

CEO Report
February 17, 2022

Hello and good afternoon. It is a Great Day to be a part of the Lake Shore Regional Entity!

1. BEACON CONTRACT UPDATE

Beacon and LRE kicked off de-implementation activities on 2/7/22. Beacon has assigned a senior project lead from the de-implementation team that will coordinate with all Beacon leads and LRE to insure a thoughtful, smooth transition. The main steering group will meet monthly but there are other subgroups meetings to assure that the necessary level of detail is reviewed in each area (some examples- Appeals, SIU, Finance, Reporting, Clinical, etc.). These subgroups will communicate to the overall de-implementation project team.

Finance

Provided December 2021 & January 2022 Revenue Projections

Utilization Management

The Beacon LRE clinical leadership team has begun auditing PAS and CSR documentation, for consumers with Medicaid admitted to the inpatient level of care, on or after January 1, 2022. Since Network180 had given the clinical team access to their EHR, the team was able to begin auditing documentation early in January. The last January discharges were reported recently, resulting in documentation being requested from the remaining 4 CMHSPs. Audit results will be shared in the UM ROAT. These efforts are intended to increase Inter-Rater Reliability, within the region.

As in previous months, the Beacon UM team continues to handle the reporting of weekly FUH data for the region. The Beacon Clinical Manager has met with the LRE Clinical Manager, to begin providing education about the requirements and nuances of this report.

Beacon clinical staff continue to be available to conduct retrospective reviews. The team is also assisting the appeals department with completion of the PA Services Referral Form for network180's appeal cases and attending/contributing to those weekly meetings to discuss relevant appeals with the CMH and Appeals Department. Grand Rounds continue to be available monthly, with the respective CMHs. Additionally, the team arranges for complex case conferences with the MD, as requested.

Integrated Healthcare

In January, monthly joint care coordination meetings were held with each of the Medicaid Health Plans that serve this region. During the January meetings, 72 consumers were discussed with their respective MHPs related to their potential or continued benefit from having an interactive care plan within the State's claims database, CC360, and subsequently improving the care they receive and their quality of life, removing barriers, and decreasing unnecessary utilization of crisis services. There were 13 consumers discussed with their MHPs, wherein an

interactive care plan was not created, but joint collaboration took place. During January, there were 11 new interactive care plans opened, with agreement by the respective CMHs and Medicaid Health Plans.

2. STATE “ACTION PLAN” DISCUSSIONS

On January 24th, LRE and MDHHS signed the Sanctions Settlement Agreement, and the Sanctions were lifted. The LRE since has received an annual contract on the same rotation as other PIHPs.

3. HISTORICAL DEFICIT

Meeting was held with Al Jansen on 2/7/2022, and then a meeting was arranged between LRE and MDHHS staff which included Al Jansen, Director Hertel, and Farah Hanley. LRE presented the current status and financial standing, as well as 5 or 6 options for consideration regarding the resolution of the Historical Deficit. MDHHS advised they would discuss internally. MDHHS encouraged the LRE to reach out to them with any other proposals or questions that may arise.

UPDATES FROM LANSING

1. STATE OF THE STATE

January 26th Governor Whitmer delivered her fourth State of the State. She highlighted five specific proposals:

- i. A rollback on Michigan’s pension tax
- ii. Raise the earned income tax credit
- iii. Hold drug companies accountable who skyrocketing insulin prices
- iv. Offer a \$2500 rebate for the purchase of an electric vehicle on top of the \$7,500 federal credit and a \$500 rebate for at-home charging infrastructure
- v. **Expand access to mental and behavioral health** by recruiting and retaining hundreds of mental health workers. Governor Whitmer wants every person in Michigan to have access to the quality, affordable mental and physical care that they need. She is calling for an expansion of the Michigan State Loan Repayment Program (MSLRP) program for behavioral health providers and requesting a new investment in the School Aid Budget for school-based nurses, counselors, and social workers thru increasing funding for mental health professionals in our schools. This expansion will help retain or recruit hundreds of mental health care providers to Michigan. Last year, Governor Whitmer also proposed MI Healthy Communities, a \$1.4 billion proposal that would increase capacity for community-based behavioral health and substance use disorder treatments.

