

Legislation & Policy Committee Meeting, November 17, 2021, 9:30am

Meeting came to order at 9:30am.

Agenda and previous minutes were approved.

Legislative Update

FY22 Budget Update

Alan reviewed the FY22 Budget document and gave details on how it compared to FY21 and FY20. He reported on the DCW increase, CCBHC funding for implementation of 14 sites, funding for the KB vs. Lyon Lawsuit of \$91 Million, Other funding lines included were Local Match Draw down, 5-year Inpatient Psychiatric Plan, SOR Grant, BHC Supports and Services and Specialty Medicaid Managed Care Health Plan for Foster Children. Boilerplate language highlights were included in the document issued to the group. Kay Back wondered how capitation payments for CCBHCs received through the grant were subsidizing commercially insured individuals. Alan clarified that the demonstration sites did not have a line item prior to this budget, but with the establishment of this line, demonstration sites can now be established and expanded. Jim Johnson stated that Medicaid is only going to pay for what they would have paid for originally. He stated that there will be a cost settling method used, with expansion for the mild to moderate population. Lisa Williams reported that a portion of the additional money from the government that is being matched is capitated—a portion is wraparound payment or PPS. CCBHC expansion is different from Demonstration. Expansion is grant funded by the grant. Under both Demonstration and Expansion Medicaid services for Medicaid consumers are still billed to Medicaid and private insurance was billed for non-Medicaid consumers.

SB 714 – Supplemental budget

Alan gave details on the Mental Health Supplemental introduced by Senator Shirkey which he stated was meant to “complement SBs 597 & 598”. Of the \$348 Million appropriated, over half would go directly to hospitals, \$100 Million for pediatric inpatient infrastructure, \$50 Million for community-based care, and \$35 Million to miscellaneous items. Alan stated this would likely be tie-barred to SBs 597 & 598.

SB 597 & 598 – Financial Integration Bills

Alan reported on the changes made to these bills which included changing the number of phases from 3 to 4, timeline of each phase changing to 2 years, integration date changed to 2030, adding language that allows the department to terminate a phase if it was deemed unsuccessful, and changes made to the Mental Health Code language in Chapter 2 which changes the roles of CMHs after integration to allow the Health Plans to assume that role. CMHs would simply be in a Provider type role. Local decision making would be moved to out of state Boardrooms across the country. Alan stated that changes may be made on the Senate floor, so everyone will need to pay close attention to these bills. Alan also reported that he was unsure if these will pass out of the Senate yet this year and may likely be moved to next year. Group discussed whether other States could be pointed to as an example of managed care disastrous changes such as these proposals. Alan stated that there are a number of states, including Iowa, where this type of plan just did not work. The data used from Iowa is supportive that this is a bad move for our state. Group then discussed the agencies and folks in the business community that have joined us in opposition of this legislation. Annette Downey asked if there was a plan to get all of this detrimental information out to folks across the State. Alan stated that the Action Alerts, emails, and phone calls were out there. The Association is also using social media and encouraging everyone to contact their legislators. Annette urged Alan to use I/DD population are included in the videos, as well as other diverse populations. Alan agreed, stating that the Crossroads Clubhouse production was a one-time shot, but others will be recorded as well. Alan gave details of white boarding on social media that is being done at West Michigan CMH. He reported that this method is being developed for use on CMHA's social media at this time. An animated video that describes what the issues are and how to get more involved. Lisa Williams explained how the whiteboard method was much less of a high-level view of the problem and helped to get the average citizen more involved.

Alan stated that there was not much of an update on the House (Rep. Whiteford) Proposal. He reported that there are likely to be more changes to this package that would have the ASO be in a contract with the State directly and have all the dollars and oversight go directly to the CMHs. It would still eliminate the PIHPs and replace them with the single ASO. The fact remains that we will have to wait and see what the final proposed package will look like.

Alan reported that the Democratic Listening Tours wrapped up on Monday of this week. Any type of package that may possibly be put together remains to be seen.

Group wondered if any of the legislators were willing to talk about or look at outcomes from the KB vs. Lyon Lawsuit. Alan stated that Rep. Whiteford included \$500,000 for an assessment on moving children's services, so yes, legislators are talking about managed care entities, but they need to see that appropriate funding for that population can achieve the objectives of MI Kids Now.

SBs 637 & 638 – Mobile Crisis teams

Alan reported that \$5 Million was appropriated for Mobile Crisis Teams through this legislation to show proof of concept. SBs 637 & 638 would provide grants to local communities to expand MCTs and create jail diversion funds within the state treasury to operate funding for continued efforts.

HB 5165 – National Health Service Corps (NHSC)

Alan reported that House Bill 5165 would put in place a loan repayment program for professionals such as psychiatrists and psychologists through the National Health Service Corps (NHSC). Many are involved in the efforts to change the sliding scale in place that has previously prevented the use of this repayment program. Rep. Whiteford sponsored this bill.

Policy Updates – Alan Bolter provided updates on Bob Sheehan's behalf.

Alan stated that Bob Sheehan included information on these topics in the packet issued to them and provided short updates on the following areas.

KB lawsuit settlement (MI Kids Now)

Alan reported that discussions are ongoing with the Department on this issue.

Crisis Stabilization Units

Alan reported on the Concept Paper put together by the State and the vision for the CSUs. Christine Gebhard reported that the workgroup will be establishing procedures and processes to move forward.

988: See attached

Alan pointed the group to the 50-page document issued to the group with information on this topic.

Michigan's Medicaid telehealth policy development

Alan again pointed the group to the telehealth policy recommendations that were included in the packet with information for the group. He stated that congress just passed their infrastructure legislation which is likely to include broadband capabilities and connectivity critical issues in being able to provide these services. Group asked when the waiver for telehealth services expired.

Annette stated she thought it was the end of December. Jim Johnson stated that it may be tied to federal declarations of emergency, which are every 90 days, so another extension would be done at the beginning of the year.

Next Meeting

The next meeting of the Legislation & Policy Committee is scheduled for Wednesday, January 19, 2022 at 9:30am. This meeting will be held in-person AND via Zoom.

Meeting adjourned at 10:37am.