

FY 17 Exec Rec

House Subcommittee
(HB 5274)

Senate Subcommittee
(SB 789)

Sec. 8-298. (1) The department shall transfer the service funds appropriated in part 1 currently provided to PIHPs through the Medicaid mental health services, Medicaid substance use disorder services, Healthy Michigan plan – behavioral health and Autism service lines to the Health plan services line by September 30, 2017. To implement this change the department shall:

- (a) Amend the contracts for the Medicaid health plans to include responsibility for covering the full array of specialty services and supports for eligible Medicaid beneficiaries with a serious mental illness, developmental disability, serious emotional disturbance, or substance use disorder up on completion of a plan to integrate these specialty services and supports in to the comprehensive health plan contract.
- (b) Engage external stakeholders in the development of the integration plan. This process shall include, but not be limited to the Michigan association of community mental health boards, the Michigan association of health plans and advocates for consumers of behavioral health services.
- (c) Contract with an administrative services organization to provide oversight of the Medicaid health plans and the CMHSPs and ensure continuity of care for the served populations. This organization would be responsible for, at a minimum, conducting analytics on claims from the Medicaid health plans and CMHSPs, reducing duplicative administrative functions at that CMHSP and the service delivery level, and advising state on performance outliers and population health status. The department may issuer a request for information to identify a competitive direct solicitation to procure services in accordance with state procurement policy.

Sec. 298. (1) The department shall work with a workgroup to make recommendations regarding the most effective financing model and policies for behavioral and physical health services for individuals with mental illnesses, intellectual and developmental disabilities, and substance use disorders. The workgroup shall include, but not be limited to, the Michigan Association of Community Mental Health Boards, the Michigan Association of Health Plans, and advocates for consumers of behavioral health services.

(2) The workgroup shall consider the following goals in making its recommendations:

- (a) Core principles of person-centered planning, self-determination, and recovery orientation.
- (b) Avoiding the return to a medical and institutional model of supports and services for individuals with behavioral health and developmental disability needs.
- (c) Coordination of physical health and behavioral health care and services at the point at which the consumer receives that care and those services.

(3) The workgroup’s recommendations shall include a detailed plan for the transition to any new financing model or policies recommended by the workgroup, including a plan to ensure continuity of care for consumers of behavioral health services in order to prevent current customers of behavioral health services from experiencing a disruption of services and supports. The workgroup shall consider the use of 1 or more pilot programs in areas with an appropriate number of consumers of behavioral health services and t range of behavioral health needs as part of that transition plan.

Sec. 296. By February 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations committees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office detailing a proposal to enhance services provided by PIHPs through the Medicaid mental health services, Medicaid substance use disorder services, Health Michigan plan – behavioral health and autism services lines and reform payment processes with the result of more money going to high-value patient care. The report must include, but is not limited to, proposals on how to do all of the following:

- (a) Increase access to high-value community-based services and resident choice of provider.
- (b) Increase access to integrated behavioral and physical health services within community-based settings.
- (c) Identify and increase the utilization of high-value services and identify and decrease the utilization of low-value services.
- (d) Integrate behavioral and physical health patient population risk stratification with opportunities for shared risk among contracted provider.
- (e) Align behavioral and physical health care providers’ clinical and claims data sharing.

(2) The contract amendment described in (1) shall require Medicaid health plans to contract with the existing CMHSPs for the provision of specialty services and supports.

(3) Sixty days prior to completing the contract amendment detailed in (1), the department shall provide a report describing the integration plan to the state budget office, senate and house appropriations committees and senate and house fiscal agencies. This report shall, at a minimum, detail the following:

(a) An assumed timeline for completion of the integration of behavioral health services into Medicaid health plan contracts.

(b) Information on the assumed change in rates that will be provided to Medicaid health plans as a result of the integration of behavioral health services into the Medicaid health plan contracts.

(c) Information on the projected fiscal impact of this change including any administrative savings that may be generated through the integration of behavioral health services into the Medicaid health plan contracts.

(d) A detailed plan describing steps that will be taken to ensure that current consumers of behavioral health service currently funded through PIHPs will not experience any disruption to their services and supports.

(e) A detailed plan describing how the department shall ensure the readiness of Medicaid health plans to take responsibility for services previously funded through PIHPs.

(4) The department shall provide, after each workgroup meeting, a status update on the workgroup's progress and, by December 1 of the current fiscal year, a final report on the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

(5) No funding that has been paid to the prepaid inpatient health plans in prior fiscal years from the Medicaid mental health services, Medicaid substance use disorder services, Healthy Michigan plan – behavioral health, or autism services appropriation line items shall be transferred or paid to any other entity without specific legislative authorization through enactment of a budget act containing appropriation line item changes or authorizing boilerplate language.