2. BUDGET UPDATES

December 15, 2021, the Michigan Legislature concluded its legislative business for 2021

- Yearend book closing supplemental & Federal COVID supplemental (\$850 million):

- **COVID-19 Substance Abuse Prevention and Treatment Block Grant**
Includes \$47.1 million in federal funds for community substance abuse services for prevention activities, treatment, and recovery support services to individuals and communities.
- **Federal Mental Health Block Grant**
Includes \$19.7 million in federal funds for community mental health services and mental health treatment for adults with serious mental illness and children with serious emotional disturbance.
- **Behavioral Health Substance Use Disorder Pilot – \$1.2 million**
- **Mental Health Crisis Services (Oakland Co) – \$100,000**
- **Great Lakes Center for Autism – \$2.5 million**

January 14, 2022 – Revenue Estimating Conference

- Projections show Michigan carrying estimated \$5.8 billion in extra state revenues (GF/GP) and approximately \$15 billion in leftover COVID-19 recovery money and infrastructure investment dollars.

February 9, 2022 – Governor’s FY23 Executive Budget Presentation

3. **LEGISLATIVE REDISTRICTING**

On Tuesday, December 28, Michigan’s first-ever Independent Citizens Redistricting Commission (ICRC) took a historic vote to adopt final maps for the U.S. House, Michigan House of Representatives, and Michigan Senate.

Overall

New maps have made both the Michigan Senate & House more competitive.

- Republicans have held majority in the Michigan Senate since 1984.
- Senate Maps (38 senate districts) – 17 districts favor/lean Democrat / 18 districts favor/lean Republican – 3 toss-up districts
- House Maps (110 house districts) – 36 districts solid/likely Democrat / 43 districts solid/likely Republican – 31 competitive seats, 15 of which are considered a “toss-up”

2022 Election Impact

Most experts think 2022 election will favor Republicans due to the low approval rating of the President and the typical mid-term dip for the party in control in DC.

- Lean republican control in both chambers in Michigan Legislature

4. **SYSTEM REDESIGN PROPOSALS**

House Democratic Caucus

As many of you may remember, last October-November the House Democratic Caucus

hosted a series of mental health listening tours around the state focusing on the current state of Michigan's community mental health system. Through these listening tours, Rep Brabec and others were able to learn about the great work being done locally throughout our community mental health system as well as identify areas of opportunity. Issues such as access, workforce recruitment and retention, and funding were all common challenges across the state.

Rep. Brabec will be holding a briefing Friday, February 18th from 10-11am where she will update our statewide partners on some of our key findings and next steps. (I have included the two-page report detailing the findings).

House Redesign Bill (Rep. Whiteford's Bills)

Last May, Rep. Mary Whiteford introduced HBs 4925-4929, which would replace the state's 10 PIHPs with a single public or nonprofit administrative services organization (ASO) and empower the Department of Health and Human Services (DHHS) to develop, implement, and oversee the core functions of the system.

Last year, prior to the legislative summer recess the House Health Policy committee did hold 2 public hearings on the package but did not take a vote.

- Over the past 7 ½ months Rep Whiteford has traveled the state talking to numerous groups (CMHS, providers, PIHPs, and consumers) gathering feedback and suggestions regarding her proposed legislation.

New Versions are expected to be released in February.

Senate Proposal – Gearing Towards Integration (Senator Shirkey's Bills)

VERY serious threat – Senator Shirkey is planning on moving this forward. He refers to this as his legacy package.

- Sen Shirkey controls what happens in the MI Senate
- MDHHS is not going to get involved at this point – and therefore has not come out against it.
- Where does the Governor Stand on this bill? Will she veto it? Or will she trade it for something else she wants?

Bills were introduced in mid-July 2021 referred to the Senate Government Operations Committee (Chair Sen. Shirkey)

- Committee heard testimony on 9/14, 9/21 & 9/28
- Bills voted out of committee on 10/26

SB 597

- Reconfigures the phases so that the 1st phase focuses specifically on children (both foster youth and those with a SED), the second phase focuses on SMI adults, the third phase focuses on individuals with a SUD

diagnosis, and the I/DD population is in the fourth phase (there were only 3 phases initially, as the first phase originally included kids and adults with an SMI/SED diagnosis).

- Extends the duration of each phase from 18 months to 2 years.
- Extends the full integration date from 2026 to 2030 (to account for the new phase timeline).
- Adds language that would allow MDHHS to terminate a phase if it is deemed unsuccessful (in consultation with the behavioral accountability council).
- Requires the BH Accountability Council to conduct their own evaluation of each implementation phase and provide MDHHS with the results of their evaluation. The council's results could ultimately be used in the department's separate evaluation and final determination of their findings.
- Requires that any GF money distributed to the CMHs or other providers (as determined by the department) must receive 100% of the intended reward – no administrative fees would be permitted.

