

# PILOTS FOR THE SECTION 298 INITIATIVE

The Section 298 Initiative is a statewide effort to improve the coordination of physical health services and behavioral health services in Michigan.

In the current behavioral health system, the Michigan Department of Health and Human Services (MDHHS) contracts with Michigan's 10 Prepaid Inpatient Health Plans (PIHP) to manage Medicaid-funded specialty behavioral health services. The PIHPs contract with 46 local Community Mental Health Service Programs (CMHSP) to deliver specialty behavioral health services. MDHHS also separately contracts with 11 Medicaid Health Plans (MHP) to manage Medicaid-funded physical health and mild-to-moderate mental health services. The MHPs contract with an array of different hospitals, primary care providers, and specialists to deliver these services.

In 2017, the Michigan legislature directed MDHHS to implement up to three pilots to test the integration of Medicaid-funded physical health and behavioral health services. As part of the pilots, MDHHS will contract with the Medicaid Health Plans (MHP) within the pilot regions for the management of Medicaid-funded physical health and behavioral health services. The MHPs will contract with the Community Mental Health Service Programs (CMHSP) within the pilot sites for the delivery of specialty behavioral health services and supports. The three pilot sites are:



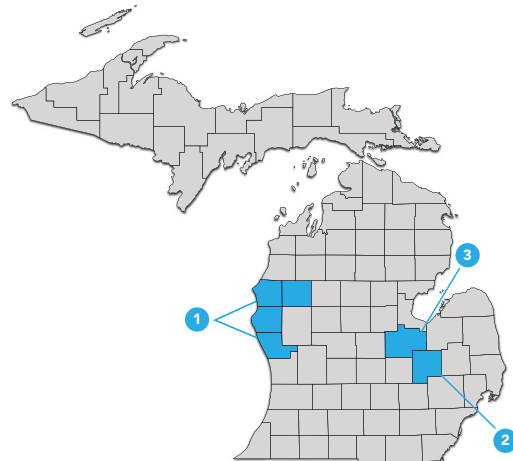
HealthWest and West Michigan  
Community Mental Health



Genesee Health System



Saginaw County Community  
Mental Health Authority



The MHPs and CMHSPs within the pilot sites must assure continued access to the required array of services and supports under Medicaid policy and contracts. The MHPs and CMHSPs must also abide by all current public policies within the public behavioral health system, which includes person-centered planning, self-determination, family-driven and youth-guided care, recovery orientation, and access to home and community-based services. Finally, the legislation requires that any savings that are achieved as part of the pilots must be reinvested in services and supports for individuals having or at risk of having a mental illness, an intellectual or developmental disability, or a substance use disorder.

MDHHS is working with the MHPs and CMHSPs to implement the pilots by October 1, 2019. The pilots will operate for at least two years.

MDHHS has also contracted with the University of Michigan to evaluate the performance of the pilot sites. The pilot sites will be assessed on a set of metrics that will measure health, wellness, and quality of life outcomes for individuals who receive Medicaid services. The performance of the pilot sites will also be evaluated against a set of comparison sites. The results of the evaluation process will be presented to the legislature for consideration on whether the pilots should be expanded statewide or discontinued.

# UNENROLLED POPULATION FOR THE SECTION 298 INITIATIVE

Approximately 25% of the Medicaid population is not enrolled in an MHP for management of their physical health services. However, the PIHPs manage the specialty behavioral health benefits for this sub-population. Examples of individuals who may not be enrolled in an MHP (also known as the “unenrolled population”) include but are not limited to:

- Individuals who recently became eligible for Medicaid but are not yet enrolled in an MHP
- Individuals who are dually eligible for Medicare and Medicaid
- Individuals who have third-party insurance
- Individuals who are Tribal citizens
- Individuals who are receiving services in a nursing facility or state psychiatric hospital
- Individuals who are eligible for coverage based upon a deductible (also known as spenddown)



MDHHS is not able to enroll these individuals in the MHPs for the purposes of the pilots due to federal regulations. MDHHS has been evaluating options to manage the specialty behavioral health benefits for the unenrolled population during the pilots. MDHHS has conducted outreach to stakeholder groups to solicit input on the options for managing the specialty benefit for the unenrolled population.

Based upon this process, MDHHS will be issuing a Request for Proposals (RFP) to select a single existing PIHP to manage specialty behavioral health benefits for the unenrolled population across the three pilot sites. The selected PIHP will also contract with the CMHSPs within the pilot sites for the delivery of specialty behavioral health services and supports.

The selected PIHP must assure continued access to the required array of services and supports under Medicaid policy and contracts. The selected PIHP must also abide by all current public policies within the public behavioral health system, which includes person-centered planning, self-determination, family-driven and youth-guided care, recovery orientation, and access to home and community-based services. Finally, MDHHS will work with the selected PIHP and pilot CMHSPs to ensure continuity of care for individuals who live in the pilot region and are part of the unenrolled population.

MDHHS will issue an RFP to select a single existing PIHP no later than January 2019. MDHHS will work with the selected PIHP and the pilots CMHSP to implement the transition process by October 1, 2019. Individuals in the unenrolled population who are outside of the pilot region will continue to receive specialty behavioral health services through their current PIHPs.