



HOUSE of REPRESENTATIVES

STATE OF MICHIGAN

Appropriations Requests for Legislatively Directed Spending Items

1. The sponsoring representative's first name:
Jasper
2. The sponsoring representative's last name:
Martus
3. The cosponsoring representatives' names. All cosponsors must be listed. If none, please type 'n/a.' A signed letter from the sponsor approving the co-sponsorship and a signed letter from the member wishing to co-sponsor are required. Attach letters at question #9 below.
n/a
4. Name of the entity that the spending item is intended for:
Swartz Creek Community Schools
5. Physical address of the entity that the spending item is intended for:
8354 Cappy Lane Swartz Creek, MI 48473
6. If there is not a specific recipient, the intended location of the project or activity:
n/a
7. Name of the representative and the district number where the legislatively directed spending item is located:
Jasper Martus-69th District
8. Purpose of the legislatively directed spending item. Please include how it provides a public benefit and why it is an appropriate use of taxpayer funding. Please also demonstrate that the item does not violate Article IV, S 30 of the Michigan Constitution. Swartz Creek Community Schools is working in partnership with Hazel Health on a \$1.5 million statewide initiative that will expand access to vital physical and behavioral health services for up to 100,000 students across Michigan. This program brings healthcare directly into schools through a secure virtual platform, ensuring that children can receive timely care for both medical concerns and mental health needs—without leaving campus or missing valuable class time. By focusing on early intervention and accessible support, the initiative aims to reduce absenteeism, address behavioral challenges before they

escalate, and support overall student well-being. It also helps bridge longstanding gaps in care, especially for students in rural or underserved communities who might otherwise go without regular access to a doctor or counselor. Not only does this approach improve health outcomes, but it also strengthens academic performance by helping students stay healthy, focused, and ready to learn. This forward-thinking use of public funds reflects Swartz Creek's commitment to creating supportive school environments where every child has the opportunity to thrive—academically, emotionally, and physically.

Article IV, § 30 of the Michigan Constitution prohibits the state from granting public money or property to private entities unless it serves a public purpose and does not primarily benefit a private interest.

In the case of the \$1.5 million program led by Swartz Creek Community Schools, the use of funds to provide school-based physical and behavioral health services—delivered through a virtual care platform—does not violate Article IV, § 30.

9. Attach documents here if needed:

Attachments added to the end of this file.

10. The amount of state funding requested for the legislatively directed spending item.

1500000

11. Has the legislatively directed spending item previously received any of the following types of funding? Check all that apply.

["None"]

12. Please select one of the following groups that describes the entity requesting the legislatively directed spending item:

School District

13. For a non-profit organization, has the organization been operating within Michigan for the preceding 36 months?

Not applicable

14. For a non-profit organization, has the entity had a physical office within Michigan for the preceding 12 months?

Not applicable

15. For a non-profit organization, does the organization have a board of directors?

Not applicable

16. For a non-profit organization, list all the active members on the organization's board of directors and any other officers. If this question is not applicable, please type 'n/a.'

n/a

17. "I certify that neither the sponsoring representative nor the sponsoring representative's staff or immediate family has a direct or indirect pecuniary interest in the legislatively directed spending item."

Yes, this is correct

18. Anticipated start and end dates for the legislatively directed spending item:

October 1, 2025 – September 30, 2026

19. "I hereby certify that all information provided in this request is true and accurate."

Yes



The Transformative Impact of School-Centered Healthcare

March 2025

What if we could give 90% of U.S. children barrier-free access to pediatric healthcare?

