Community Mental Health Association of Michigan

CMHA FY24 Appropriations Key Issues

1. Direct Care Wage Increase

- We are requesting **$215.6 million 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.

- The total cost of just providing a $4/hour increase for the estimated 50,000 behavioral health direct support workers and their direct supervisors providing community living supports and other services funded through the behavioral health system is roughly $140 million GF.

    - Direct supervisors also must receive wage increases that are commensurate to the compensation of the individuals that report to them.

2. 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.

3. 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.

4. **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 will be required to put up a small amount of state match dollars to draw down federal support for the program.

- **FY24 budget – expand the number of CCBHC sites that are allowed to enter the state demonstration project (once federal guidance is received). Currently only 13 out of 34 sites are in the demonstration project.**

5. **Suggested boilerplate change to Section 950 – Guardianship Item**

The FY23 budget allocated $5 million for court appointed guardians who provide services for CMH clients and the Governor's FY24 executive budget recommendation continues the program, which we support, however, we are requesting a change to the boilerplate language.

- Current boilerplate language and proposed FY24 language directs the $5 million to go from MDHHS to the local CMH system and then have CMHs reimburse guardians on a monthly basis for the services outlined in this section. We would like to change to language to allow guardians to get reimbursed directly from MDHHS and remove CMHs from this process.

SUGGESTED LANGUAGE that would fix the issue:

- Sec. 950. From the funds appropriated in part 1 for court-appointed guardian reimbursement, 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.

6. **Suggested boilerplate on Deemed Status**

DHHS shall waive all reviews and audits for CMHs and provider organizations that have received full accreditation from a qualifying national accrediting entity for those program and financial reviews that were included during the national accreditation process.

- Tremendous amount of duplication and redundancy in state program/financial reviews and audits. There should be oversight of the system, but we want to eliminate the duplication and non-value added requirements.

- Ohio and Illinois both have deemed status Illinois found there was 40% redundancy between state requirements and national accreditation requirements

    - CMHA members (PIHPs/CMHs/Providers) spend thousands of staff hours and resources complying with state reviews that do not provide value, are not used in a substantive manner or are duplicative.

7. **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 weaking the CMH workforce.

8. **Other Boilerplate Suggestions**

1. **ELIMINATE** Sec. 1008. PIHPs and CMHSPs shall do all of the following: (a) Work to reduce administration costs by ensuring that PIHP and CMHSP responsible functions are efficient in allowing optimal transition of dollars to those direct services considered most effective in assisting individuals served. (b) Take an active role in managing mental health care by ensuring consistent and high-quality service delivery throughout its network and promote a conflict-free care management environment.

2. **ELIMINATE** Sec. 964. By October 1 of the current fiscal year, the department shall provide the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office with the standardized fee schedule for Medicaid behavioral health services and supports. The report shall also include the adequacy standards to be used in all contracts with PIHPs and CMHSPs. In the development of the standardized fee schedule for Medicaid behavioral health services and supports during the current fiscal year, the department must prioritize and support essential service providers and must develop a standardized fee schedule for revenue code 0204. **Replace it with MDHHS will only use an Actuary to certify the Medicaid rates as required by 42 CFR. All other activities must be reviewed and completed by the State Actuarial Division.**

Strengths of Michigan's Public Mental Health System

The performance of Michigan's public mental health system surpasses other states and systems, as measured by dimensions of health care quality and innovation.

CHI2 drew from national and Michigan-based sources to demonstrate services available to support residents seeking mental health services.

Michigan's public mental health system is nationally recognized as one of the most comprehensive, innovative, person-centered and community-driven systems in the country.

Through the use of community-based rather than institution-based care, Michigan's public mental health system returns a 37-fold investment on the state dollars that fund that system, according to a report released by the Center for Healthcare Integration and Innovation (CHI2).

The report, entitled "A Tradition of Excellence and Innovation: Measuring the Performance of Michigan's Public Mental Health System," examines the performance of Michigan's public mental health system against several state-established and national standards.

Strong, longstanding performance against state established and nationally recognized performance standards: Michigan's public mental health system has exceeded the state established standards for 37 of the 38 standards measured. For the one standard not exceeded, the system was below the state standard by only 1.63% from the 95% standard.

A national leader in de-institutionalization and community-based care: Michigan's use of state psychiatric hospitals compared to the rest of the country is significantly less, with other states using state psychiatric hospitals 17 times more, per-capita, than Michigan—a testament to the state's strong movement to a de-institutionalized and community-based system of care. In fact, if the $3.469 billion that is currently used to serve over 350,000 Michiganders per year was spent solely on the provision of long-term care at state psychiatric hospitals and developmental disability centers, then those dollars would only serve 9,500 people per year.

