

# WORKGROUP PLAN TO ACHIEVE FUNDING EQUITY FOR ALL CMHSPS

(FY2008 Appropriation Bill - Public Act 123 of 2007)

March 1, 2008

**Section 462:** The department shall implement a funding equity plan for all CMHSPs that receive funds appropriated under the community mental health non-Medicaid services line. The funding plan should reflect a combination of a more equitable distribution methodology based on proxy measures of need and the recognition of varying expenditure needs of CMHSPs. The department shall submit the written equity funding plan to the senate and house subcommittees on community health, the senate and house fiscal agencies, and the state budget director by March 1, 2008.

*Michigan Department  
of Community Health*



Jennifer M. Granholm, Governor  
Janet Olszewski, Director

## **Workgroup Plan to Achieve Funding Equity for all CMHSPs**

### **Section 462**

This 2008 report relies upon those transmitted in 2006 and 2007 in compliance with Section 462 of the respective appropriations. The 2006 report outlined issues and considerations relative to the allocation of state fund; the 2007 report outlined further discussions relative to equity considerations. However, the Michigan Association of Community Mental Health Boards was unable to achieve a consensus within its membership regarding a preferred distribution method or formula without the infusion of additional state general funds.

The discussions of the work groups on funding equity identified several key principles:

- Proxy measures of need should guide the allocation process for non-medicaid funds and
- The funding distribution methodology should represent an attempt to address relative need across CMHSPs and to achieve greater equity among areas and groups in the provision of essential services

The DCH position was that the complexities involved and interrelationships among funding sources lead to a need to consider all sources of funding in equity-related decisions.

The work group discussions identified several related needs or “next steps” including:

- Pursuit of standardized community needs assessment
- Pursuit of standardized access/eligibility protocols
- Pursuit of a certification process for adults with serious mental illness

During FY2008, a significant achievement aimed at improving the consistency of statewide access to CMHSP services was the development of Access Standards. The Standards were developed with the input and review by consumers, families, stakeholders, PIHPs, CMHSPs and CAs. These Standards outline responsibilities for CMHSPs in determining access to services across funding streams. The Standards will be an attachment to the FY2009 PIHP and CMH contracts. DCH intends to initiate discussions on standard requirements for community needs assessment this fiscal year and plans to include these in the Program Policy Guidelines to be issued in 2009.