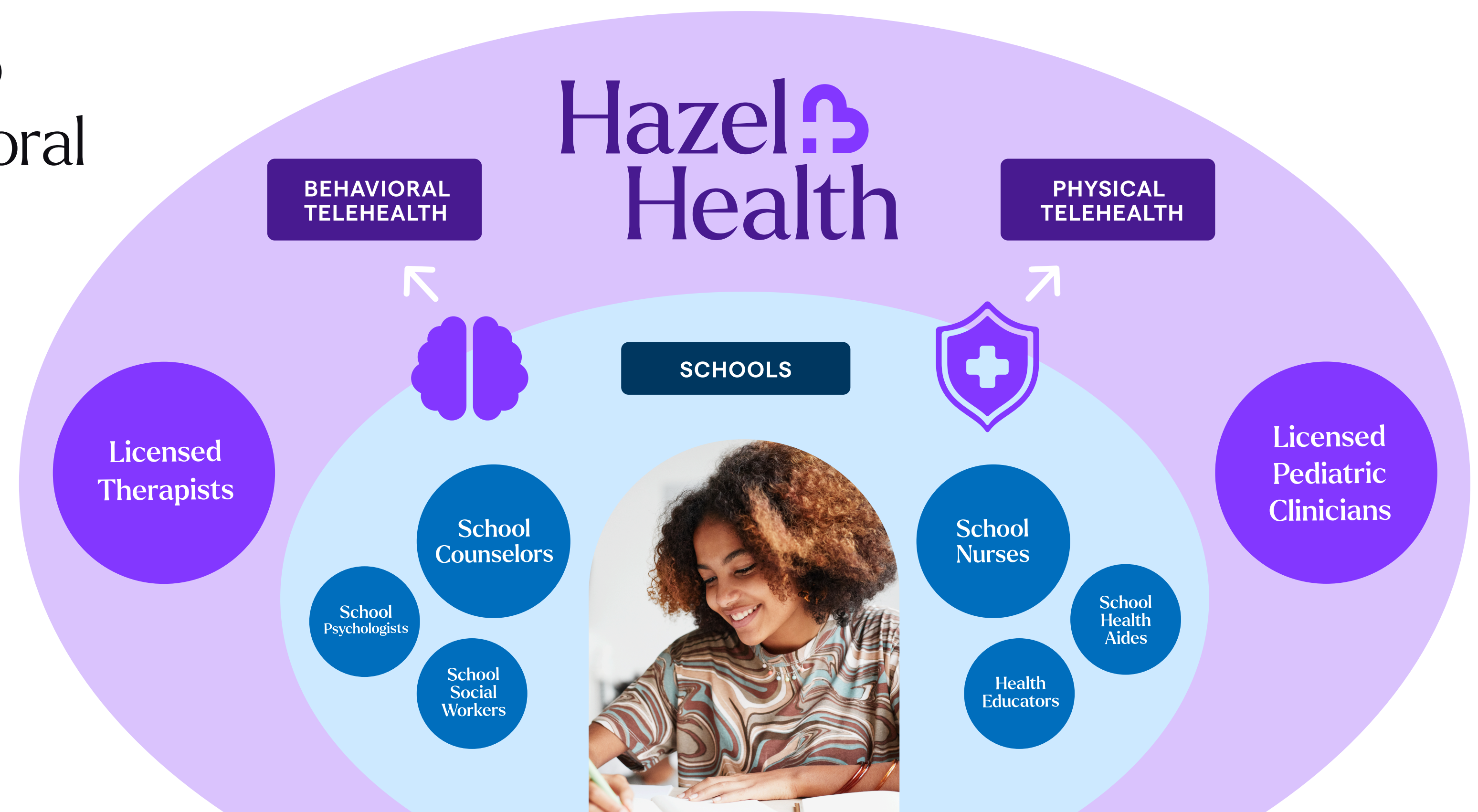
Hazel Health is a pediatric physical and behavioral health platform that empowers leaders to effect generational change in the trajectory of children's lives, their communities, and our nation as a whole.

HOW IT WORKS

Hazel transforms K-12 schools into seamless access points for behavioral and physical healthcare.

Think of Hazel as a “virtual health clinic” staffed by pediatric health experts, embedded into K-12 schools.

- ✓ Any student enrolled in a school district can connect with Hazel’s licensed therapists and pediatric clinicians through telehealth.
- ✓ To minimize disruption to student learning and family schedules, services can be accessed before, during, and after school — on campus or at home.



How Hazel's School-Centered Care Model Changes Pediatric Health Outcomes

Create barrier-free access to pediatric care

How do you create truly seamless access to healthcare for children, at scale?

MEET CHILDREN WHERE THEY ALREADY ARE: K-12 SCHOOLS

9 of 10

U.S. children spend over a decade in our K-12 public school system.¹



Children are **over 6x** more likely to access healthcare at school.²

ELIMINATE ACCESS BARRIERS BLOCKING THEM FROM CARE

Waitlists for pediatric providers



Appointments in 10 days or less — before, during, and after school hours.

