

MDHHS: FY23 Budget Executive Recommendation

Behavioral and Physical Health and Aging Services Administration

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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.

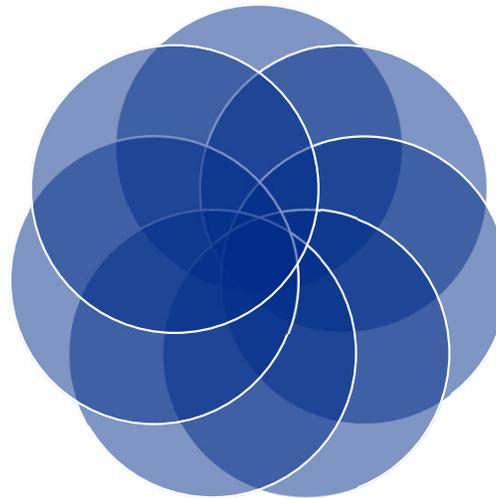
Bureau of Children's Coordinated Health Policy and Supports

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.

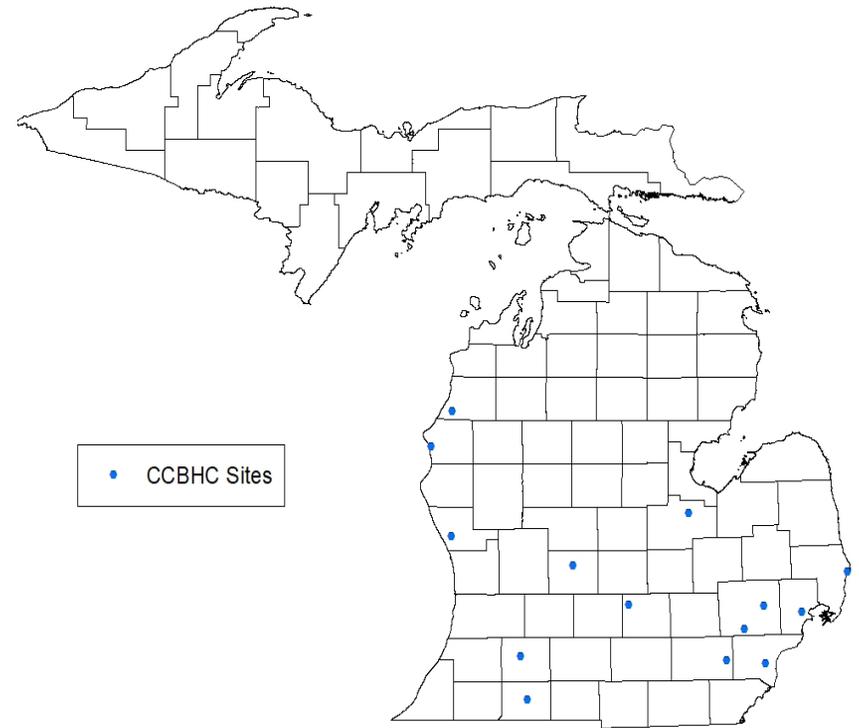
Emphasizes the importance of **including families** in addressing the health needs of children and youth.

The image features a bar chart where the bars are stacks of copper-colored coins. From left to right, the stacks increase in height. Each stack has a small green plant with two leaves growing out of the top. The background is a blurred green, suggesting foliage. The text 'Progress on FY 2022 Investments' is overlaid in white, with a vertical line to its left.

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

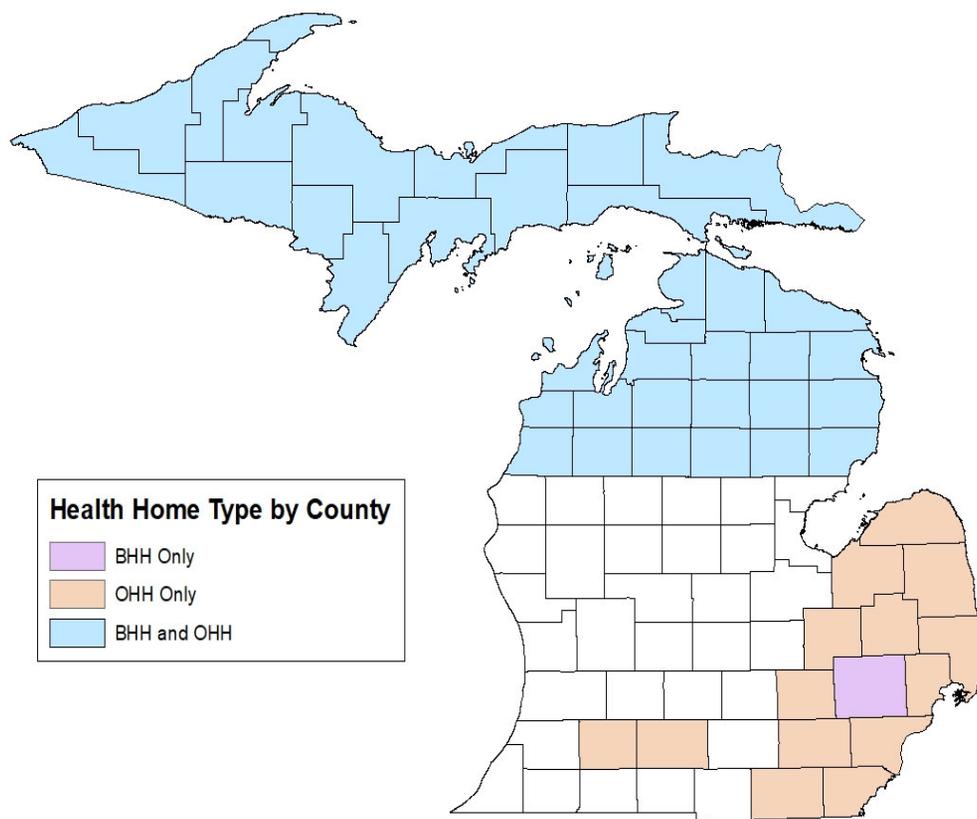
- All 13 sites have obtained provisional CCBHC certification from MDHHS.
- All 13 sites are on track to complete full certification by April 2022.

