



# **MDHHS: FY22 Budget Executive Recommendation**

February 17, 2021

# AGENDA

- **Critical COVID-19 response efforts**
  - Vaccinations
  - Testing
- **Current successes and new opportunities**
- **Investing in the future**

Fiscal Year  
2022 State of  
Michigan  
Budget Invests  
In:

- Critical COVID-19 Response Efforts
- Protecting the Most Vulnerable
- Cost-Effective Prevention Programs



# VACCINE STRATEGY GUIDING PRINCIPLES

- + All Michiganders have equitable access to vaccines.
- + Vaccine planning and distribution is inclusive.
  - Actively engages state and local government, public and private partners; and draws upon the experience and expertise of leaders from historically marginalized populations.
- + Communications are transparent, accurate, and frequent to build public trust.
- + Data is used to promote equity, track progress, and guide decision-making.
- + Resource stewardship, efficiency, and continuous quality improvement drive strategic implementation.

## 70%

of Michiganders age 16 and up vaccinated as quickly as possible.

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## 90%

of doses received are administered within 7 days of arrival.

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## 95%

of people get their second dose of vaccine within the expected time frame.



# CURRENT COVID-19 VACCINE ALLOCATION STRATEGY

## Flexible Allocation to Special Populations

Flexible allocation off top for MDHHS to allocate to special populations and provide agility to vaccination efforts.

## Hospital Baseline Population

- % of 2019 inpatient visits for individuals 65 years and older.
- % of the state's 2019 inpatient population for each hospital allocation.
- Can update in future based on other hospital metrics (i.e., outpatient reach).

## Equitable Allocation

Equitable allocation across Hospitals and LHDs using 1B populations as the basis.

- As ongoing populations become eligible, population allocations will shift.

## Social Vulnerability Index

Social Vulnerability Index used to weight LHD allocations by geography (if needed).

## LHD Baseline Population

- % of the state's baseline populations for each LHD jurisdiction.
- 65 years and older, identified front line essential workers, and teachers/childcare personnel for each LHD allocation.

## Vaccine Apportioned by Type

% of vaccine by type (i.e., Moderna, Pfizer) can be apportioned across hospital or LHD.

# Vaccine Strategy

- **STRATEGY 1: Get more people vaccinated**

- Work closely with local health officers to support FQHCs, mobile clinics, local health departments, school-based health centers, and other community vaccinators to specifically target vulnerable populations for vaccinations.

- **STRATEGY 2: Build robust network of vaccination sites**

- Create mass vaccination sites working with local partners, National Guard, pharmacies, and FQHCs, targeting harder to reach rural and urban areas; leverage existing testing sites.

- **STRATEGY 3: Promote efficiency in vaccine delivery and administration**

- Promote communication, mobilize public/private partnerships to enhance logistical support, and optimize distribution channels that prioritize administration to marginalized communities and efficient operational sites.