Transportation/logistics barriers



Virtual visits joined from anywhere — school, home, or work.

Language barriers



40% of Hazel providers are bilingual — 240+ languages supported.

Insurance/cost barriers



All coverage types accepted — \$0 or minimal out-of-pocket costs.

CONNECT THEM TO LICENSED PEDIATRIC CLINICIANS, AT SCALE

- ✓ **Live, one-on-one virtual visits with a licensed pediatric clinician**
- ✓ All Hazel clinicians specialize in **evidence-based clinical techniques** tailored to meet each child's unique needs.
- ✓ **One-to-one provider-to-patient matching** ensures strong therapeutic alliance to achieve optimal clinical outcomes.

1. Pew Research (2024)
2. NAMD (2024)

Drive outsized health engagement

What happens when children have seamless access to healthcare?

CHILDREN ENGAGE WITH CARE AT 2X THE RATE

Of the 1 in 5 U.S. children with a behavioral health need:

NATIONAL AVERAGE

vs.

SCHOOLS WITH HAZEL

20% receive care¹

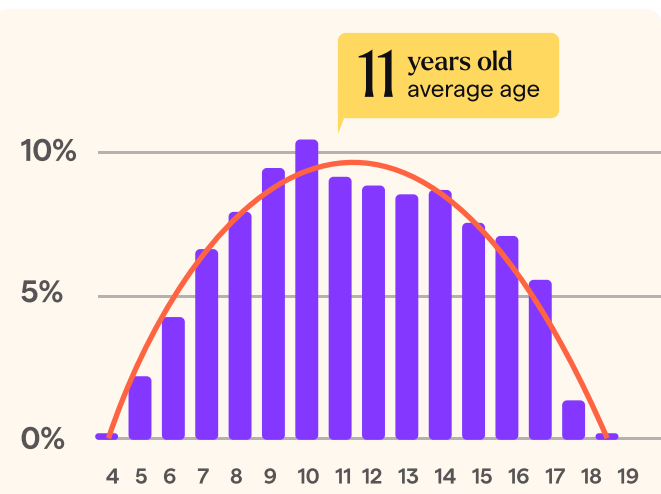
40% receive care²

CHILDREN ENGAGE WITH CARE EARLIER IN THE LIFESPAN

Our referral model is core to our ability to put early intervention into practice.

Hazel accepts referrals from **parents** and **school staff** — the adults closest to a child's day-to-day, and often first to identify a behavioral health need.

AGE OF STUDENTS USING HAZEL



CHILDREN ENGAGE WITH CARE REGARDLESS OF FAMILY INCOME

COVERAGE TYPE OF STUDENTS USING HAZEL

Medicaid

56%

Commercial

44%

Uninsured

7%

1. CDC (2023)
2. CDC (2023)

Transform pediatric health outcomes at scale

What happens when children engage with specialized pediatric healthcare?

CHILDREN COMPLETE TREATMENT AT 2X THE RATE

Of children who do access care, over half drop out early:

TRADITIONAL OUTPATIENT COMMUNITY MH SETTING

vs.

Hazel Health

40% treatment completion rate¹

80% treatment completion rate

80% ACHIEVE CLINICALLY SIGNIFICANT IMPROVEMENTS

CLEMSON UNIVERSITY

CENTER FOR BEHAVIOR ANALYSIS

A third-party analysis by **Clemson University** validated the clinical efficacy of Hazel's teletherapy program across a broad sample of 3,500 students from 11 states.

HAZEL'S CLINICAL OUTCOMES

80%

of students experience clinically significant reductions in depression and anxiety.

