

Estimated Amount of Funding Necessary to Continue the Identical Level of non- Medicaid Mental Health Services

(Public Act 34 of 2014)

April 1, 2014

Sec. 302. The department of community health shall report by April 1, 2014 to the senate and house appropriations committees and the state budget director on the estimated amount of funding necessary for community mental health services programs to continue the identical level of service to non-Medicaid eligible individuals that was provided prior to the expansion of the Medicaid program under 2013 PA 107.

*Michigan Department
of Community Health*



**Rick Snyder, Governor
James K. Haveman, Director**

Estimated Funding Needed for Community Mental Health non-Medicaid Services

The current estimated remaining amount of fiscal year 2014 funding necessary for Community Mental Health Services Programs (CMHSP) to continue providing the identical level of services to non-Medicaid eligible individuals that was provided prior to the implementation of the Healthy Michigan Plan under Public Act 107 of 2013 is approximately \$67.6 million. This estimate reflects the April 1, 2014 implementation date of the Healthy Michigan Plan.

Community Mental Health services include, but are not limited to, the following: services for children not eligible for Medicaid, prevention, expenditures for the Children's Waiver and MI Child programs, Medicaid spend-down, pharmacy and pharmacy injectables, match for Michigan Rehabilitation Services, and support for Department of Human Services on-site case workers.

Remaining funding is predicated on continued caseload and utilization trends for the community mental health non-Medicaid population that will not be eligible for the Healthy Michigan Plan. These include those individuals who access mental health services available in this program, are between 19 and 64 years of age, and are above the 133% federal poverty level. The state actuary estimates that an average of 248,000 individuals will be eligible for and enroll in the Healthy Michigan Plan in fiscal year 2014. If fewer individuals are ultimately eligible for the Healthy Michigan Plan, then the population accessing non-Medicaid general fund services is expected to increase. The table below further demonstrates the anticipated general fund/general purpose funding level needed to continue serving the non-Medicaid eligible population.

Fiscal Year 2014 Community Mental Health Proposed General Fund Payment Schedule
(amounts in millions)

	October 2013 - March 2014	April 2014	May 2014	June 2014	July 2014	August 2014	September 2014	FY 2015 Anticipated Monthly Payment
Monthly Payment Amount October 2013 - March 2014	\$23.5							
April Payment Disbursed March 28, 2014		\$9.3						
Payment Adjustment for Implementation Transition		\$7.6	\$3.3					
Available Revenue Excluding Contingent Reserve			\$10.6	\$11.9	\$4.3	\$4.3	\$4.3	
Monthly Payment Subtotal without Contingent Reserve	\$23.5	\$16.9	\$13.9	\$11.9	\$4.3	\$4.3	\$4.3	
Maintain Current Services Utilizing Contingent Reserve	\$0.0	\$0.0	\$0.0	\$0.0	\$4.0	\$4.0	\$4.0	
Total Monthly Payments with Contingent Reserve	\$23.5	\$16.9	\$13.9	\$11.9	\$8.3	\$8.3	\$8.3	\$8.1
Cumulative year-to-date payments	\$141.1	\$158.0	\$171.9	\$183.8	\$192.1	\$200.4	\$208.8	
<i>Remaining Available General Fund without \$25 million Supplemental</i>	\$42.6	\$25.8	\$11.9	\$0.0	(\$8.3)	(\$16.7)	(\$25.0)	