

PIHP Projected Lapse Report
(FY2021 Appropriation Act - Public Act 166 of 2020)

April 1, 2021

Sec. 928. (1) *Each PIHP shall provide, from internal resources, local funds to be used as a part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.*

(2) It is the intent of the legislature that any funds that lapse from the funds appropriated in part 1 for Medicaid mental health services shall be redistributed to individual CMHSPs as a reimbursement of local funds on a proportional basis to those CMHSPs whose local funds were used as state Medicaid match. By April 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the lapse by PIHP from the previous fiscal year and the projected lapse by PIHP in the current fiscal year.

(3) It is the intent of the legislature that the amount of local funds used in subsection (1) be phased out and offset with state general fund/general purpose revenue in equal amounts over a 5-year period.

(4) Until the local funds are phased out as described in subsection (3), each PIHP shall not be required to provide local funds, used as part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs, at an amount greater than what each PIHP received from local units of government, either directly or indirectly, during the fiscal year ending September 30, 2018 for this purpose.

**Pre-Paid Inpatient Health Plan Projected Lapse Report
Section 928(2) PA 166 of 2020**

Pre-Paid Inpatient Health Plan	Amount
Region 1 – Northcare	\$1,332,181
Region 5 – Mid-State Health Network	\$2,483,084
Region 9 – Macomb PIHP	\$17,396,501
Total Reported Lapse for Fiscal Year 2020	\$21,211,766

Pre-Paid Inpatient Health Plan	Amount
Estimated Lapse for Fiscal Year 2021	\$0