

LETTER FROM LANSING

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New & Dangerous Concept Proposed for Section 298 Situation

On April 17, the Senate DHHS Appropriations Subcommittee reported a budget bill for Fiscal Year-19. The bill had new section 298 language that is very troubling.

Contrary to what Michigan DHHS has been saying for months, the new language would allow Medicaid Health Plans (MHPs) in pilot communities (see our last issue) to contract with any providers they wish, and to control all utilization management functions for MHP enrollees – including those deemed to need specialty behavioral health service.

Michigan DHHS has said numerous times publicly that Medicaid specialty behavioral health service must run through CMHSPs to be legal, and that MHPs in pilot communities must contract with CMHSPs for that service. In November 2017, the department wrote, “Absent changes to the (Michigan) Mental Health Code, the CMHSP is the specialty provider and must be involved in the provision and management of services...”

In addition to the questionable legality of the new language, there are several other problems with it:

- *The coming pilot programs are supposed to be MHP-CMH partnerships. In fact, the department required local proposals of interest to be submitted officially by CMHSPs. The language in the Senate Subcommittee’s section 298(2)(e) is not the language of a partnership, but instead lays out total domination by MHPs.
- *Other than counseling (which the MHPS poorly manage for so-called mild-to-moderate cases), there are few if any providers other than CMHSPs that can deliver the components of comprehensive specialty behavioral service.
- *Giving MHPs control of all utilization management decisions for their clients with specialty behavioral needs would be placing those decisions in the hands of entities with little related experience in meeting such needs, whereas CMHSPs have done this work for several decades.
- *Subsection 298(2)(e) could drive currently interested CMHSPs away from entering into any collaborative agreements with MHPs. Why would any want to sign a contract that could potentially diminish greatly their available funding?
- *The proposed language could leave pilot CMHSPs in a situation after completion of the pilots where they can’t undertake their former levels of operation – or their legal obligation as a general safety net – if the pilots prove unsuccessful.
- *The advocacy community is open to any measured discussion of the long-range role CMHSPs should play in Michigan. But to take steps that could force them out of business based on one alternative concept – when we don’t yet know if that concept will prove a failure, a success, or neither – does not make sense.

As of April 22, we await Senate Appropriations Committee consideration of the Subcommittee’s budget bill. It’s imperative that you contact your State Senator – and any other State Senators you may wish –

and make known your opposition to (and requested elimination of) section 298(2)(e) of the Senate DHHS Appropriations Subcommittee's reported FY-19 budget bill.

Medicaid Work Requirement Bill Advances through Senate

On April 19, the State Senate adopted a bill (SB 897) requiring Michigan to seek a federal waiver so that many Medicaid beneficiaries in Michigan would have to work at least 29 hours a week to retain their Medicaid status.

The new program is targeted to begin October 2019. It could affect 300,000 or more current beneficiaries in Michigan.

There are several exclusions to the work requirements, including:

- *Someone who is the caretaker of a family member under age 6.
- *A beneficiary currently receiving temporary or permanent long-term disability from a private insurer or the government.
- *Someone who is a full-time student.
- *A woman who is pregnant.
- *A beneficiary who is the caretaker of a disabled dependent who needs full-time care based on a licensed medical professional's order.
- *Someone who is the caretaker of an incapacitated individual.
- *An individual who meets the federal definition of "medically frail."
- *Someone with a medical condition who has a work limitation based on licensed medical professional opinion.
- *An individual incarcerated within the previous 6 months.
- *A beneficiary currently receiving unemployment benefits from the state.
- *A person under 21 who had previously been in foster care placement in Michigan.
- *Those temporarily excused for "good cause" (family sentinel or crisis/life-changing events; temporary illness; inclement weather).

Non-compliant beneficiaries would get one warning and then be taken off Medicaid for a year. The bill notes that treatment time for substance use disorder counts toward the 29-hour weekly requirement.

SB 897 will undoubtedly be adopted by the House, though not necessarily in the same form. Governor Snyder's office has issued quotes critical of SB 897. Whether and under what conditions the Governor might sign an ultimate bill are not known. A gubernatorial veto remains possible, but a compromise between the Governor and bill backers could also happen.

Senate Hearing on Medicaid Access-to-Medications Bill Expected Soon

The Senate Health Policy Committee is expected soon to have a hearing on SB 823, introduced by Margaret O'Brien and co-sponsored by Curtis Hertel. The hearing could come as soon as May 1, though that isn't yet definite.

SB 823 takes existing state statute, budget bill boilerplate, and MDHHS policy on open access for certain vulnerable populations, and puts all that material in a single state law. The protected populations (since 2004) are those experiencing mental illness (including substance use disorder); epilepsy; HIV-AIDS; organ replacement therapy; and cancer. The protection for cancer is only for Medicaid fee-for-service beneficiaries; for the other four populations, it's across all of Medicaid.

Please contact members of the Senate Health Policy Committee to let them know you support SB 823, and that people in the covered populations are at great risk if they are forced to go through step therapy and fail twice on other medications for two months or more before they might be able to get the drug prescribed by their doctor.

In addition to Senators O'Brien and Hertel, members of the Senate Health Policy Committee are:

Mike Shirkey (Chair)
Joe Hune
Jim Marleau
Rick Jones
David Knezek
Jim Stamas
David Robertson
Hoon-Yung Hopgood

Save the Dates

MHAM annual membership meeting, May 17, 3:00 p.m., Hyatt Place Detroit/Livonia (19300 Haggerty Rd., Livonia 48152). To be immediately followed by an educational presentation on current Medicaid-related topics of import.

MHAM tribute dinner, honoring Tom Watkins, who has led state departments (including Mental Health) and most recently the Detroit-Wayne Community Mental Health Authority. June 21, Burton Manor, Livonia (27777 Schoolcraft Rd., Livonia 48150). Reception at 6:00, dinner at 7:00, program at 8:00.

Letter from Lansing is published monthly by MHAM. The primary mode of distributing the newsletter is electronic mail, but we will postal-mail copies to persons lacking Internet access. If you've come across this issue through a friend or colleague and wish to subscribe (there is no charge), kindly let us know. If at any point you wish to unsubscribe, simply contact our office.

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