↓35%

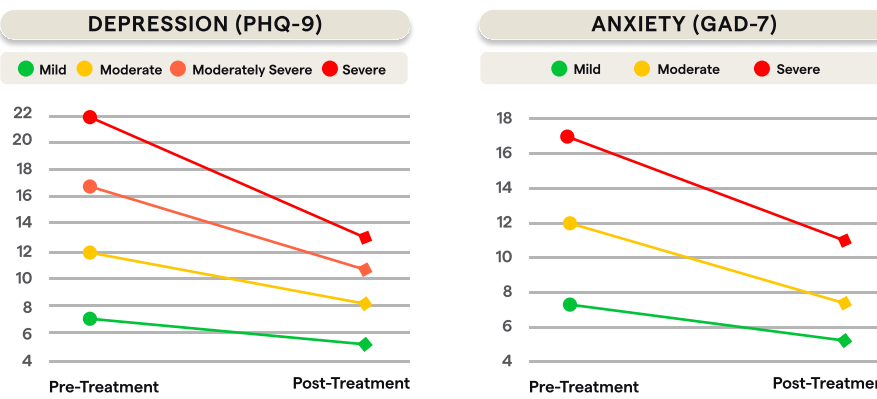
average reduction in symptom severity

After an average of **6** therapy sessions

IMPROVEMENT IS ESPECIALLY DRAMATIC IN SEVERE CASES

Debunking the myth that teletherapy is only effective for mild cases, we see the **largest clinical impact among the 1/3 of students who enter our program with severe symptoms.**

HAZEL'S CLINICAL OUTCOMES BY SEVERITY



1. University of Maryland School of Medicine (2024)

The Direct Impact: Better Educational Outcomes & More Efficient Health Systems

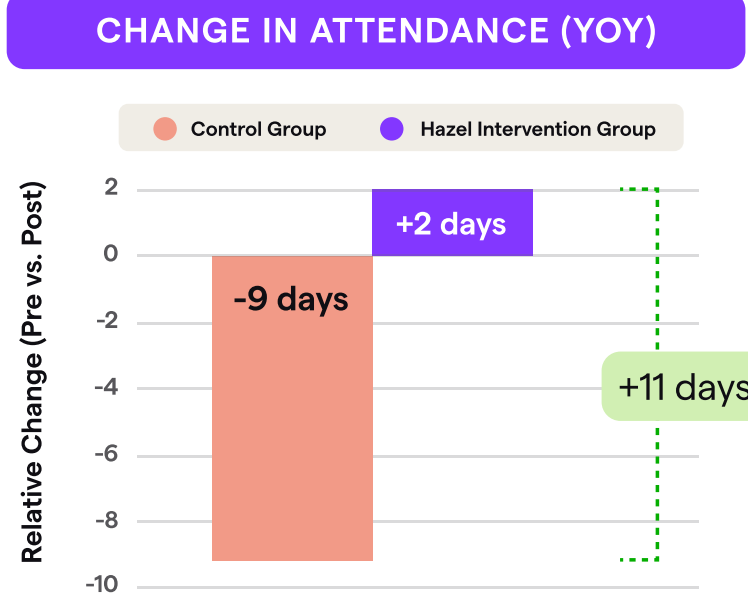
EDUCATION

Proven to reduce absenteeism and improve school safety



In a landmark study assessing the impact of student behavioral health on school attendance and behavior, Duval Public Schools found that by improving *clinical* outcomes, **Hazel's behavioral health intervention demonstrated a direct impact on school outcomes**, too!

FINDING #1: HAZEL DROVE MARKED GAINS IN SCHOOL ATTENDANCE

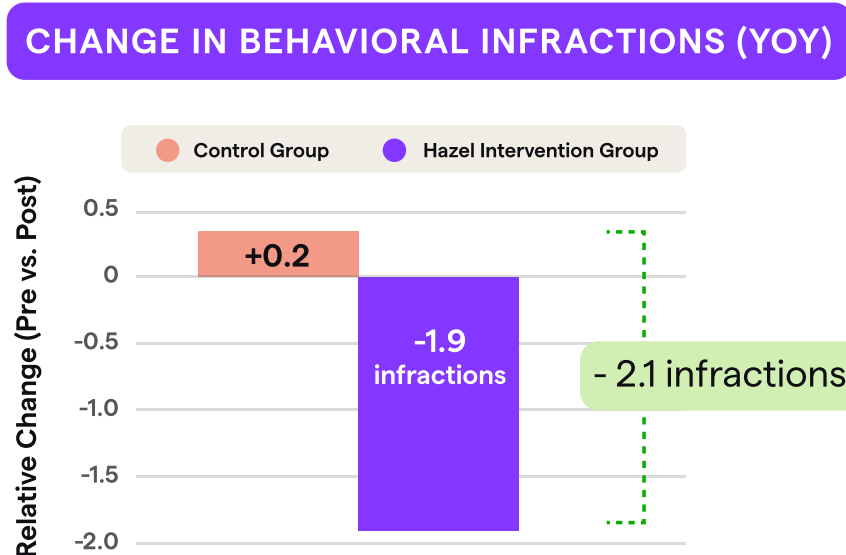


Compared to the control group, students who received Hazel's behavioral health intervention:

