



# MDHHS: FY23 Budget Executive Recommendation

Behavioral and Physical Health and Aging Services Administration

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**Farah A. Hanley**, Chief Deputy Director for Health

**Kate Massey**, Senior Deputy Director, Health and Aging Services Administration

**Al Jansen**, Senior Deputy Director, Behavioral Health and Developmental Disabilities Administration

# All Michiganders Should Have Access to Behavioral Health Services

## Purpose

- To **improve behavioral health services**, the Behavioral Health and Developmental Disabilities Administration (BHDDA) programs are moving to different administrations and divisions within the department to **improve coordination of service** and **leverage expertise in these areas**.
- MDHHS will have **one voice** related to **adult physical** and **behavioral health** services.

## Benefits

- Ensures **staff** and **resources** are available to address behavioral health service needs.
- Providers will have access to **more resources, expertise, and support**.
- External partners and stakeholders will have **better communication** and **collaboration** with MDHHS.
- Additional investments will be made in **workforce development** and **staffing**.



# Behavioral and Physical Health and Aging Services Administration (BPHASA)

- The Health and Aging Services Administration will become the **Behavioral and Physical Health and Aging Services Administration** which will oversee:
  - Medicaid.
  - Aging services.
  - Community-based services for adults with intellectual and developmental disabilities, serious mental illness, and substance use disorders.
- Certain behavioral health operations will be aligned within BPHASA to avoid duplication, including customer service, managed care contract management, site reviews and financial management.

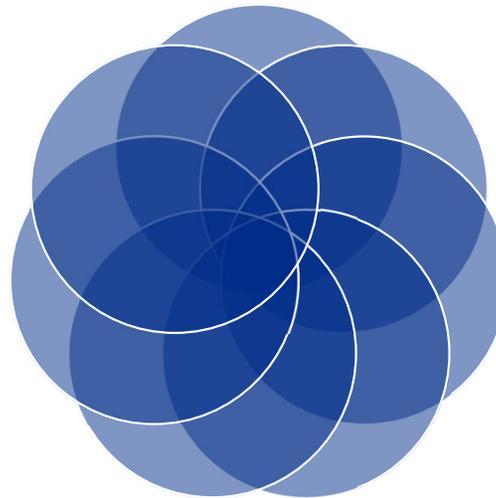
# Bureau of Children's Coordinated Health Policy and Supports

Builds upon past work to **improve coordination and oversight** of children's behavioral health services.

Works hand-in-hand with other MDHHS administrations to **maximize use of all statewide resources**.

Establishes a **clinical review team** to remove barriers and secure access to care as it's needed.

Ensures youth receive **appropriate services when they are needed**, rather than turning to an emergency room setting.



Proactively **restructures the delivery of specialty health services** to better serve children, youth, and families.

Recognizes that **services must be specific** to the needs of children, youth and families.

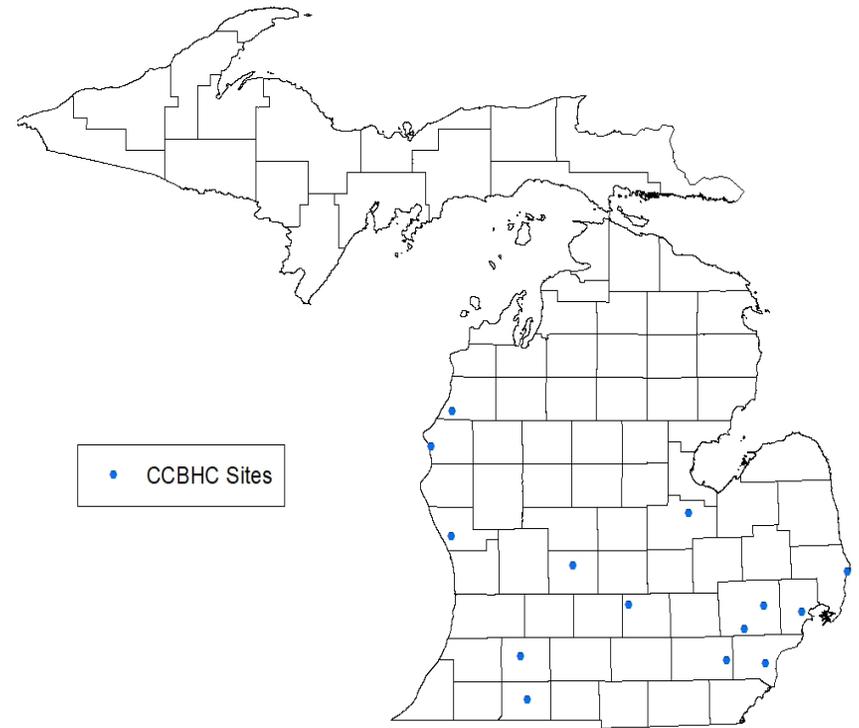
Emphasizes the importance of **including families** in addressing the health needs of children and youth.