SB 598 (Bizon)

- The bill wipes out the CMH system – Sec. 203. **After the specialty integrated plan has completed a successful transition, the specialty integrated plan shall take over the duties set forth in this and the community mental health services program shall no longer be responsible for those duties.**
- Adds the following additional members to the behavioral health accountability council:
 - The director of the office of Recipient Rights
 - One individual representing an organization or institution with experience on physical and behavioral health;
 - One individual representing a private provider or agency of SUD services.
- Floor action anticipated in late February with new drafts.

Afghan National Update

This update has been prepared by the Office of Global Michigan for sharing with the following local agencies in Michigan: **WIC** (Women, Infants, and Children), **CMH** (Community Mental Health), and **LHD** (Local Health Department) **Health Officers**. Note, information is coming quickly and is subject to change.

Afghan arrival numbers as of 2/8/22.

Michigan Weekly Afghan Arrivals Status Report

<i>Affiliate/City</i>	<i>Resettlement County</i>	<i>Approved</i>	<i>Assured</i>	<i>Arrived</i>	<i>Proportion Arrived/Assured</i>
JFS/Ann Arbor		330	290	284	97.9%
	Washtenaw	330		284	
USCRI/Dearborn		300	303	275	90.8%
	Wayne	undetm		275	
	Oakland	undetm		undetm	
	Macomb	undetm		undetm	
Samaritas/Troy		350	334	318	95.2%
	Wayne	undetm		318	
	Oakland	undetm		undetm	
	Macomb	undetm		undetm	
CCSEM/Clinton Twp		50	48	47	97.9%
	Wayne	undetm		47	
	Oakland	undetm		undetm	
	Macomb	undetm		undetm	
Samaritas/Grand Rapids		125	109	109	100.0%
	Kent	125		109	
BCS/Grand Rapids		280	226	220	97.3%
	Kent	undetm		220	
	Muskegon	undetm		undetm	
	Ottawa	undetm		undetm	
Samaritas/Kalamazoo		140	111	96	86.5%
	Kalamazoo	140		96	

BCS/Kalamazoo		50	43	43	100.0%
	Kalamazoo	50		43	
SVCC/Lansing		300	276	247	89.5%
	Ingham	300		247	
Private Sponsorship/Lansing		5	5	0	0.0%
	Ingham	5		0	
		1930	1745	1639	93.9%

<i>County</i>	<i>Approved</i>	<i>Assured</i>	<i>Arrived</i>	<i>Proportion Arrived/Approved</i>
Ingham	305	281	247	81.0%
Kalamazoo	190	154	139	73.2%
Kent/Ottawa/Muskegon	405	335	329	81.2%
Washtenaw	330	290	284	86.1%
Wayne/Oakland/Macomb	700	685	640	91.4%
	<i>1930</i>	<i>1745</i>	<i>1639</i>	<i>84.9%</i>

Approved=National agencies have approved this proposed number of arrivals; Assured=Clients in the process of arriving, or have already arrived in MI; Arrived=Clients are in MI.

FY23 Executive Budget Proposal

Specific Mental Health/Substance Abuse Services Line items

	<u>FY'21 (Final)</u>	<u>FY'22 (Final)</u>	<u>FY'23 (exec rec)</u>
CMH Non-Medicaid services	\$125,578,200	\$125,578,200	\$125,578,200
Medicaid Mental Health Services	\$2,653,305,500	\$3,124,618,700	\$2,975,480,500
Medicaid Substance Abuse services	\$87,663,200	\$83,067,100	\$82,657,700
State disability assistance program	\$2,018,800	\$2,018,800	\$2,018,800
Community Substance Abuse (Prevention, education, and treatment programs)	\$108,333,400	\$79,705,200	\$79,705,200
Health Homes program	\$26,769,700	\$33,005,400	\$61,337,400
Autism services	\$271,721,000	\$339,141,600	\$286,697,900
Healthy MI Plan (Behavioral health)	\$589,941,900	\$603,614,300	\$583,086,100
CCBHC	\$0	\$25,597,300	\$101,252,100
Total Local Dollars	\$20,380,700	\$15,285,600	\$15,285,600

Other Highlights of the FY23 Executive Budget

The Executive Budget provides significant funding to enhance and expand availability of behavioral health services. The Governor proposes new resources to specifically address a shortage in available inpatient beds for children and adults through enhancements to existing capacity as well as the eventual replacement of outdated state hospital facilities.