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

- **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

- **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

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

MI Choice Program Expansion

Context

- 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 45th** in share of long-term care expenses on home- and community-based services.
- Currently **~17,000 served** through MI Choice.

Impact

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

Status

- **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

- **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

- **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

- **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

- 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

- 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

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

Michigan Essential Health Provider Loan Repayment Program

Context

- 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

- 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

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

Additional Behavioral Health Investments

Investment	Description	Gross/GF
Jail Diversion Fund	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
Multicultural Integration Organizations	Increased funding to Multicultural Integration organizations.	\$8.6 million
First Responder Mental Health Funding	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
		Total \$26.1 million

Medicaid Dental Program

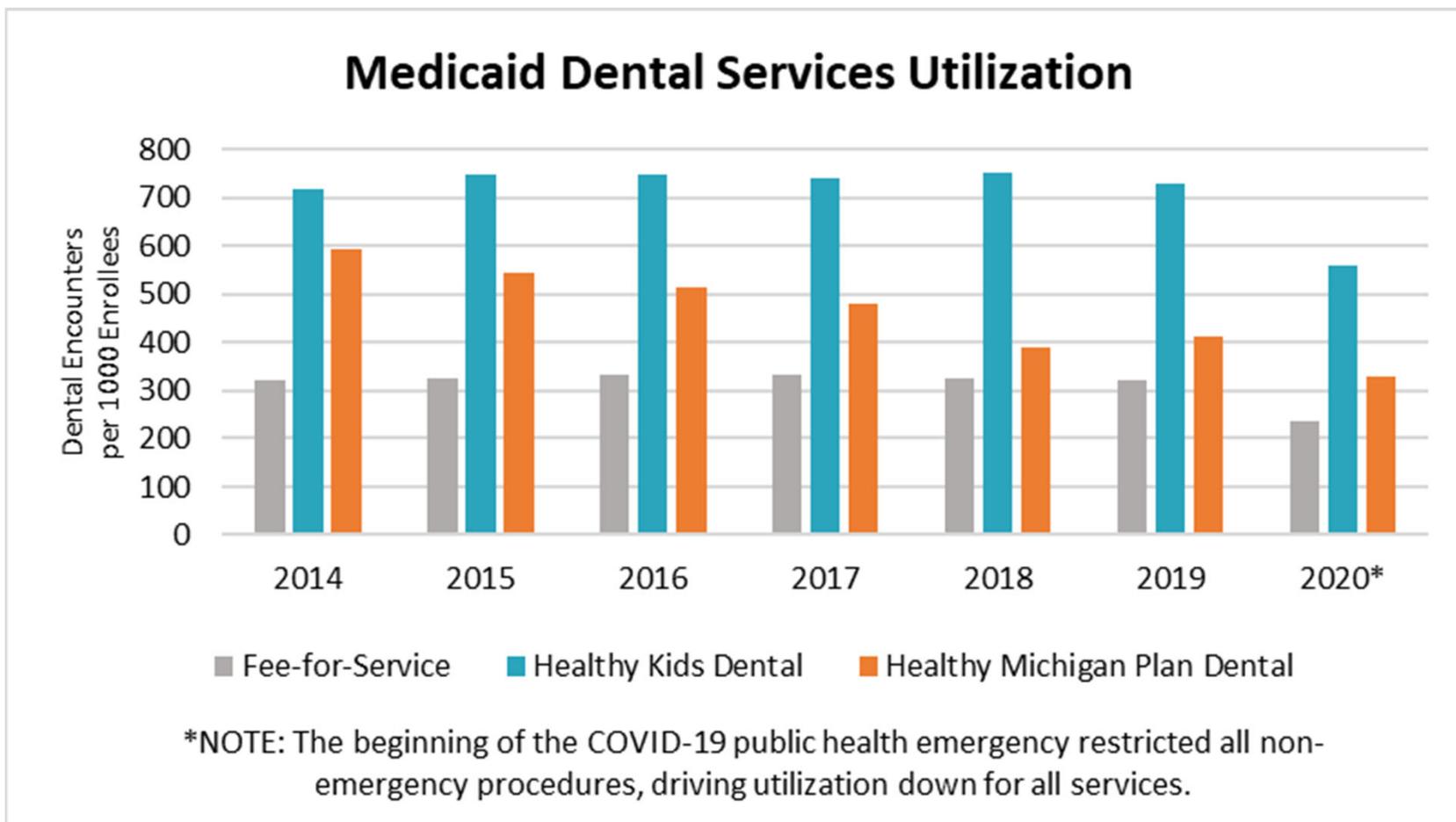
Current Landscape

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

	Average Program Enrollment	Delivery System Today
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

- **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

- **\$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

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

Health Equity Across the Lifespan

Context

- **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

- 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

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



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