

## Update on the Section 298 Initiative

The Michigan Department of Health and Human Services (MDHHS) has developed this summary to provide an update on recent activities and upcoming events for the Section 298 Initiative. The following update is for **June 2019**.

### Implementation of the Pilots

- On March 9, 2018, MDHHS announced the pilot sites for the Section 298 Initiative.
  - Pilot #1: HealthWest and West Michigan Community Mental Health
  - Pilot #2: Genesee Health System
  - Pilot #3: Saginaw County Community Mental Health Authority
- MDHHS established a workgroup, composed of the Executive Director of each Community Mental Health Service Program (CMHSP), the CEO of each Medicaid Health Plan (MHP) in the pilot sites, and MDHHS representatives, to guide the implementation of the pilots.
  - The “Leadership Group” meets regularly to provide direction and guidance to the initiative.
  - The Leadership Group established several workgroups to develop the plans for implementing the pilots. The sub workgroups have been meeting regularly over the past year.
  - Progress has been made on the initiative, including developing a proposed Care Management Workflow; identifying an approach to key public policy needs; and defining key data sharing requirements critical to whole-person care.
- On June 14, 2019, [MDHHS and the pilot participants announced](#) that implementation of the pilots is being delayed until **October 1, 2020**. Several contributing factors led to this decision, including:
  - Pilot participants have not been able to reach agreement on the definition of integration or the structural framework of the pilots.
  - Major decisions regarding risk-management and ownership of the specialty provider network; utilization management claims, and other managed care responsibilities; rates and payment structures remain to be made.
  - Following resolution of outstanding issues, there remains significant implementation work and lead time needed to complete all of the technological, regulatory, contractual, and other changes needed for implementation.
  - Saginaw County Community Mental Health Authority withdrew from the pilots in May 2019.
- MDHHS remains committed to testing full financial integration and continues to support the work of the Leadership Group in reaching agreement on a model.
  - Pending successful agreement on a model by October 1, 2019, the plan is to launch the pilots no later than October 1, 2020.

- In the meantime, stakeholders are also pursuing opportunities to implement a number of the proposed activities that came out of the 298 Facilitation Workgroup process to support system coordination and improve readiness for pilot implementation in 2020 (including data-sharing and new care coordination workflows)

For questions about the update, please contact Jane Pilditch at [jpilditc@mphi.org](mailto:jpilditc@mphi.org). For general questions about the Section 298 Initiative, please contact [MDHHS-298@michigan.gov](mailto:MDHHS-298@michigan.gov). For more information about the Section 298 Initiative, please visit the department's website at [www.michigan.gov/stakeholder298](http://www.michigan.gov/stakeholder298).