# Progress on FY 2022 Investments

# Certified Community Behavioral Health Clinic (CCBHC) Demonstration

- Michigan launched its CCBHC Demonstration on October 1, 2021.
- CCBHCs:
  - Serve all Michiganders with a mental health and/or substance use disorder regardless of severity or insurance or ability to pay.
  - Provide a comprehensive set of physical, behavioral, and social services.
  - Meet stringent state-based certification criteria.
  - Reimbursed at an enhanced Medicaid prospective payment system rate.



# CCBHC Demonstration Highlights

## Assignment

- Over 18,000 Michiganders assigned to a CCBHC (over 90% are Medicaid beneficiaries).

## Certification Status

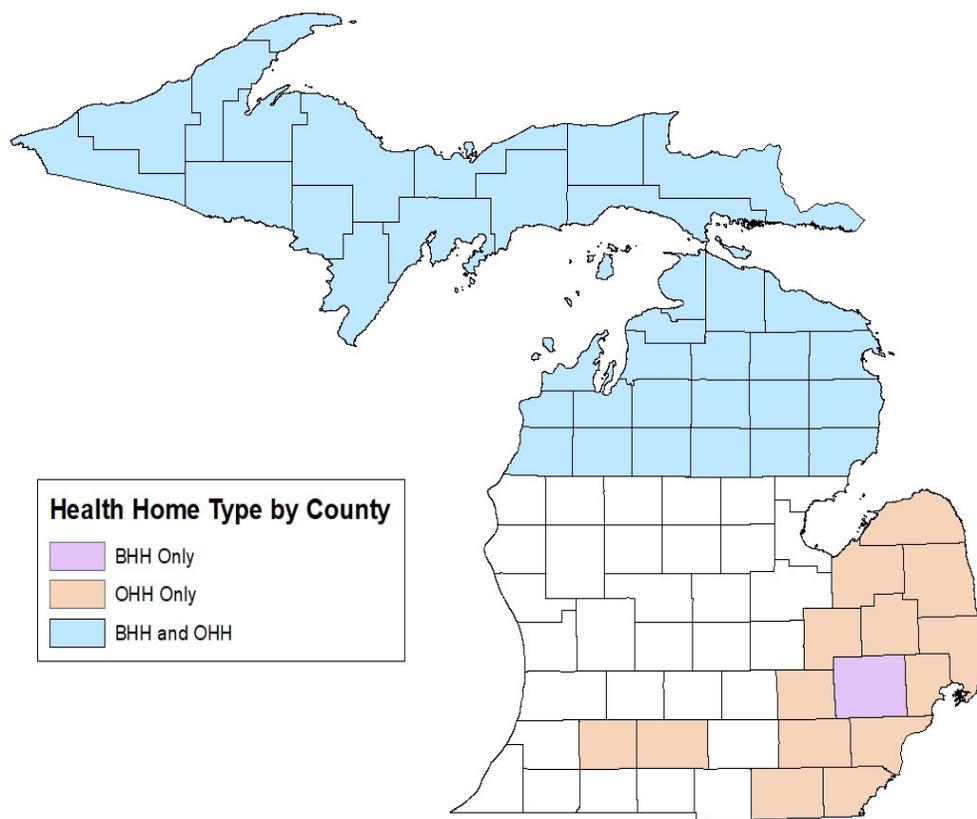
- All 13 sites have obtained provisional CCBHC certification from MDHHS.
- All 13 sites are on track to complete full certification by April 2022.

## Policy Implementation, Monitoring, and Continuous Quality Improvement

- MDHHS technical assistance meetings with PIHPs and CCBHCs established.
- Ad-hoc workgroups established for key program components (e.g., sliding fee scale, mild-to-moderate screening, incarceration).
- Developing a CCBHC operational dashboard.
- Developing quality metric monitoring dashboards and reporting templates.

