

IMPROVE THE QUALITY OF SERVICES TO MEDICAID RECIPIENTS

(FY2007 Appropriation Bill - Public Act 330 of 2006)

January 1, 2008

Section 1687: (1) From the funds appropriated in part 1 for long-term care services, the department shall contract with a stand-alone psychiatric facility that provides at least 20% of its total care to Medicaid recipients to provide access to Medicaid recipients who require specialized Alzheimer's disease or dementia care. (2) The department shall report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the effectiveness of the contract required under subsection (1) to improve the quality of services to Medicaid recipients.

*Michigan Department
of Community Health*



Jennifer M. Granholm, Governor
Janet Olszewski, Director

**Michigan Department of Community Health
Medical Services Administration**

**Analysis of Pine Rest Christian Mental Health Pilot Project
January 2008**

Quality Analysis

In August 2006 an independent quality evaluation was conducted by Kim Motter, RN, from HHS, Health Options. The evaluation concluded that the program provides services in a timely manner to an underserved population. Issues to be addressed by Pine Rest, as identified in the evaluation, include challenges with discharge planning and charting requirements.

Per Member Per Month Cost of Service

An analysis of the cost for the Medicaid beneficiaries enrolled in the Pine Rest pilot project has been completed by the Medical Services Administration, Actuarial Division. Data was evaluated for 4 Medicaid beneficiaries for the 6 months prior to enrolling in Pine Rest and the 6 months during their enrollment. The pilot project began in April 2006 and only FY 2006 data was used.

Conclusion

The average Medicaid cost per member per month for the 6 months prior to enrollment was \$2,675. The average Medicaid cost per member per month during enrollment is \$10,864. **The average Medicaid cost per member per month is \$8,189 higher when enrolled in Pine Rest.**

Enrollment/Participation

The original proposal by Pine Rest indicated the program was a short term treatment and would serve numerous Medicaid beneficiaries. However, two of the beneficiaries have been enrolled for the entire time period of the pilot project.

Conclusion

Pine Rest has indicated there are problems when trying to return beneficiaries to their original housing/living arrangement. Nursing homes do not want to re-admit the person due to their original difficult behaviors and beneficiaries coming from the MiChoice Waiver have lost their slot and are put on the waiting list.