attended
+11
more school days
in the following year

were
20%
less likely to be
chronically absent

FINDING #2: HAZEL SIGNIFICANTLY REDUCED STUDENT BEHAVIORAL INFRACTIONS



Compared to the control group, students who received Hazel's behavioral health intervention:

demonstrated a
↓41%
relative decrease in
behavioral infractions

were
45%
more likely to reduce
behavioral infractions

Additional studies conducted by other partner school districts have validated Hazel's impact on student attendance and behavior, including:



HEALTHCARE SYSTEM

Proven to drive pediatric healthcare savings



Commissioned by the Health Net Medicaid plan, Centene's corporate Medical Economics team conducted a study assessing **the impact of engagement with Hazel's services on member healthcare costs and utilization**.

FINDING: HAZEL DROVE STATISTICALLY SIGNIFICANT SAVINGS IN HEALTH SPEND

The study found that member engagement with Hazel's services **drove statistically significant reductions in total healthcare spend** — most notably in higher-acuity categories, such as inpatient and specialty care.

SUMMARY OF HAZEL'S COST SAVINGS

~\$2,800
total savings
per child per year

~\$2,200 reduction
in behavioral health spend

~\$600 reduction
in medical spend

DEEPER DIVE INTO HAZEL'S IMPACT ON HEALTHCARE UTILIZATION

Compared to a matched group, plan members who engaged with Hazel's services:

saw
↓75%
lower behavioral
health spend

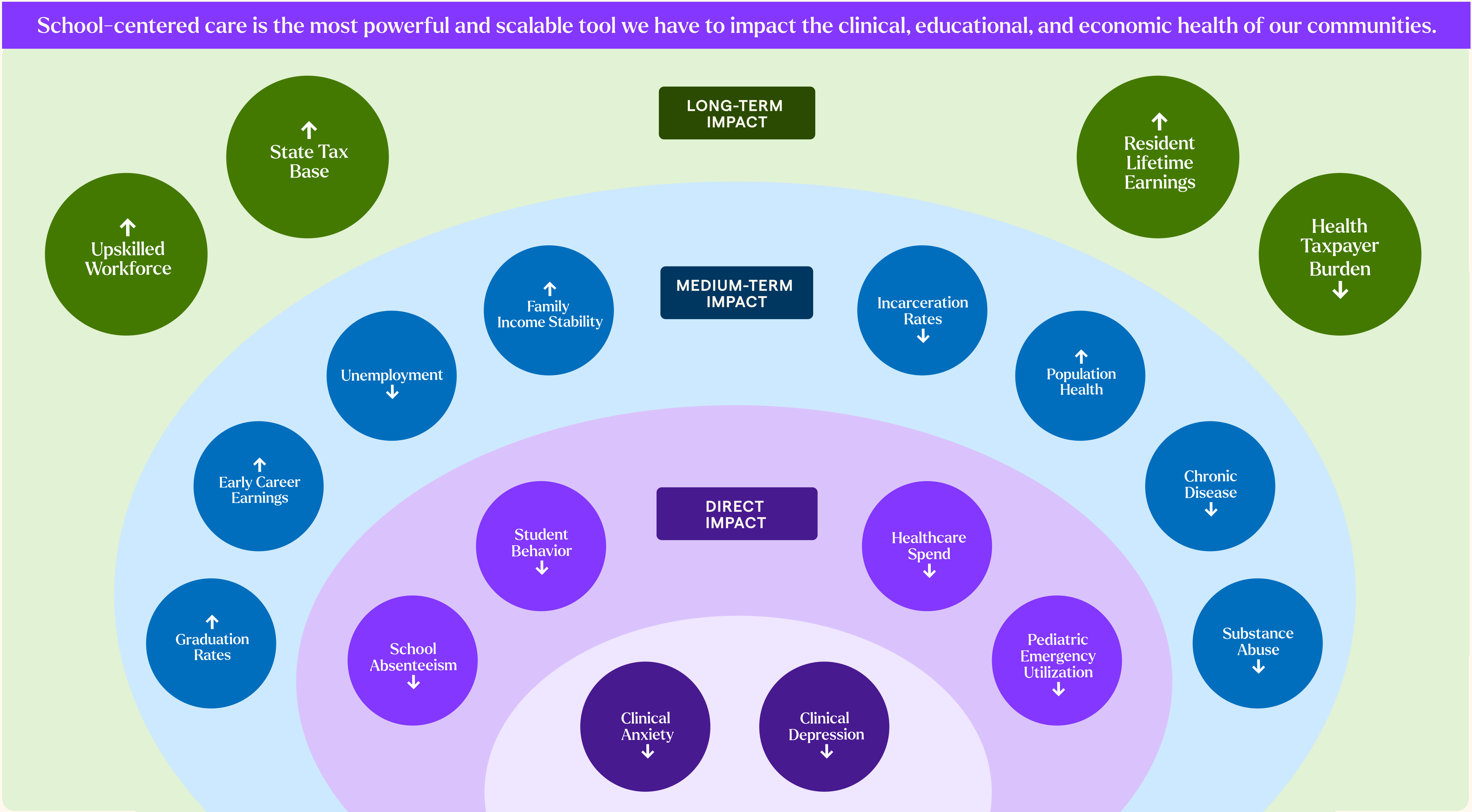
had
+1
more visit with a primary
care provider