High rankings against national standards of behavioral health prevalence and services accessibility: Michigan ranks sixth nationally in serving adults, as cited by Mental Health in America in 2020.

Proven ability to control costs over decades, resulting in major cost savings: When compared to Medicaid cost increases seen across the country, from 1998 to 2015, Michigan's public mental health system has saved the state of Michigan $5.27 billion. If extrapolated through 2024, Michigan could save over $12 billion. The report found the approaches that the public system uses to control costs contrast sharply with the approach of private systems.

Pursuit of healthcare integration and evidence-based practices: More than 620 integration efforts led by the public mental health system—weaving mental health care with primary care—take place throughout the state to lower costs of services, increase access to care, improve preventative intervention and serve the whole person.

CMHA
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Evidence-Based Practices

Michigan's public mental health system has been a national leader in the Evidence-Based Practice movement, pioneering evidence-based and promising practices for decades, including:

- Assertive Community Treatment
- Assisted Outpatient Treatment
- Psycho-Social Rehabilitation/Clubhouse
- Cognitive Enhancement Therapy
- Dialectical Behavior Therapy
- Family Psychoeducation
- Motivational Interviewing
- Person Centered Planning, Training, and Evaluation
- Self Determination
- Independent Person-Centered Planning Facilitation
- First Episode Psychosis Services
- Eye Movement Desensitization and Reprocessing
- Peer Services
- Consumer-Driven Services
- Homebased Treatment Services for Children, Adolescents, and their Families
- Competitive Integrated Employment practices
- Trauma-Informed Care
- Treatment Courts
- Sequential Intercept Model of Jail Diversion/Decarceration

Efficient – Low Overhead Means More Dollars Spent on Care

94% **Medical loss ratio**
(i.e. the percentage of dollars spent on actual care)

Michigan's public PIHP system has a statewide average spent on administrative costs of 6%

Results-Oriented

Thanks to CMHA's work to make the state's behavioral mental health system value-based, innovative and evidence-based, Michigan ranked 15th in the 2019 State of Mental Health in America report. This puts Michigan among the top 30% for awareness and access to mental health.

MICHIGAN RANKS

6th in the nation
for services & outcomes for adult services

20th in the nation
for services & outcomes for children's services

15th in the nation
for access to care for both adult & children's services

Serving Thousands of Michiganders

10
public regional entities

46
public community mental health systems

100+
provider organizations

100,000+
persons providing services in Michigan's public mental health system

300,000+
Michiganders served annually

The Community Mental Health Association of Michigan is the state association representing Michigan's public Community Mental Health (CMH) centers, the public Prepaid Inpatient Health Plans (PIHP – public health plans formed and governed by CMH centers) and the private providers within the CMH and PIHP provider networks. For more information, please visit CMHA.org or call 517-374-6848.

MICHIGAN'S PUBLIC MENTAL HEALTH SYSTEM

Your Local Safety Net

Through both mission and contractual obligations community mental health agencies tie together essential community services with their unique role in the community as an "integrator" of services.

CMHSPs must work closely with local public and private community-based organizations and providers to address prevalent human conditions and issues that are related to a shared consumer base.

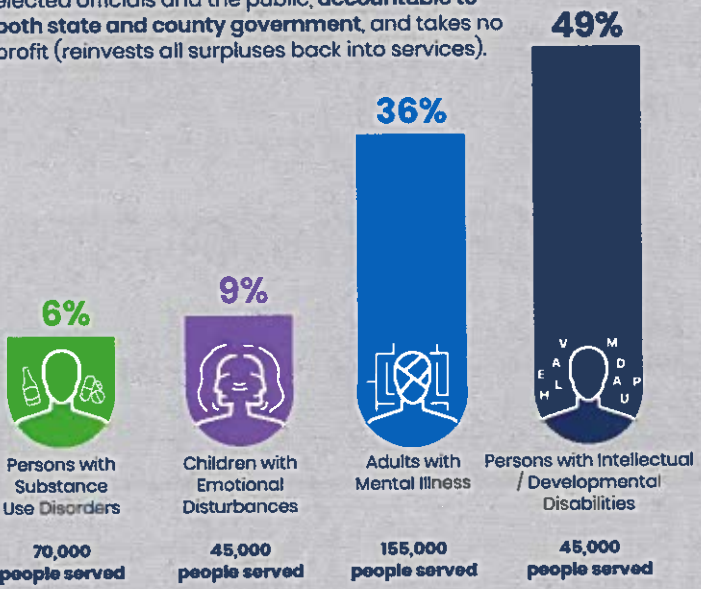
Local coordination and collaboration with these entities will make a wider range of essential supports and services available. CMHSPs are encouraged to coordinate with these entities through participation in multipurpose human service collaborative bodies and other similar community groups.