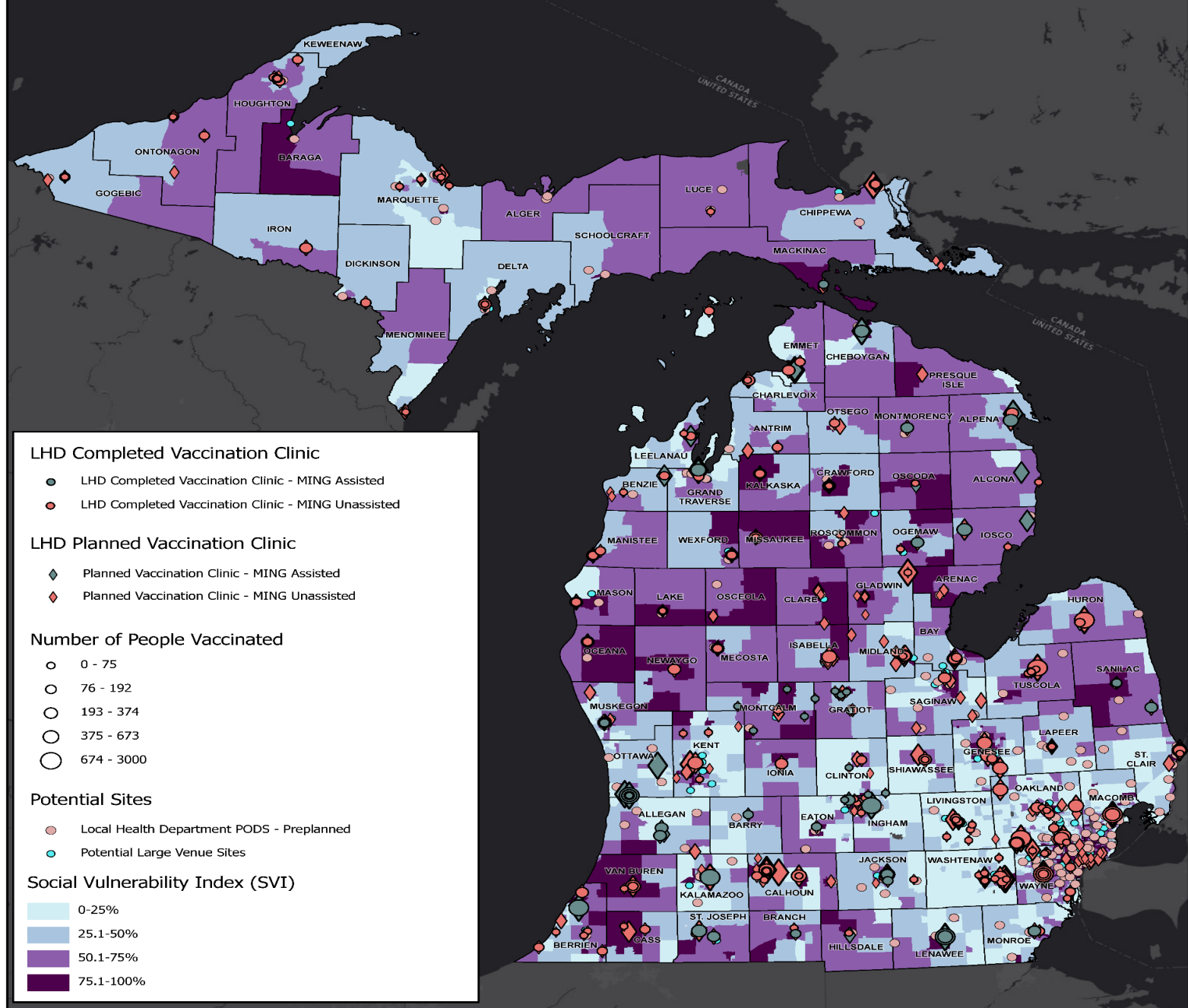
# Vaccine Strategy



- **STRATEGY 4: Mobilize personnel to maximize vaccination efforts**
  - Fund additional community vaccinators, expand EMS support and other contractual workers, utilizing MI Volunteer Registry with a targeted campaign to encourage participation and clinical students to enhance vaccination efforts.
- **STRATEGY 5: Empower people with information to gain confidence to get vaccinated**
  - Build out robust earned and paid media strategy to address vaccine hesitancy and target communication efforts to those with highest vaccine hesitancy and/or where hesitancy creates highest risk.



# Completed and Planned Vaccination Clinics



**LHD Completed Vaccination Clinic**

- LHD Completed Vaccination Clinic - MING Assisted
- LHD Completed Vaccination Clinic - MING Unassisted

**LHD Planned Vaccination Clinic**

- ◆ Planned Vaccination Clinic - MING Assisted
- ◆ Planned Vaccination Clinic - MING Unassisted

