

## Weekly Update for the Section 298 Initiative

The Michigan Department of Health and Human Services (MDHHS) has developed this summary to provide an update on recent activities and upcoming events for the Section 298 Initiative. The following update is for the week of [October 1, 2018](#).

### Implementation of the Pilots

- On March 9, 2018, MDHHS announced the pilot sites for the Section 298 Initiative.
  - Pilot #1: HealthWest and West Michigan Community Mental Health
  - Pilot #2: Genesee Health System
  - Pilot #3: Saginaw County Community Mental Health Authority
- MDHHS has established a workgroup to guide the implementation of the pilots. The “Leadership Group” is composed of (1) the Executive Director of each Community Mental Health Service Program (CMHSP) and the CEO of each Medicaid Health Plan (MHP) in the pilot sites and (2) MDHHS representatives.
  - The Leadership Group has established six sub-workgroups (listed below) to develop plans for implementing other aspects of the pilots. The sub-workgroups will be meeting during the fall and will report their findings back to the Leadership Group.
    - Finance Sub-Workgroup
    - Public Policy Sub-Workgroup
    - Reporting Sub-Workgroup
    - Technology Sub-Workgroup
    - Case Management Sub-Workgroup
    - Utilization Management Sub-Workgroup
  - The 298 Leadership Group reached consensus on the framework for a financial model that will support the pilots involved in the Section 298 Initiative.
    - The new financial model will involve Medicaid health plans purchasing administrative services from the CMHSPs to keep care closest to the community, along with a mixture of capitation and fee-for-service payment for the actual delivery of care.
    - The pilot program mandates that any financial benefits from this agreed-upon model be reinvested into the services and supports for these individuals in the counties where the savings occur.

### The Unenrolled Population

- 25% of the Medicaid population is not enrolled in a Medicaid Health Plan (MHP) for management of their physical health services. However, the Prepaid Inpatient Health Plans (PIHP) manage the specialty behavioral health benefits for this sub-population.
- 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 populations 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.
  - MDHHS will issue an RFP to select a single existing PIHP no later than January 2019.

### Implementation of the Demonstration Project

- MDHHS received a draft proposal from the Total Health Collaborative (TTHC) in Kent County in January 2018 and received a follow-up report on April 30, 2018.
- The Total Health Collaborative is currently working on finalizing the model for the demonstration project, completing a Memorandum of Understanding between the parties, and developing an operational plan to guide the implementation process.

### Implementation of the Policy Recommendations

- On April 16, 2018, MDHHS published a progress report and set of detailed plans that outline the current status of implementation for the various recommendations. The progress report and related plans are included on the Section 298 website.
- MDHHS is developing a second progress report that will be published before the end of the year to provide an update on the implementation process.

### Evaluation of the Pilots and Demonstration Project

- The University of Michigan (UM) evaluation team has been working on identifying performance metrics for the evaluation of the pilots and demonstration project. MDHHS and UM will be conducting outreach to stakeholders to solicit input on the potential performance measures.
- The UM evaluation team has also published an updated overview of the evaluation process, which can be found on the department's website at [www.michigan.gov/stakeholder298](http://www.michigan.gov/stakeholder298).

## Stakeholder Engagement

- MDHHS will be providing an update to the Developmental Disabilities Council on Tuesday, October 2, 2018.

For questions about the update, please contact Jane Pilditch at [jpilditc@mphi.org](mailto:jpilditc@mphi.org). For general questions about the Section 298 Initiative, please contact [MDHHS-298@michigan.gov](mailto:MDHHS-298@michigan.gov). For more information about the Section 298 Initiative, please visit the department's website at [www.michigan.gov/stakeholder298](http://www.michigan.gov/stakeholder298).