FY 22 (Supplemental Request)

- **\$135 million** to promote recruitment and retention of behavioral health direct care staff, a one-year bonus payment will be provided on per pay period basis to almost 1,000 state psychiatric hospital direct care staff and to approximately 50,000 behavioral health workers operating in Michigan communities.
- **\$5.25 million** to renovate two additional units at Hawthorne
- **\$5.75 million** to operate forensic center satellite facilities (82 FTEs)
- **\$15 million** to renovate the new CFP Satellite Facility
- **\$14.8 million** to purchase access to private, inpatient community-based services
- **\$31.8 million** for non-clinical nursing home staff (\$2.35 for non-clinical staff)

FY 23 One-Time

- **\$25 million** for student loan reimbursement for behavioral health providers working in HPSAs.
- **\$15 million** to the Jail Diversion Fund to be used by the Mental Health Diversion Council to distribute grants to local entities to establish and expand jail diversion programs in partnership with local law enforcement and behavioral health services providers, ensuring that individuals with mental illness receive appropriate treatment
- **\$325 million** in one-time general fund towards the design and construction of a new psychiatric hospital campus that would ultimately replace the state-operated beds at Hawthorn Center and the Walter P. Reuther State Hospital. The new facility will have the capacity to operate 260 beds, 45 more than the two combined currently have, to provide inpatient psychiatric treatment, care, and services to children, adolescents, and adults. Enactment of the recommended funding in FY 2023 would allow the state to open this new campus as early as 2027

FY 23 Ongoing

- **\$16 million Gross** Currently, the behavioral health homes program exists in 37 counties and opioid health homes are in 40 counties. The proposal is to expand Behavioral Health homes to 5 additional counties and opioid health homes to 9 additional counties will increase access to behavioral and physical health, improve health outcomes for people who need mental health and substance use disorder services, and promote care coordination.
- **\$10 million GF** for two new units to be renovated and established at Hawthorn Center to allow 28 more children access to needed inpatient hospital services.
- **\$11.5 million GF** for a satellite facility for the Center for Forensic Psychiatry will also be established to allow an additional 28 beds for persons in need of forensic care and to reduce strain on existing state hospital beds for adults. A total of 164 additional staff will be hired to enable each facility to provide both clinical and non-clinical services. The intent is to provide immediate relief to the behavioral health system and create access for individuals in need of services.
- **\$29 million Gross** to increase the availability of inpatient community-based mental health services to support an additional 48 adults and 12 children. Funding will be used by DHHS to contract with private providers for intensive treatment (including crisis stabilization, diagnostic assessment, medication, and community support) outside of state-operated beds. Administrative support will be critical to ensure successful implementation of this initiative.
 - **\$750,000** for 5 FTE positions funded within DHHS to oversee efforts in community-based settings program placement
- **\$59 million** for non-clinical nursing home staff (\$2.35 for non-clinical staff)

Mental Health in Schools

- \$150 Million – Statewide Expansion of the Transforming Research into Action to Improve the Lives of Students (TRAILS) program
 - Builds capacity in school buildings for teachers and school leaders to help students manage stress, build healthy relationships, and manage their own mental health, funding is over three years
- \$25 million – Universal mental health screenings
 - Collaborates with universities to develop and deploy a Michigan-survey in schools which will collect, analyze, and report on mental health data
- \$120 million – School-based mental health professionals
 - Provides funding for additional mental health professionals and counselors in schools, could allow for up to 425 staff over the three years
- \$50 million – Strengthen school-based mental & physical health
 - Increases existing appropriations for mental health grants from \$37.8m to \$87.8m
- \$11 million – Expand school-based health clinics
 - Open 40 new school-based health clinics and serve 20,000 more kids ages 5-21
- \$5 million – Expand specialized service for children with severe mental health needs
 - Connects local mental health professionals with psychiatry support as they treat children with significant needs. This helps expand access to psychiatric services and build capacity in local communities
- \$15 million – Strengthen school-based mental and physical health
 - Create model that will expand services for youth threatening violence. Identify and implement cross-sector approaches to prevent mass violence through partnership with schools, public safety, mental health professionals, and communities
- \$50 million – School safety grants
 - Expands allowable uses to include personnel (including trained school resource officers) and training for new and existing staff

Report by Mary Marlatt-Dumas, CEO, Lakeshore Regional Entity

ENHANCING OUR Community Mental Health SYSTEM



MENTAL HEALTH LISTENING TOUR
MICHIGAN HOUSE DEMOCRATS

Overview

Between September and December 2021, Michigan House Democrats held over 15 Mental Health Listening Tour stops throughout Michigan. The goal of these tours was to facilitate a guided discussion among local mental health practitioners, consumers, and their families on the current state of our Community Mental Health (CMH) system in Michigan. The tour was meant to ensure that any changes to our CMH system were consumer-centered. Consumers and families need to be actively involved in the planning and delivery of services at all levels of the system.