# Medicaid Health Home Expansions

- In October 2021, MDHHS expanded the Opioid Health Home to three more PIHP Regions; the Behavioral Health Home will expand to two more PIHP Regions in April 2022.
- Since FY21, **enrollment has increased by 368%**
  - Behavioral Health Home (BHH):
    - increased 963% from 100 to 1063 enrollees
  - Opioid Health Home (OHH):
    - increased 260% from 550 to 1980 enrollees
- Health Homes provide comprehensive and integrated care management/coordination to high-need Medicaid beneficiaries.



# Direct Care Worker Wages

## Context

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- **Direct care workers** have been on the **front line of the COVID-19 public health crisis**.
- These individuals take care of our most **vulnerable** and ensures that they are included as a **valued part of their communities** and **empowered to live with the dignity** all people deserve.
- A **\$2.35 hourly wage increase** approved on an ongoing basis.

## Impact

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- **Better attract and retain additional high-quality direct care workers.**
- **Improved health outcomes and quality of life for people served and cared for by direct care workers.**

## Status

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- **CMS approval secured.**
- **Implemented across all programs.**
- **MDHHS oversight underway.**

# MI Choice Program Expansion

## Context

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- Through **MI Choice**, older or disabled persons who need help caring for themselves **can live independently**, while receiving nursing facility level of care.
- **70% of Michigan seniors** would like to be in their homes, but only about 50% are in this setting.
- Michigan **ranks 45<sup>th</sup>** in share of long-term care expenses on home- and community-based services.
- Currently **~17,000 served** through MI Choice.

## Impact

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- **Improved health, welfare, and quality of life for elderly and disabled individuals.**
- **More cost-effective.**

## Status

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- **CMS approval for expansion secured.**
- **Waiver Agency contracts modified to include additional slots.**
- **Waiver Agencies working to fill slots but experiencing challenges due to DCW workforce shortages.**

# Sickle Cell Disease Initiative

## Context

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- **Sickle Cell Disease (SCD)** is the **most common blood disorder** in the United States, affecting an estimated **3,500 to 4,000 Michiganders**.
- People with SCD are in **desperate need** of **pain crisis prevention** and **management**.
- **Timely** and **accurate diagnoses** are **imperative** to initiate preventative care measures, lifelong treatment, follow-up, and education.

## Impact

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- **Improved access to quality specialty care for all adults with SCD enrolled in CSHCS.**
- **Eligible children will have improved access to quality specialty care.**

## Status

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- **Eligibility expansion approved by CMS.**
- **Eligible individuals already enrolled.**
- **Education and outreach efforts with community partners ongoing.**

A photograph of four hands of different skin tones cupping a bright red heart. The hands are positioned around the heart, with fingers slightly curled. The background is a solid, muted teal color. The text is overlaid on the right side of the image.

# Governor Whitmer's Executive Budget Recommendation

FY 2023

# Behavioral Health Capacity and Access

## Context

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- Nearly **68% of adults** with **mental disorders** have another **medical condition**.
- **Excessive demand** and **persistent waitlists** for inpatient psychiatric services at state operated hospitals.
- **Lack of community-based psychiatric beds** or facilities to immediately respond to patients transitioning out of state psychiatric hospitals.
- Long **admission delays** resulting in patients waiting in emergency rooms pending placement in a state facility.
- Michigan ranks **third in the nation** with the highest **shortages** of mental health professionals.

## Response

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- Purchase access to new **private behavioral health supports** for 48 adults and 12 children.
- Expand **behavioral health inpatient community-based** treatment programs.
- Extend **behavioral health and opioid health homes** to additional counties.
- Fund staff and operational costs for two new units at the **Hawthorn Center**.
- Fund staff and operational costs for a new **Center for Forensic Psychiatry** satellite facility.

## Expected impact

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- **Increased access** to and **quality** of behavioral health services.
- **Improved patient outcomes**.

# Michigan Essential Health Provider Loan Repayment Program

## Context

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- Michigan ranks **third in the nation** with the highest **shortages** of mental health professionals.
- Michigan's state hospital system struggles to hire and **retain** enough **qualified** and **trained** staff to provide psychiatric services statewide.
- One primary cause of this problem is **lower compensation** compared to the private sector.

## Response

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- A one-year bonus payment will be provided to almost **1,000 state psychiatric hospital direct care staff** and to approximately **50,000 behavioral health workers** operating in Michigan communities.
- The Michigan State Loan Repayment Program will be **expanded** to eligible **behavioral health practitioners** working in federally designated health professional shortages areas (HPSA).

## Expected impact

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- Improved **recruitment and retention** of direct care staff in Michigan.