Who we serve and how the money is spent

Michigan's Public Mental Health System Serves 4 Main populations:

Michigan is the **ONLY** state that serves all 4 populations in a managed care setting.

The system is a public system, that is tied to local elected officials and the public, **accountable to both state and county government**, and takes no profit (reinvests all surpluses back into services).

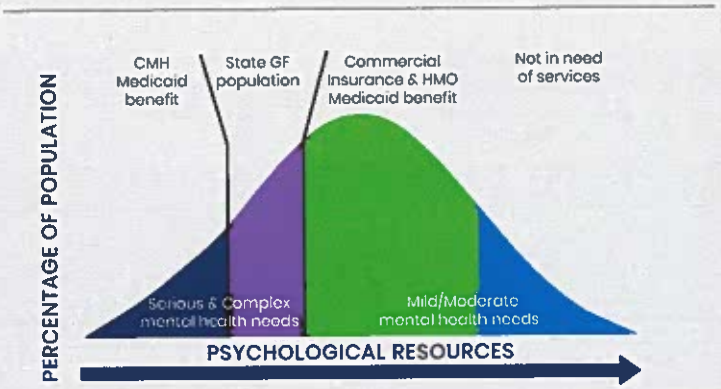


The CMH system serves the most in need population

1 in 5 people in the State of Michigan suffer from a mental illness.

That is 2M people total.

Of those 2 million people, Michigan's public mental health system serves the most serious and complex individuals, which is about **300,000 people.**



(Well-Being Institute, University of Cambridge, 2011)

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FOR MORE INFORMATION, PLEASE VISIT CMHA.ORG OR CALL 517-347-6848.

CMHAM.org /CMHAMich @CMHAMich

Did you Know?

83 counties in Michigan are covered by the 46 CMHs & 10 PIHPs.

94% medical loss ratio (i.e. the percentage of dollars spent on actual care) of Michigan's public PIHP system has a statewide average spent on administrative costs of 6%.

Since 1997, Michigan has remained the only state in the nation that provides publicly managed care for all four major populations: adults with mental illness, children and adolescents with emotional disturbances, persons with intellectual / developmental disabilities, and those with substance use disorders ***(saving the state more than $1 billion!)***

24 hours a day / 7 days a week, mental health professionals provide services for people with mental illness, intellectual / developmental disabilities, and substance use disorders regardless of ability to pay. As outlined in Michigan's Mental Health Code, Public Act 258 of 1974, Michigan's public mental health system serves as the local public safety net for the state's most vulnerable citizens.

91 percent of the CMH budget is from Medicaid and Healthy MI plan. State General dollars that serve people without insurance makes up only 4% of the total budget.

2 million people statewide are impacted by one of the 300,000 people served by Michigan's public community mental health system when you include family, friends, neighbors, and co-workers.

Michigan's public community mental health system is a ***$3 billion industry*** in our state employing more than ***100,000 people.***

750+ Michigan's CMH/PIHP system is leading the way with more than 750 on-the-ground healthcare integration initiatives across the state - co-location, electronic health records, and partnerships.

Substance Use Disorders

Opioid deaths in Michigan are increasing. From 1999 to 2016, the total number of ***overdose deaths involving any type of opioid increased more than 17 times in Michigan,*** from 99 to 1,689.3 ***Over six people in Michigan die every day from opioid-related causes.***

Every person can make a difference. Some things you can start doing today:

- Store medications safely.
- Don't share prescription medications.
- Learn to recognize the signs and symptoms of opioid abuse.
- Keep talking about the opioid epidemic and help break the stigma.

Healthy Michigan Plan provides dedicated and reliable funding for persons with substance use disorders and who have co-occurring mild to moderate mental disorders.

Prior to HMP (Medicaid Expansion), some regions had up to six month waiting lists for Medication Assisted Treatment (MAT) or withdrawal management /residential treatment. Oftentimes these are the most important services for people with opiate use disorders to begin the road to recovery.

Over 70,000 people receive Substance Use Disorder treatment and recovery services through Michigan's public system each year.