Behavioral PMPM(\$)	CPre	CPost	CDIFF	TPre	TPost	TDIFF	Diff. In.DIFF	LCI (95%)	UCI (95%)	p-value
BH Inpatient	0.0	79.3	79.3	0.0	1.7	1.7	-77.6	-193.7	38.5	0.190
BH Emergency Department	0.1	0.3	0.2	0.0	0.0	0.0	-0.2	-0.6	0.2	0.318
BH Outpatient	3.5	0.6	-2.9	0.0	0.0	0.0	2.9	1.2	4.5	0.001
BH Primary Care	1.0	2.6	1.6	0.9	1.2	0.3	-1.3	-4.1	1.5	0.349
BH Specialty	16.5	83.4	66.9	19.5	40.2	20.7	-46.2	-78.3	-14.2	0.005
BH Other	5.1	82.5	77.4	1.9	14.8	12.9	-64.5	-119.8	-9.2	0.022
Total Behavioral	26.2	248.7	222.6	22.4	57.9	35.5	-187.0	-326.7	-47.3	0.009

¹ Negative differences indicate savings; ² p-values less than 0.05 are highlighted in red text.

Medical PMPM(\$)	CPre	CPost	CDIFF	TPre	TPost	TDIFF	Diff. In.DIFF	LCI (95%)	UCI (95%)	p-value
Inpatient	0.0	18.3	18.3	3.6	2.2	-1.4	-19.7	-56.5	17.2	0.294
Emergency Department	10.0	15.6	5.7	12.3	9.6	-2.7	-8.4	-17.9	1.2	0.085
Outpatient	10.0	17.5	7.5	6.2	8.9	2.7	-4.8	-18.8	9.1	0.496
Primary Care	19.5	18.5	-1.0	18.8	18.2	-0.6	0.5	-5.3	6.3	0.874
Specialty	10.2	26.6	16.4	5.4	11.2	5.8	-10.6	-30.8	9.6	0.302
Other Medical	3.0	7.5	4.5	5.8	9.2	3.5	-1.0	-7.0	4.9	0.738
Pharmacy	23.1	26.0	2.9	25.8	26.0	0.2	-2.7	-10.7	5.3	0.505
Other Pharmacy	0.1	2.6	2.5	0.0	0.0	0.0	-2.5	-7.3	2.3	0.304
Total Medical	75.9	132.6	56.7	77.9	85.3	7.4	-49.3	-104.3	5.6	0.078

The Broader Impact: A Happier, Healthier, and Wealthier Community



Let's invest in the potential of
our rising generation, together.