# Additional Behavioral Health Investments

Investment	Description	Gross/GF
<b>Jail Diversion Fund</b>	Funding will support the jail diversion fund administered by the mental health diversion council, in accordance with recommendations of the Michigan joint task force on jail and pretrial incarceration.	\$15 million
<b>Multicultural Integration Organizations</b>	Increased funding to Multicultural Integration organizations.	\$8.6 million
<b>First Responder Mental Health Funding</b>	The program will primarily provide grants to behavioral health providers supporting firefighters, police officers, emergency medical services personnel, dispatchers, and correctional officers suffering from post-traumatic stress syndrome and other mental health conditions.	\$2.5 million
		<b>Total \$26.1 million</b>

# Medicaid Dental Program

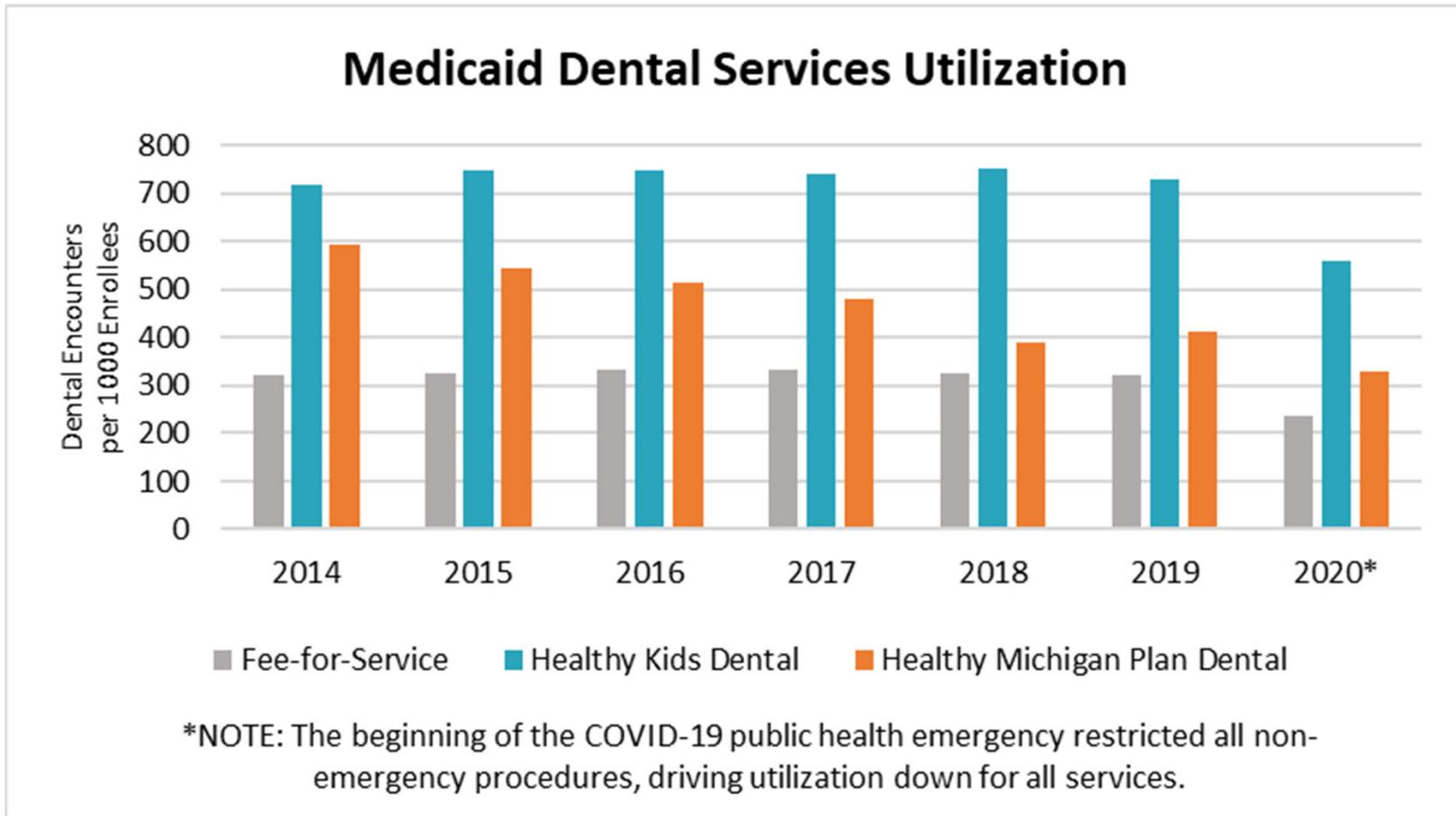
## *Current Landscape*

Michigan currently has a fragmented and uncoordinated system for delivering dental services for the Medicaid population.