Through these listening tours, we were able to learn about the great work being done locally throughout our CMH system as well as identify areas for improvement. Issues such as access, workforce recruitment and retention, and funding were all common challenges across the state. Michiganders deserve and expect a strong public mental health system. By implementing key policy changes and making targeted investments, Michigan can continue to enhance the system it has built over the past 50 years and create a system that is accessible, person-centered, and community-driven.

Key Takeaways

- 1. Keeping Community Mental Health in the Community:** Consumers and mental health practitioners alike support a community-based approach. Most people do not want to see services and decision-making taken out of the local setting. There are countless local partnerships that are working well and should not be disrupted. In fact, many argued that it is through local partnerships that consumers are able to get appropriate services.
- 2. Elevating the CCBHC Model:** Certified Community Behavioral Health Clinics (CCBHCs) are a new provider type in Medicaid that must directly provide (or contract to provide) nine types of services. They emphasize 24-hour crisis care and integration with physical health care. CCBHCs are available to any individual in need of care, which is crucial in helping improve access to care for our mild-to-moderate population. Supporting the implementation of CCBHCs in the initial pilot sites (there are currently 36 sites in Michigan) and continuing to scale up statewide is imperative in improving access to care for all Michiganders.
- 3. Constant Efforts to Restructure Creates Instability Within the System:** There have been numerous proposals over the years that would drastically alter how behavioral health care is delivered in Michigan. From drastic funding cuts to complete system overhauls, each measure (real or perceived) destabilizes the system and directly impacts consumers, their families, and workforce recruitment and retention.



15 Listening
Tour Sessions

88 Panelists

30+ Hours Spent
Listening

38 Survey
Responses

450 Attendees

Report prepared by

State Representative Felicia Brabec
101st Legislature • December 2021

Key Takeaways (continued)

- 4. Improving Workforce Recruitment and Retention:** The pandemic has only exacerbated already existing workforce issues. Across the state, we are seeing challenges in recruiting and maintaining a qualified workforce. Commonly cited challenges include low wages and benefits, overly burdensome documentation, increased workload, need for child care, lack of training reciprocity, and lack of professionalization of career paths – particularly for our direct care workers.
- 5. Adopting a New Funding Strategy:** Over the years, a number of financing decisions have systematically restricted the ability of Michigan's public mental health system to meet the needs of Michiganders. Funding is far below what is needed to meet growing demand. General Fund cuts, the inability of the public system to retain savings, and insufficient Medicaid reimbursement rates are all issues that need to be addressed.
- 6. Relieving Administrative Burdens:** In the behavioral health system, there is a tremendous amount of duplication and redundancy in the way the state reviews and audits. There needs to be oversight of the system, but we need to eliminate the duplication and non-value added requirements. These administrative burdens often take away time from helping consumers, and can create significant hurdles for those seeking care.
- 7. Addressing Barriers to Access:** There are still barriers to access for consumers for a multitude of reasons. We need to continue to support the work of the system in coordinating the network of services necessary to address the range of social determinants of health: housing, employment, food access, transportation, family support, child care, etc. The shortage of acute and residential psychiatric beds and broadband capacity to access telehealth are also key to addressing access.
- 8. Improving Stigma and Public Awareness:** Many people stressed the importance of destigmatization, education, and outreach. More needs to be done to lessen the impact stigma can have on seeking care. Similarly, there needs to be greater clarity in describing available services so that people know where the "front door" is.

Conclusion

There are many aspects of the Community Mental Health system that are working well for consumers and should be celebrated. The system has demonstrated strong performance in providing a wide range of services to multiple populations in the community setting. Much of these successes can be attributed to local partnerships, a person-centered approach to care, and the system's proven ability to control costs.

These successes prove the system is working. However, it is equally important for us to recognize areas in which the system can be enhanced. Through thoughtful, responsive legislation, we can work to address barriers to access, issues with workforce recruitment and retention, better address social determinants of health, and improve funding. We can also work to revise departmental policies to reduce duplication and redundancy within the system. There is much work to be done, but we are committed to offering changes in a way that actively involves consumers and their families.