**Number of People Vaccinated**

- 0 - 75
- 76 - 192
- 193 - 374
- 375 - 673
- 674 - 3000

**Potential Sites**

- Local Health Department PODS - Preplanned
- Potential Large Venue Sites

**Social Vulnerability Index (SVI)**

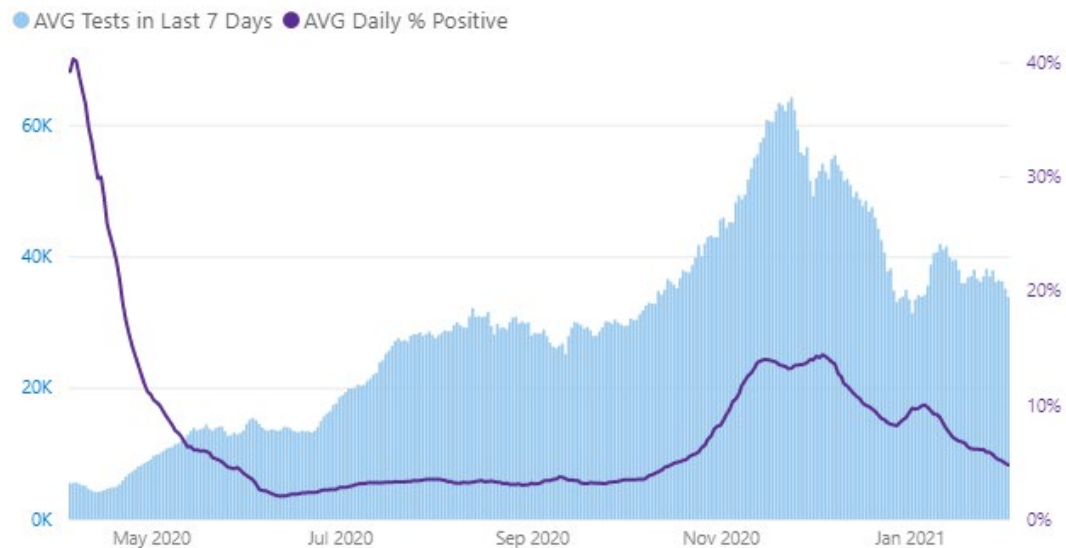
- 0-25%
- 25.1-50%
- 50.1-75%
- 75.1-100%

# Testing Efforts Continue

Combined PCR and antigen testing growth in the last 10 months (April 2020 to February 2021) continue to improve, increasing from 423 per million to 3,400 per million.

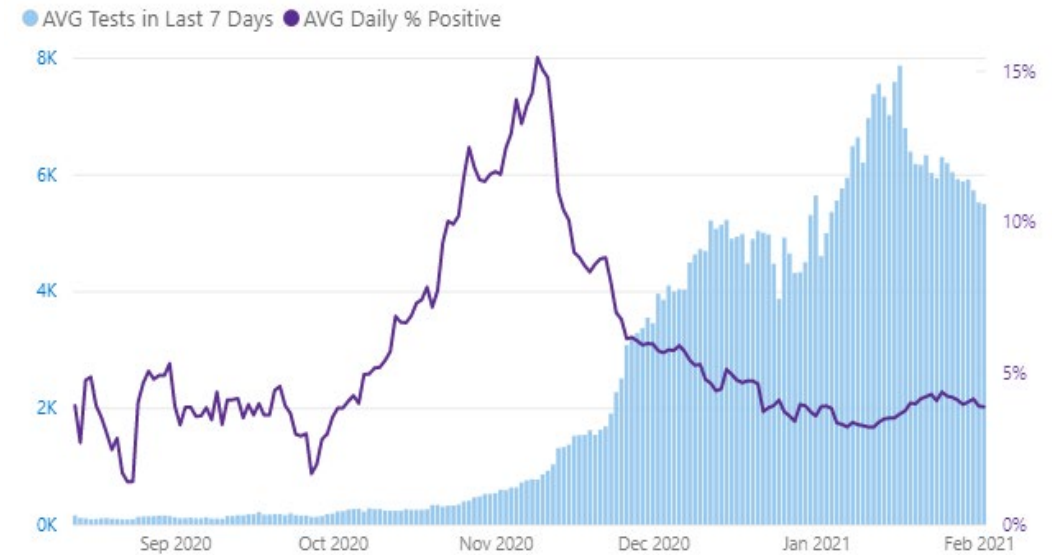
PCR testing (blue bars), positivity (purple line)