	<b>Average Program Enrollment</b>	<b>Delivery System Today</b>
Healthy Kids Dental	948,998	Two Statewide Dental Health Plans
Healthy Michigan Plan Dental	528,347*	Nine Comprehensive Medicaid Health Plans
Medicaid Adult Dental	711,378	Base Medicaid fee-for-service (FFS) program

*\*Reflects managed care enrollment only, does not include HMP fee-for-service enrollee. Also includes pregnant women through 60-day postpartum period.*

# Medicaid Dental Program Redesign



# Medicaid Dental Program Redesign

## Context

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- **Oral health** is an important component of general health.
- Adults and children who lack access to dental care are **more susceptible to infection and disease**.
- Poor oral health **impacts socialization, education, job retention, self-esteem**, and communication.
- Access to dental care for Michigan Medicaid enrollees was restricted by **stagnant fee-for-service rates** paid to providers.

## Response

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- **\$243.3 million** to consolidate child and adult Medicaid and Healthy Michigan Plan dental benefit into a single managed care contract with Dental Health Plans.
- **\$4.3 million** to increase the dental procedure reimbursement rate for outpatient hospitals and ambulatory surgical centers across the state.

## Expected impact

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- Increasing access to dental care will **improve the lives of thousands of adults and children**.

# Health Equity Across the Lifespan

## Context

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- **Health disparities** are persistent and increasing for both agricultural workers and Black and Hispanic people.
- Michigan's 2019 **infant mortality rate** of 6.3 per 1,000 live births is higher than the national average of 5.6 per 1,000 live births.
- There is a **disproportionate impact of recovering birth expenses** from Michigan's most vulnerable families.
- **Agricultural workers** face barriers to self-sufficiency due to undiagnosed and/or untreated medical conditions.

## Response

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- End the state's **Medicaid birth expenses recovery program**.
- Increase access to **doula care** for high-risk families.
- Support additional community health workers to help **migrants access health care services** at the four Federally Qualified Health Centers.

## Expected impact

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Reduce health disparities by improving health equity in vulnerable and marginalized populations from birth to adulthood.

# Fee, Wage, and Payment Adjustments

## Vaccine Administration Fee Increase

**\$14.1 million gross**, \$4.5 million GF/GP for a Vaccine Administration Fee Increase.

Michigan's **vaccine administration fees** have not changed since 1994.

- **Current rate:** \$7 for injectable vaccines & \$3 for oral vaccines.
- **Proposed rate:** \$16.13 for injectable vaccines & \$12.25 for oral vaccines.

The proposed rates are comparable with Medicare, and other state Medicaid programs.

## Nursing Home Non-Clinical Staff Adjustment

**\$60 million gross**, \$21.2 million GF/GP for a **Nursing Home Non-Clinical Staff Adjustment**.

Provides for the annual cost of a \$2.35 hourly wage increase.

## Hospice Room and Board Payments

**\$1.7 million gross** and GF/GP to increase **Hospice Room and Board payments** to facilities not certified by Medicare.

\$20M Gross

\$15M GF

# One-Time Investments in Initiatives to Address Racial Disparities

Investment	Description	Gross	GF
<b>Uterine fibroid disparities</b>	Education and outreach programming to raise awareness of uterine fibroid disparities among minority populations.	\$500,000	\$500,000
<b>Centering Pregnancy</b>	Support for expansion of the number of Centering Pregnancy sites in the state.	\$4.2 million	\$4.2 million
<b>Medicaid Health Plans Incentive Pool</b>	New incentive pool to contracted Medicaid Health Plans to address racial disparities in medical services.	\$10 million	\$5 million
<b>Michigan Area Health Education Centers</b>	Statewide patient-centered training and technical assistance for health centers and hospitals.	\$4 million	\$4 million
<b>Workforce development funds</b>	Bolster efforts to enhance and diversify Michigan's healthcare workforce.	\$1.3 million	\$1.3 million
		<b>Total</b>	
		<b>\$20 million</b>	<b>\$15 million</b>



**Contact: Chardae Burton**  
**Phone: (517) 243-3221**  
**Website: [www.michigan.gov/mdhhs](http://www.michigan.gov/mdhhs)**