



# Mental Health Association in Michigan

## LETTER FROM LANSING

A monthly public policy newsletter from the  
Mental Health Association in Michigan (MHAM) | Vol. 2 No. 4

### Annual Membership Meeting - May 16

# THE ANNUAL MEETING OF MEMBERS

Please join us May 16 for the [MHAM](#) Annual Membership Meeting, immediately followed by two educational presentations. There is no cost and non-members are welcome.

The meeting begins at 3:00, [Hyatt Place Detroit/Livonia](#), 19300 Haggerty Rd., Livonia, MI 48152. Our educational presenters are:



Mark Cody, J.D., [Michigan Protection & Advocacy](#), who will update the status of a lawsuit on children's mental health service deficiencies; and Alan Bolter, [Community Mental Health Association of Michigan](#), presenting on problems with funding of CMH services.

Come get involved and learn more on these important topics. We hope to see you on May 16!

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## Section 298 News

The state [Department of Health and Human Services \(MDHHS\)](#) has announced it will keep Medicaid beneficiaries who aren't enrolled in Medicaid Health Plans (MHPs) with their existing PIHPs in the new section 298 pilot areas. About 24% of Medicaid beneficiaries in Michigan are not in MHPs. The state's plan had been to bid out the opportunity among existing PIHPs to manage service for the non-MHP Medicaid population in the three 298 pilot regions. In an April 22 memorandum, the department wrote, "Due to various delays in our efforts to release the RFP and concerns about being able to stand up a successful bidder in timely manner (sic), MDHHS has made the decision to stop the RFP process and keep the unenrolled population with their current PIHP in the Pilot regions." We were not a fan of the previous plan to bid this out, and are comfortable with the new direction described April 22.

As we await whether the 298 pilots will be ready to start this October, the Senate Appropriations Subcommittee on Community Health/Human Services has reported its budget bill for Fiscal Year-20. Its version of section 298 is problematic and needs revision. The language states in subdivision (1)(a), "The department shall define specific criteria relating to CMHSP 'willingness' and 'capacity' to provide the full array of services required by section 116 of the mental health code...These services shall include service accessibility, quality, and reasonable cost. Contracts between the department and the Medicaid health plans must require that the Medicaid health plans contract with CMHSPs, unless the CMHSP permits contracting outside the CMHSP network. If a CMHSP does not meet the willingness and capacity criteria, the department shall allow the Medicaid health plans to contract outside the CMHSP network for those services." We have no problem with doing a readiness review of the pilot CMHSPs. But what about a readiness review of all the pilot MHPs, who have done a poor historical job with managing the so-called "mild-to-moderate" Medicaid mental health benefit, and have no experience managing specialty service for severe mental illness?

The Senate Subcommittee bill also says in subdivision (2) a report shall be prepared by January 31, 2021, indicating what measurement results, if met, would trigger a full statewide implementation of the section 298 concept beginning October 1, 2022. There are several problems with this. First, what about measurement results that would trigger an end to this concept? Second, the timetable laid out in the bill means U-M's contracted evaluation of the pilots wouldn't close till March, 2023, yet the Senate Subcommittee wants evaluation results for this monumental decision by January 2021, and is prepared to possibly have the whole state under 298 six months before the final evaluation

by U-M is to be completed. Lastly – subdivision (3) – as has always been the case in 298, “savings” would go back into pilot site services, but “savings” isn’t defined. This opens up all sorts of possibilities (e.g., administrative raises) for MHPs to hold onto money they didn’t wind up spending.

We will be working with House members and the Governor’s office on this.

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## Whitmer Executive Order for Jail Incarceration Task Force

Governor Whitmer has issued an Executive Order (No. 2019-10) for a new state task force on jail and pretrial incarceration. The Order opens by stating, “Little statewide data exist to account for who is booked into local jails, how long they stay, and why...Furthermore, roughly half the people held in Michigan jails on any given day have not been convicted of a crime and are constitutionally presumed innocent as they await trial.”

We welcome this as a needed step. But we are disappointed the task force membership isn’t required to include someone with mental health expertise, nor does the charge say anything about mental health. Is it possible that one of the required appointments will bring mental health expertise? Yes. And do we think it likely the task force will wind up looking at mental health issues? Yes. But given the epidemic of mental illness in Michigan jails (51% primary diagnosis, excluding substance use disorder, in the Wayne, Kent, and Clinton County jails 20 years ago, per Wayne State University), it would have been better to see some direct references to mental health in the Executive Order.

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## State Threatens Cancellation of Contract with Lakeshore PIHP



Michigan Department of Health & Human Services

MDHHS has given the [Lakeshore Regional Entity](#) PIHP 30-day notice (letter dated April 25) of intent to cancel the contract between the state and Lakeshore. If Lakeshore could somehow satisfy MDHHS on a host of “material default” issues by May 25, presumably the contract would remain in place. How likely is that? Not very. The only thing that may save Lakeshore is that the state has never canceled a contract with a CMHSP or PIHP, and may not want to face finding a replacement entity.

MDHHS has determined Lakeshore to be lacking for several years. The situation has deteriorated to the point Lakeshore has been working with a private entity to undertake operations that Lakeshore has not satisfactorily performed. While part of the problem here is Michigan’s ridiculous PIHP system, badly in need of overhaul (but not a handoff to MHPs), within the

system we have at the moment, it is time for Lakeshore to go.

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# MENTAL HEALTH MATTERS

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