Daily Tests last 7 days AVG and AVG Positivity



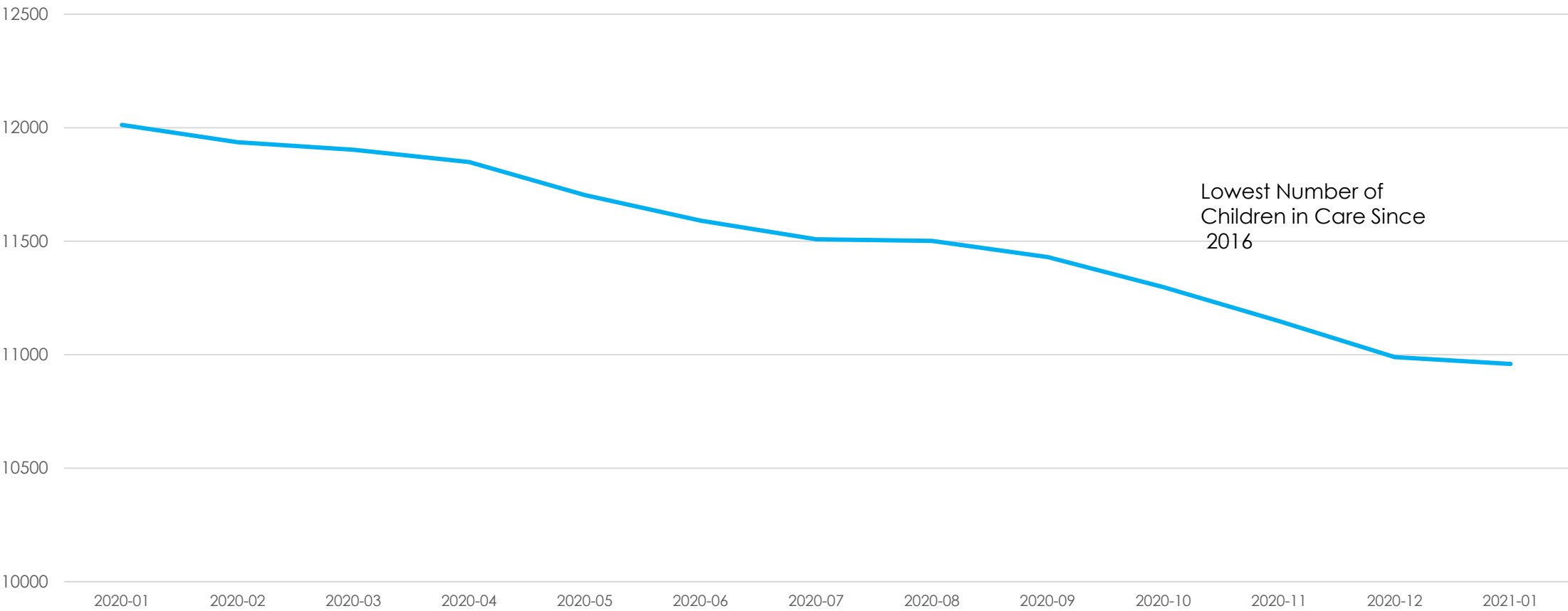
Antigen testing (blue bars), positivity (purple line)

Daily Tests last 7 days AVG and AVG Positivity



# Children in foster care

Children In Care By Month - 2020 Rolling 12 Month Average



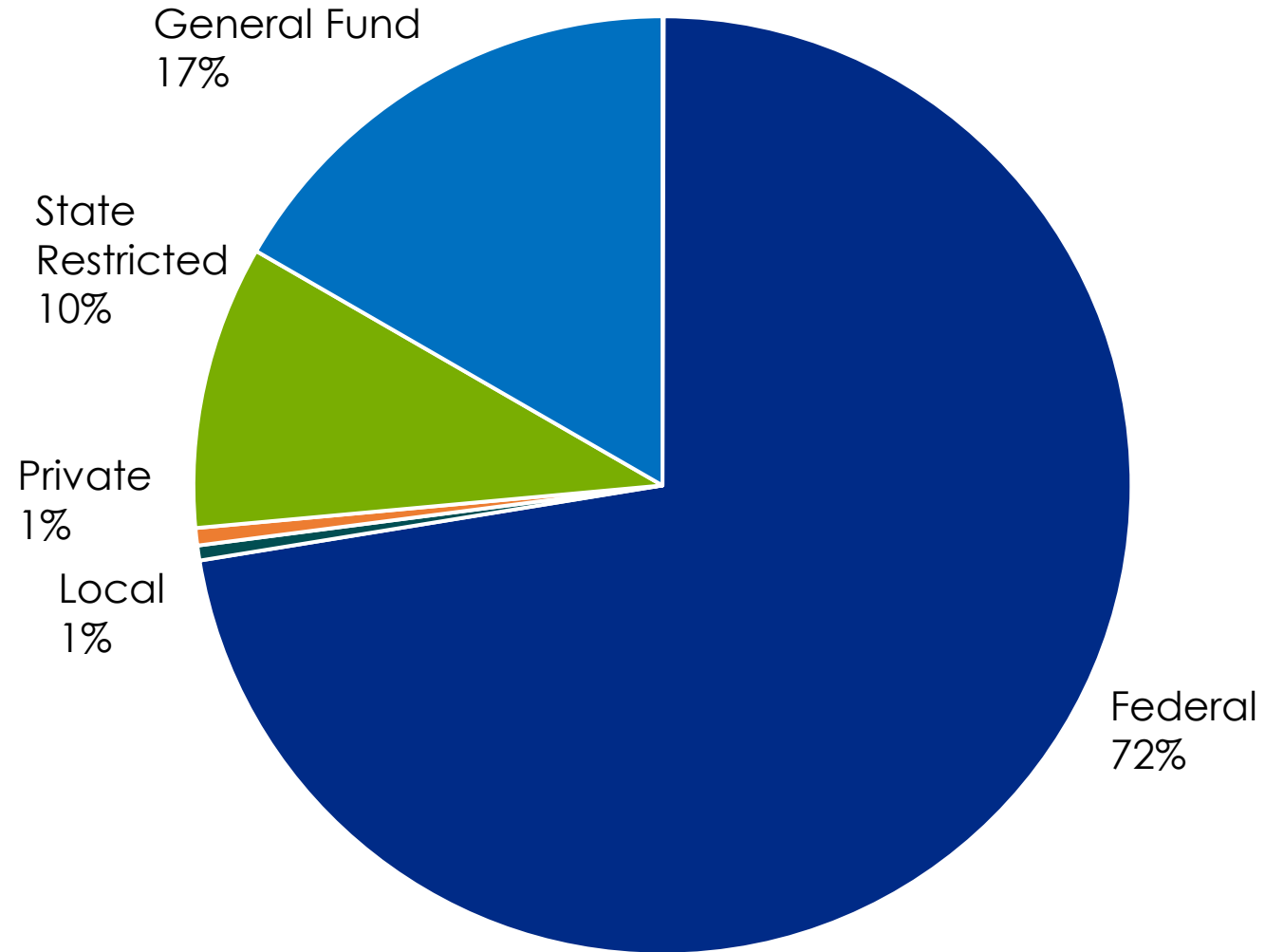
# MDHHS Services Statistics

- 97% compliance for worker child visits.
- **Maltreatment of children in care rate reduced from a high of 12.58 percent in 2019 to 8.1 percent in 2020.**
- Decreased foster care congregate care by 30%.
- Served over 300,000 Michiganders through the PIHP/CMHSP public behavioral health system.
- **Increased Behavioral and Opioid “Health Home” enrollment by 156%** since beginning of FY21 (nearly 2,000 high-need beneficiaries receiving comprehensive and integrated care management as a result).
- Expanded the Children with Serious Emotional Disturbance Waiver (SEDW) statewide; augmented the Children’s Waiver Program (CWP) by 100 slots.
- **Provided SUD treatment services to 24,000 pregnant/parenting women, half of which had involvement with the child welfare system.**
- Planning the development of the CMS CCBHC Demonstration, which will serve roughly 100,000 Michiganders with mental health/SUD needs.
- The *Michigan Model for Health* is implemented in five out of every six public schools, reaching at least 746,975 students each year.
- One million children are screened annually through the school-based hearing and vision program.
- **Child & Adolescent Health Centers reach approximately 44,000 youth with physical and mental health services.**
- Homes Lead Abated: 284 completed, 127 ongoing.
- Monitoring PFAS in 65 communities; sampled & assessed PFAS in drinking water from 1,291 households.
- **The Maternal Infant Health Program (MIHP) served 12,187 families and conducted 117,417 home visits (FY2020).**
- 367,320 children (out of 859,060 eligible children) who received a preventive dental visit through Medicaid, which represents 43% of the eligible population (FY2020).
- 292,135 WIC certifications (enrollments) completed from (YTD).
- Enrolled 2,400 families in evidence-based home visiting, including Nurse-Family Partnership, Healthy Families America, Early Head Start and Parents as Teachers.
- **96% of infants born in 2020 received a hearing screen under the Early Hearing Detection and Intervention (EHDI) program.**
- The Michigan Tobacco Quitline received 7,282 calls in FY20 resulting in 3,807 enrollments for the phone and online coaching programs.
- **2,933,420 individuals receive public assistance.**
- 1,284,827 residents receive and an average of \$376 monthly per household in food assistance for a total monthly issuance of \$209,192,142.
- 46,224 residents receive \$7,446,431 of FIP benefits.
- **\$750,782,697 issued in Emergency Allotment Food Assistance during the pandemic.**
- First round Pandemic EBT served 900,000 children providing \$375,152,685 in food assistance.
- 832,204 children on IV-D child support cases, received \$1.5B in collections.
- Issued \$20,807,601.73 in water payments to 106,000 accounts across 100 municipalities.
- **838,709 bed nights in emergency shelters or motels.**
- 18,974 new referrals were investigated by Adult Protective Services in 2020.
- **1.8 million total average eligible - traditional Medicaid.**
- 1.2 million children served in Medicaid.
- 380,000 disabled adults served in Medicaid
- **700,000 individuals enrolled in Healthy Michigan Plan.**
- 1.2 million children enrolled in Healthy Kids Dental.
- Medicaid covers 46% of all births in the state and two-thirds of all nursing home beds in the state.

## FY 2022 Budget

- The Governor's Recommendation for the FY 2022 DHHS Budget including ongoing funding of \$31.5 billion gross, \$5.2 billion general fund

### Total by fund



# FY22 General Fund Baseline Cost Increases



**Current Services Baseline Adjustments** of \$2.7 billion, \$19.0 million GF



\$299.6M gross, \$78.8M GF for **actuarial soundness**



Legislatively mandated programs:

- **Raise the Age**, \$29.1 million gross, \$24.2 million GF (for placing 17 year-old offenders in juvenile rather than adult corrections facilities)

- **Children's oral health screenings**: \$1.8 million gross and GF



- **Anticipated caseload needs** of \$1.8 billion gross, \$104 million GF/GP for child welfare, public assistance, Medicaid and behavioral health

- Total GF/GP costs are **net of savings** from enhanced FMAP

# Overview

|  | <b>GF (M)</b>  |
|--|----------------|
| <b><i>Reductions</i></b>                         | <b>(\$6.1)</b> |
| <b><i>Total ongoing investment requests</i></b>  | <b>\$183.5</b> |
| <b><i>Total one-time investment requests</i></b> | <b>\$48.1</b>  |

# Certified Community Behavioral Health Clinics

## *Context*

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- Only one-tenth of the 1.3 million Michiganders living with from behavioral health disorders are served by Michigan's public behavioral health system.
- **Over half with a mental health diagnosis and nearly 70% with a substance use disorder do not receive treatment.**

## *Response*

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- **Two-year demonstration pilot to provide integrated behavioral and physical health care services at 14 clinic sites.**

## *Expected impact*

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- **Increased access to and quality of behavioral health services.**
- **Improved patient outcomes.**
- **Cost-efficiencies for the state.**



# MI Choice Program Expansion

## Context

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- Through **MI Choice**, older or disabled persons who need help caring for themselves **can live independently**, while receiving nursing facility level of care.
- 70% of Michigan seniors would like to be in their homes, but only about 50% are in this setting.
- Michigan **ranks 45<sup>th</sup>** in share of long-term care expenses on home- and community-based services.
- Currently ~17,000 served through MI Choice.

## Response

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- **Provide funding for an additional 1,000 slots for Medicaid home- and community-based services to people who would otherwise require nursing home care.**

## Expected impact

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- **Improved health, welfare, and quality of life for elderly and disabled individuals.**
- **More Cost-effective.**

# Prevention of Foster Placements

## Context

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- Preventive investments safely **keep families intact safely** and **save money**.
- The Family First Prevention Services Act provides federal match.
- **Michigan is behind other states** on FFPSA implementation.

## Response

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- **Implement evidence-based services for families at risk of child removal.**

## Expected impact

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- **Reduced entry into foster care and group homes.**
- **Improved child & family outcomes**

# Child Welfare IT Modernization

## *Context*

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- Aging and failing IT system, MiSACWIS.
- “Persistent and significant defects.”
- Caseworkers routinely describe MiSACWIS as a **critical obstacle to serving kids.**

## *Response*

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- Completion of three additional modules to the new Comprehensive Child Welfare Information System: intake, investigation, and case management.

## *Expected impact*

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- Improved outcomes for kids and families.
- Increased caseworker satisfaction and retention.

# Sickle Cell Disease Initiative

## Context

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- Sickle Cell Disease (SCD) is the most common blood disorder in the United States, affecting an estimated 3,500 to 4,000 Michiganders.
- People with SCD are in desperate need of pain crisis prevention and management.
- Timely and accurate diagnoses are imperative to initiate preventative care measures, lifelong treatment, follow-up, and education.

## Response

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- Expand the CSHCS benefit to adults age 21 and older with SCD.
- Expand patient advocacy/outreach and referral services designed to improve quality of care.
- Offer additional clinics the resources to expand capacity.

## Expected impact

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- Improved access to quality specialty care for all adults with SCD enrolled in CSHCS
- Eligible children will have improved access to quality specialty care.

# Direct Care Worker Wages

## Context

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- **Direct care workers** have been on the **front line of the COVID-19 public health crisis.**
- **A \$2.00 hourly wage increase was approved:**
  - For April-June 2020 in 2020 PA 67
  - For July-September 2020 in 2020 PA 123
  - For October-December 2020 in 2020 PA 166
  - For January-February 2021 in 2020 PA 257

## Response

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- **Address longstanding challenges related to worker retention and job quality by making the \$2.00 hourly rate increase permanent.**

## Expected impact

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- **Better attract and retain additional high-quality direct care workers.**
- **Improved health outcomes and quality of life for people served and cared for by direct care workers.**

# Infant Home Visiting

## Context

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- Approximately **5,607 infants were born with prenatal substance exposure in Michigan in 2018**, and only 85 percent had an Infant Plan of Safe Care
- **Less than 58% had a referral to appropriate services.**

## Response

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- **Support 1,000 additional home visiting slots for support to infants born with substance exposure.**
- **Provide support to hospitals and clinics to hire or retain home visiting navigators to refer families to appropriate services and programs.**

## Expected impact

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- **Improved family access to evidenced-based home visiting programs and better engagement with participants to address this key risk factor among infants.**

# Children's Behavioral Health Integration

## Context

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- **Interim settlement agreement (KB v. Lyon) requires the state to improve its delivery of behavioral health services to children with mental or behavioral disorders and developmental disabilities.**
- Required Implementation Plan (under development) must include how the state will provide an array of **intensive home and community-based services.**
- Targeted population includes children enrolled in **Medicaid** and those served through the **child welfare system.**

## Response

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- **Development of a plan by April 2021.**
- **Working closely with attorney's plaintiffs with support from the Attorney General's office.**

## Expected impact

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- **Increased access to and quality of physical, behavioral, and children's health services.**
- **Improved patient outcomes.**
- **Better alignment of service to patient needs.**

# Other Investments

| <b>Investment</b>                       | <b>Description</b>   | <b>Gross (\$M)</b> | <b>GF (\$M)</b> |
|---|--|--------------------|-----------------|
| Nursing Home COVID Supplemental Payment | One-time supplemental increase in Medicaid payments to nursing facilities to provide support as they recover from COVID-19-influenced reductions in bed occupancy.   | 37.5               | 9.0             |
| Medicaid Redetermination Compliance     | Medicaid redeterminations have been paused during the COVID-19 pandemic. When they are resumed, funding for information technology changes and eligibility specialist worker overtime will be needed to process redeterminations in a timely and efficient manner. | 23.2               | 11.5            |



# Other Investments

| <b>Investment</b>              | <b>Description</b>  | <b>Gross (\$M)</b> | <b>GF (\$M)</b> |
|--------------------------------|---|--------------------|-----------------|
| Lead Poisoning Prevention Fund | Continued one-time funding supporting a public-private loan loss reserve fund to help eliminate lead poisoning in Michigan homes.   | 10.0               | 10.0            |
| Reducing Health Disparities    | Expanded use of community navigators to improve access to needed health coverage and other social supports. Funds will also improve screening and health data sharing and promote the interoperability of various health data systems operated by the Michigan Health Information Network system. | 8.4                | 5.1             |

# Other Investments

| <b>Investment</b>          | <b>Description</b>   | <b>Gross (\$M)</b> | <b>GF (\$M)</b> |
|----------------------------|--|--------------------|-----------------|
| Home Health and Safety     | Pilot program to promote necessary pre-weatherization construction, renovation, and repair services required to make single- and multi-family structures eligible for participation in energy efficiency or weatherization programs. | 5.0                | 5.0             |
| Cross-Enrollment Expansion | Efficiency improvements will allow the department to better identify and cross-enroll eligible low-income families into public and private assistance programs.  | 3.5                | 2.0             |

# Other Investments

| <b>Investment</b>                            | <b>Description</b>   | <b>Gross (\$M)</b> | <b>GF (\$M)</b> |
|--|--|--------------------|-----------------|
| Race, Equity, Diversity and Inclusion Office | This office will support training, technical support, and data collection and analysis to promote racial equity and inclusion in DHHS-administered services. | 2.1                | 1.7             |
| Autism Service Navigation                    | Funding is maintained in the Executive Budget on an ongoing basis. Support for this program has been included in recent budgets on a one-time basis.         | 1.0                | 1.0             |

# Reductions

Summary of all  
reductions

| Reduction Category                                   | GF/GP (\$M)  | Gross (\$M)   |
|--|--------------|---------------|
| Administrative Efficiencies/Prior Year Lapses        | (2.5)        | (5.6)         |
| Policy Changes                                       | (1.2)        | (3.8)         |
| Savings Generated from Federal or State Law Changes  | (2.4)        | (4.9)         |
| <b>Total Departmentwide FY22 Proposed Reductions</b> | <b>(6.1)</b> | <b>(14.3)</b> |

# QUESTIONS & DISCUSSION