



Behavioral Health and Developmental Disabilities Administration Fiscal Year 2014

Presentation to House Appropriations Subcommittee on Community Health

March 6, 2013

James K. Haveman, MDCH Director
Lynda Zeller, Senior Deputy, Behavioral Health and
Developmental Disabilities
Tim Becker, Senior Deputy, Operations

Our Guiding Principles

Our Mission is to protect, preserve, and promote the health and safety of the people of Michigan with particular attention to providing for the needs of vulnerable and under-served populations.



Our vision is to improve the experience of care, improve the health of populations, and reduce per capita costs of health care.

Leadership, Excellence, