate)	FY'24 (House)
-CMH Non-Medicaid services	\$125,578,200	\$125,578,200	\$125,578,200	\$125,578,200
-Medicaid Mental Health Services	\$3,044,743,000	\$3,145,163,500	\$3,088,701,000	\$3,145,163,500
-Medicaid Substance Abuse services	\$94,321,800	\$93,445,100	\$93,445,100	\$93,445,100
-State disability assistance program	\$2,018,800	\$2,018,800	\$2,018,800	\$2,018,800
-Community substance abuse (Prevention, education, and treatment programs)	\$79,705,200	\$79,699,700	\$80,199,700	\$80,399,700
-Health Homes Program	\$61,337,400	\$53,400,100	\$53,400,100	\$53,400,100
-Autism services	\$292,562,600	\$283,133,200	\$283,133,200	\$283,133,200
-Healthy MI Plan (Behavioral health)	\$570,067,600	\$590,959,600	\$590,959,600	\$590,959,600
-CCBHC	\$101,252,100	\$106,654,900	\$106,654,900	\$106,654,900
-Total Local Dollars	\$10,190,500	\$10,190,500	\$10,190,500	\$5,218,700



## Spring 2023 Public Policy Updates

### FY24 Senate Budget Recommendations

- Senate budget is \$160 million General Fund (GF) below the Governor's FY24 recommendation.
- Includes a 0.65 cent/hour increase for Direct Care Worker wages (\$91 million gross/\$32.2 million general fund) - the Governor's recommendation was \$1.50/hour increase (\$201.1 million gross/\$74.5 million general fund) to increase wage support to direct care professionals providing Medicaid behavioral health services, care at skilled nursing facilities, community-based supports through MI Choice, MI Health Link, and Home Help programs, and in-home services funded through area agencies on aging.
  - Senate did NOT include the Governor's recommendation for \$90 million in wage support for non-direct care nursing home staff (\$31.7 million general fund) extends the same level of wage support assumed for direct care workers to additional staff working in nursing facilities.
- Senate budget did NOT include the Governor's recommendation for \$5 million for behavioral health recruitment supports (general fund) that would fund scholarships and other recruiting tools to attract and support people interested in training to become behavioral health providers.
- Senate budget DID include the Governor's recommendation for \$5 million for services and supports to first responders (one-time, general fund) for post-traumatic stress syndrome and other mental health conditions.
- Senate budget did NOT include \$5 million general fund for the continuation of the 5-year phase out of the local match draw down outlined in Section 928.

#### Senate Boilerplate Highlights

**INCLUDED:** Sec. 912. The department shall contract directly with the Salvation Army Harbor Light program.

**EXEC REC REMOVES:** Sec. 912

**CHANGED:** Sec. 917. Opioid Settlement Funds. From the funds appropriated in part 1 for opioid response activities, the department shall allocate \$23,200,000.00 from the Michigan opioid healing and recovery fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253,

a) The department shall allocate \$1,000,000.00 to a coalition located in a county with a population of at least 1,500,000 according to the most recent federal decennial census with an aim to lead and support communities to dispel the myths and stigmas about drug addiction through public education, sharing stories of recovery, partnering with local and state leaders, creating positive social changes, and providing recovery support services for those in need.

b) The department shall allocate \$3,500,000.00 to a coalition located in a county with a population of at least 1,500,000 according to the most recent federal decennial census with an aim to provide a continuum of services to stabilize and improve symptoms of substance abuse disorder, opioid use disorder, and to engage individuals in an appropriate treatment service to address the problem that led to the crisis.

c) The department shall allocate a grant of \$5,000,000.00 to a

substance use recovery community collaborative made up of a partnership of recovery focused organizations in order to provide funding of up to \$250,000.00 per grant award to a recovery community organization as described in section 237b of the mental health code, 1974 pa 258, mcl 330.1273b.

d) The department shall allocate \$2,500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 usc 501, and that has its headquarters in a charter township with a population between 100,000 and 105,000 according to the most recent federal decennial census and is within a county with a population between 700,000 and 1,000,000, according to the most recent federal decennial census. To be eligible to receive funding, the nonprofit organization must have a stated mission to offer community-based, compassionate, best-practice/evidence-based services to those suffering from addiction, as well as their loved ones, and to erase the stigma of addiction and instill compassion and hope.

e) The department shall allocate a grant of \$2,800,000.00 for costs related to a women's recovery center and a men's campus to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 usc 501, and accredited by carf international with a mission to empower recovery through hope and change and that provides a variety of behavioral health services across the Upper Peninsula.



## Spring 2023 Public Policy Updates FY24 Senate Budget Recommendations

continued

### Senate Boilerplate Cont.

**INCLUDED:** Sec. 927. Behavioral Health Uniform Auditing Process. (1) The Department shall consult with the CMH Association to establish a uniform CMH services auditing process. (2) The uniform auditing process must do all the following: (a) create uniformity in the collection and consistency in the measurement of data, (b) establish a uniform audit tool that adheres to national standards and supports the CMH services and supports auditing process, (c) strives to meet the needs of CMH beneficiaries and satisfies all statewide audit requirements, and (d) maintain audit responsibility at the local agency level. (3) The Department shall submit a report by March 1 on the implementation status and any barriers to implementation. (4) A state department or agency that provides CMH services must comply with the uniform auditing process and utilize the audit tool. (5) Defines "national standards".

### **EXEC REC REMOVED: Sec. 927**

**MAINTAINED EXEC REC:** Sec. 928. Local match draw down, does NOT include (3) It is the intent of the legislature that the amount of local funds used in subsection (1) be phased out and offset with state general fund/general purpose revenue in equal amounts over a 5-year period.

**CHANGED:** Sec. 950. Court-appointed guardians. The department shall create a workgroup that includes representatives of the department, the Michigan Guardianship Association, probate court judges that oversee cases with court-appointed guardians, and the Community Mental Health Association of Michigan to develop a funding method for clients for which a court-appointed guardian receives no fee.

(2) The funding method developed by the workgroup under subsection (1) must include all of the following:

**(a) A certification requirement and process for obtaining certification for court-appointed professional guardians.**

(b) A requirement that funding distributed under this section is only used to reimburse certified court-appointed professional guardians. This does not include family guardians or guardians of minor children.

(c) A process by which the certified court-appointed guardian shall register with the state as a vendor for provision of court-appointed guardian services. This process may be the same as the process used for court-appointed guardians who hold a contract with the Department for oversight of adult protective services cases.

(d) A requirement that a certified court-appointed professional guardian is reimbursed \$83.00 per eligible client per month.

(e) A requirement that if a certified court-appointed professional guardian receives payment for a case from any other source of funding, the \$83.00 per eligible client per month is reduced by an amount equal to the amount of funding received from any other source of funding.

(f) A requirement that funds are dispersed on a monthly basis for cases overseen in the previous month.

(g) A requirement that only indigent cases eligible under this section.

(3) The department shall submit a report by February 1 of the current fiscal year to the report recipients required in section 246 of this part on the funding methodology developed under this section.

**CHANGED:** Sec. 1012. Medicaid SUD Waiver for IMDs: From the funds appropriated in part 1, the department shall expand the scope of Michigan 1115 Behavioral Health Demonstration waiver number 11-W00305/5 by seeking approval to authorize federal Medicaid matching funds for reimbursement to institutions for mental diseases for inpatient, residential, and other services provided to Medicaid enrolled individuals with behavioral health diagnoses, including serious mental illnesses, serious emotional disturbances, and substance use disorders. The amended waiver must include Medicaid coverage for services, including care management, clinical consultation, peer services, and pharmaceutical management, up to 30 days prior to discharge for individuals who have long-term stays in state psychiatric centers and hospitals and a substance use disorder. Services provided must include, but not be limited to crisis services, respite, step down and short-term residential services, intensive community support services, and crisis diversion centers. The primary goals of the waiver amendment include a reduction of inpatient and transitional residential length of stays, community integration and maintenance with a focus on recovery, and an overall reduced cost of care. By May 1 of the current fiscal year the department shall submit a report to the report recipients required in section 246 of this part on the status of the amended waiver submission and steps undertaken to implement the waiver.



## Spring 2023 Public Policy Updates FY24 House Budget Recommendations

- House Budget is \$91 million General Fund (GF) above the Governor's FY24 recommendation.
- **Includes a \$2.50 / hour increase (\$1/hour uses one-time funds) for Direct Care Worker wages** (\$350.1 million gross / \$99.3 million GF / \$70 million one-time federal relief dollars) – the Governor's recommendation was \$1.50 / hour increase (\$210.1 million gross / \$74.5 million GF) to increase wage support to direct care professionals providing Medicaid behavioral health services, care at skilled nursing facilities, community-based supports through MI Choice, MI Health Link, and Home Help programs and in-home services funded through area agencies on agencies.
  - House did NOT include the Governor's recommendation for \$90 million in wage support for non-direct care nursing home staff (\$31.7 million general fund) extends the same level of wage support assumed for direct care workers to additional staff working in nursing facilities.
- **House budget INCLUDED the Governor's recommendation for \$5 million for behavioral health recruitment supports** (general fund) that would fund scholarships and other recruiting tools to attract and support people interested in training to become behavioral health providers.
- **House budget INLCUDED the Governor's recommendation for \$5 million for services and supports to first responders** (one-time, general fund) for post-traumatic stress syndrome and other mental health conditions.
- **House budget INLCUDED – One-Time House includes \$10.0 million one-time federal relief dollars for a Behavioral Health Accelerated Degree Program** to provide grants to individuals who agree to enter into an accelerated social work degree program and to work for at least 2 years within the public behavioral health sector after completion of their degree.
- House budget INLCUDED \$1.0 million GF for the autism navigator program
- House budget INLCUDED \$5 million GF for the continuation of the 5-year phase out of the local match draw down outlined in Sec. 928.
- House INLCUDED several one-time funding items (\$64.1 million GF):
  - Certified Community Behavioral Health Clinic Expansion (\$9.0 million)
  - Multicultural integration funding (\$8.6 million)
  - Inpatient psychiatric reimbursement supplement (\$8.0 million)
  - First responder mental health funding (\$5.0 million)
  - Families Against Narcotics (\$5.0 million)
  - Michigan Child Care Collaborative (MC3) program (\$4.7 million)
  - Clinton Eaton Ingham (CEI) behavioral health campus (\$4.0 million)
  - Western Michigan University Autism Center (\$4.0 million)
  - Sacred Heart Rehabilitation Center (\$3.5 million)
  - Altarum behavioral health software (\$3.0 million)
  - Direct care worker supervisory training program (\$2.5 million)
  - Canton Township Youth Mental Health Center (\$2.5 million)
  - Recovery community organization (\$1.8 million)
  - Genemarkers (\$1.6 million)
  - Memorial Healthcare Crisis Residential Unit (\$500,000)
  - Michigan Osteopathic Association – Safe Opioid Use Task Force (\$500,000)





## Spring 2023 Public Policy Updates FY24 House Budget Recommendations

continued

### House Boilerplate Highlights

**INCLUDED:** Sec. 912. The department shall contract directly with the Salvation Army Harbor Light program, at an amount not less than the amount provided during the fiscal year ending September 30, 2020, to provide non-Medicaid substance use disorder services if the local coordinating agency or the department confirms the Salvation Army Harbor Light program meets the standard of care. The standard of care shall include, but is not limited to, utilization of the medication assisted treatment option. **EXEC REC REMOVES:** Sec. 912

**CHANGED:** Sec. 917. (1) From the funds appropriated in part 1 for opioid response activities, the department shall allocate \$23,200,000.00 from the Michigan opioid healing and recovery fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, to create or supplement opioid-related programs and services in a manner consistent with the opioid judgment judgment, settlement, or compromise of claims pertaining to violations, or alleged violations, of law related to the manufacture, marketing, distribution, dispensing, or sale of opioids.

(2) On a semiannual basis, the department shall provide a report to the report recipients required in section 246 of this part on all of the following: (a) Total revenues deposited into and expenditures and encumbrances from the Michigan opioid healing and recovery fund since the creation of the fund. (b) Revenues deposited into and expenditures and encumbrances from the Michigan opioid healing and recovery fund during the previous 6 months. (c) The estimated revenues to be deposited into and the spending plan for the Michigan opioid healing and recovery fund for the next 12 months.

**ELIMINATED:** Sec. 920. Rate-Setting Process for PIHPs (1) As part of the Medicaid rate-setting process for behavioral health services, the department shall work with PIHP network providers and actuaries to include any state and federal wage and compensation increases that directly impact staff who provide Medicaid-funded community living supports, personal care services, respite services, skill-building services, and other similar supports and services as part of the Medicaid rate.

It is the intent of the legislature that any increased Medicaid rate related to state minimum wage increases shall also be distributed to direct care employees.

**ELIMINATED:** Sec. 927. Behavioral Health Uniform Auditing Process. (1) The Department shall consult with the CMH Association to establish a uniform CMH services auditing process. (2) The uniform auditing process must do all the following: (a) create uniformity in the collection and consistency in the measurement of data, (b) establish a uniform audit tool that adheres to national

standards and supports the CMH services and supports auditing process, (c) strives to meets the needs of CMH beneficiaries and satisfies all statewide audit requirements, and (d) maintain audit responsibility at the local agency level. (3) The Department shall submit a report by March 1 on the implementation status and any barriers to implementation. (4) A state department or agency that provides CMH services must comply with the uniform auditing process and utilize the audit tool. (5) Defines "national standards". **EXEC REC REMOVED:** Sec. 927

**INCLUDED:** Sec. 928. Local match draw down, (3) It is the intent of the legislature that the amount of local funds used in subsection (1) be phased out and offset with state general fund/general purpose revenue in equal amounts over a 5-year period. (4) Until the local funds are phased out as described in subsection (3), each PIHP shall not be required to provide local funds, used as part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs, at an amount greater than what each PIHP received from local units of government, either directly or indirectly, during the fiscal year ending September 30, 2018 for this purpose.

**CHANGED:** Sec. 950. Court-appointed guardians. From the funds appropriated in part 1 for court-appointed guardian reimbursements, the department shall allocate \$5,000,000.00 to reimburse court-appointed professional guardians for individuals for whom they do not receive any other type of reimbursement. The department shall not reimburse more than \$83.00 per individual, per month for each court-appointed professional guardian out of these funds.

**CHANGED:** Sec. 1005. Sec. Behavioral Health Home Programs – House concurs with Execute update, with technical revisions, and expansion into at least one additional PIHP region and retains report.

**CHANGED:** Sec. 1012. Medicaid Reimbursement for Justice-Involved Individuals – States legislative intent that DHHS pursue any and all federal Medicaid waivers to maximize the use of Medicaid reimbursements for justice involved individuals, and requires a report. House revises to require pursuit of waivers, or partial waivers, for services including prerelease services and reentry benefits. **EXEC REC REMOVED Sec. 1012**



## Spring 2023 Public Policy Updates CMHA Budget Priorities

### Direct Care Wage Increase

- We are requesting **\$215.6 million General Fund (GF) for an additional \$4.00 per hour wage increase for all of the employees who were eligible for the \$2.35 per hour wage increase. This figure includes both behavioral health and long-term care DCWs as well as direct supervisors.** We arrive at the \$215.6 million figure by adding to the DHHS calculations for the \$1.50 increase in the Governor's proposed FY24 executive budget.
  - Direct supervisors also must receive wage increases that are commensurate to the compensation of the individuals that report to them.

### Continued Phase Out of Local Match draw down – Section 928

- FY24 budget to include \$5 million GF/GP to offset local/county resources for Medicaid match purposes and continue the 5-year phase out of the use of local/county dollars for Medicaid match purposes.
  - FY24 should be year 4 of the 5-year phase out.
- Language from FY23 budget:
  - (3) It is the intent of the legislature that the amount of local funds used in subsection (1) be phased out and offset with state general fund/general purpose revenue in equal amounts over a 5-year period.

### Expand Certified Community Behavioral Health Clinics (CCBHC)

On August 5, 2020 the Centers for Medicare & Medicaid Services (CMS) and the Substance Abuse & Mental Health Services Administration (SAMHSA) announced that the states of Kentucky and Michigan have been selected as additional participants in the Certified Community Behavioral Health Clinic (CCBHC) Demonstration. As part of the state implementation and roll out of the demonstration program, Michigan selected 13 CCBHC sites to include in the initial demonstration.

Michigan has 21 other sites (34 in total) that have received various CCBHBC expansion and innovation and advancement grants. The federal government has just released guidance that would allow Michigan to expand its state demonstration to include all of its CCBHC sites.

- **CMHA is requesting \$50.4 million GF / \$252 million Gross to fund 21 additional CCBHC sites into the state demonstration.**

### Medicaid rates

Increase FY24 Medicaid rates for the public mental health system to reflect the increased wages and provider rates needed to recruit and retain clinicians from a wide variety of clinical disciplines.

As the state unwinds the Public Health Emergency (PHE) and begins to change Medicaid eligibility for the nearly 700,000-800,000 who were added to the Medicaid program during the pandemic we are asking that MDHHS make real-time adjustments to Medicaid rates. Our PIHP/CMH system gets paid on a capitated basis (based on number of Medicaid enrollees) and without real-time adjustments our members could see dramatic decreases in revenue over a short period of time.

### Behavioral Health Workforce Student Recruitment Fund

\$30,500,000 over 3 years (\$10,167,000 per year) for 1000 individuals (333 per year) who obtained a bachelor's degree in social work (BSW) and commit to ongoing education in accelerated masters' programs.

- \$30,000 per individual who will immediately enter an accelerated MSW program and complete within one year.
- Recipient commits to a minimum of two years in public sector behavioral health workforce (i.e. community mental health, substance abuse programs, crisis intervention, local crisis call centers, mobile crisis care, crisis stabilization, psychiatric emergency services, rapid post-crisis etc.
  - Award is equivalent to earning \$15/hour for one year of full-time employment

### Better Coordination with Mental Health in school funding

CMHA suggests taking a collaborative approach with the school mental health resources. Those resources should be used by school district to purchase services from the public mental health system or resources go directly to the public mental health system to provide those services for local school districts.

Our concern with the FY24 \$300 million recommendation and the FY23 \$120 million for school-based mental health professional will lead to an exodus of CMH/MH provider staff going to local school districts, thus further weakening the CMH workforce.



## Spring 2023 Public Policy Updates CMHA Priorities

### ACCESS TO CARE

- ⇒ SUPPORT fully funding the permanent implementation of Michigan's State Demonstration Certified Community Behavioral Health Clinics (CCBHC) pilot, and Behavioral Health Homes and Opioid Health Home initiatives as features of Michigan's Medicaid mental health landscape.
- ⇒ SUPPORT the passage of Mental Health Parity legislation which leads to true parity for those with commercial insurance plans for mental health and substance use disorder services.
- ⇒ RESTORE STATE GENERAL FUND DOLLARS cut from the CMH funding reserved to serve persons not enrolled in Medicaid
- ⇒ SUPPORT initiatives on improving access to and quality of care for children.
- ⇒ SUPPORT the establishment of a recipient rights appeal process at the MDHHS level – outside of the CMH, hospital, or provider who conducted the initial recipient rights investigation.

### WORKFORCE

- ⇒ SUPPORT an \$18/hour floor funding rate for direct care workers in the public mental health system to allow for competitive wages for frontline staff workers, including paid time off, overtime, and supervision, and also SUPPORT additional funds for other staff to avoid wage compression issues.
- ⇒ INCREASE the Medicaid funding for the public mental health system to reflect the increased wages and provider rates needed to recruit and retain clinicians from a wide variety of clinical disciplines.
- ⇒ ELIMINATE / REDUCE a number of administrative burden on the public mental health system.
  - **Reduce clinical and contractual paperwork demands**
  - **Reverse the recent explosion in the number of procedure codes required of the community-based system:** Two developments on this front are in immediate attention:
    - **MDHHS and Milliman-led move to 15-minute codes for community living supports (CLS) vs 1 report per day.**
    - **MDHHS and Milliman-led dramatic increase in service code combinations** – the complexity and burden on the clinicians and other service delivery staff, finance, and information technology staff of the community-based system have grown exponentially, **7,169 combinations of unit costs that must reported by the community-based system.**
- ⇒ **Overhaul the large number of site visits and reporting requirements on Michigan's public mental health system**
- ⇒ **Streamline training and credentialing requirements for clinicians**

### INPATIENT CARE

- ⇒ SUPPORT the further development and expansion of psychiatric residential treatment facilities (PRTF) and crisis stabilization units (CSU) which will help add to the continuum of care for crisis services.
- ⇒ SUPPORT inpatient psychiatric hospitals and wards with physical plant and staffing changes, helping hospitals better serve persons with complex mental health needs.
- ⇒ SUPPORT legislative changes that would allow children's residential group homes to use restraint in emergency situations to better protect residents of the group home and staff.
- ⇒ SUPPORT policy changes to psychiatric hospitals that would mirror the federal Emergency Medical Treatment & Labor Act (EMTALA) to prevent individuals from being denied access to emergency services regardless of ability to pay.





## Spring 2023 Public Policy Updates Other Items of Importance

### CCBHC Expansion

- MDHHS recently announced the Certified Community Behavioral Health Clinic (CCBHC) Demonstration Expansion Opportunity. The expansion will be allowing new CMHSPs to join, those sites interested in participating in the demonstration must complete an intent to submit certification application survey by May 5.
- To receive certification from MDHHS and participate in the demonstration, CCBHCs must also demonstrate that they meet stringent standards for care coordination, quality and financial reporting, staffing, and governance. Clinics are reimbursed using a prospective payment system intended to cover costs of providing CCBHC services.
- MDHHS is soliciting requests for new clinics to join the CCBHC demonstration beginning October 1, 2023 (FY24). MDHHS does intend to seek funding to further expand the CCBHC Demonstration in the future, as well.
  - 34 sites in total have received various CCBHC expansion and innovation and advancement grants. The federal government has just released guidance that would allow Michigan to expand its state demonstration to include all of its CCBHC sites.
    - 21 of those sites are CMHSPs (10 in current demo and 11 have received grants)
    - On a April 24 call, MDHHS recently announced that expansion to the demo would only be eligible CMHs and current demonstration sites.

### Dual Eligible Special Needs Plan D-SNP

- On a February 8, 2023 MDHHS informed Centers for Medicare and Medicaid Services (CMS), of its intent to transition its MI Health Link program to a Highly Integrated Dual Eligible Special Needs Plan (HIDE SNP) that integrates long-term service and supports (LTSS).
- In this new model, contracted managed care plans will provide most covered benefits for their dual-eligible enrollees, but specialty behavioral health services will remain carved out. This decision reflects current state statute that requires a carve out of specialty behavioral health services.
- Critical Timelines:
  - Procurement of HIDE + LTSS SNPs to be completed by October 31, 2024
  - Procured HIDE + LTSS SNPs to submit D-SNP applications to CMS by November 2024
  - Program transition to the HIDE + LTSS SNP must be completed by January 1, 2026
- **THREAT REMAINS:** While this announcement is very good news, most state's use a HIDE model as a stepping-stone to what is known as a Fully Integrated Dual Eligible Special Needs Plan (FIDE). Given this threat, CMHA will be working with you, our members, and our allies across the state, to thwart this threat, if and when it emerges. Additionally, CMHA will be working with our allies to oppose any components of the HIDE initiative, that may fuel the emergence of the FIDE threat, while advocating for the addition of components that thwart that threat.

### MI Healthy Life—MHP Rebid

- After hearing from nearly 10,000 residents, the Michigan Department of Health and Human Services (MDHHS) has identified focus areas for its MIHealthyLife initiative to improve the health of residents covered by Medicaid.
  - Of the responses, 85%, or more than 8,300, came from people enrolled in Medicaid or a family member. The remaining 15% came from other health care stakeholders, including health plans, primary care providers, behavioral health providers and hospitals or health systems
- The five pillars are:
  - Serve the Whole Person, Coordinating Health and Health-Related Needs.
  - Give All Kids a Healthy Start.
  - Promote Health Equity and Reduce Racial and Ethnic Disparities.
  - Drive Innovation and Operational Excellence.
  - Engage Members, Families and Communities.
- MDHHS established six design teams consisting of subject matter experts from across the department to create actionable policies to support these strategic pillars.
- MDHHS will accept proposals for Comprehensive Health Care Program Medicaid health plans in fall 2023.



## Spring 2023 Public Policy Updates Other Items of Importance

### Redesign Dangers

- Sen. Shirkey is gone – his bills did not pass  
Rep. Curt VanderWall (former Senator) is planning on reintroducing the bills.
- Sen. Ed McBroom has been meeting with his locals in the UP to discuss a “new plan”.
  - Consolidate 5 UP CMHs to 1 (eliminate multiple CEO & CFO positions)
  - Create district hub offices throughout the UP
  - Eliminate Northcare PIHP and create a new entity that involves the UP Health and hospital system (hospital would guarantee access for UP).
  - Not talking to CMHA or UP CMHs, only taking to UP county commissioners

### Other threats remain

- The most common approach to privatization is done through the contacting/procurement process vs legislative changes
  - Medicaid Rebid process
  - Moving D-SNP to FIDE
- Many other states that have moved towards privatization / health plan control were done under Democratic control (Colorado & Maryland – recent examples)

Community Mental Health Association of Michigan and its members have been in front of a number of legislative committees over the past few months. This includes Community Mental Health organizations, Pre-paid Inpatient Health Plans, and Providers from all parts of the state.

- House Behavioral Health Subcommittee (3 times)
- House MDHHS Budget Subcommittee
- Senate Health Policy Committee
- Senate MDHHS Budget Subcommittee (2 times)

Topics included:

CCBHC | Workforce | Funding Needs | BHH/OHH | Crisis Services | Administrative Burdens

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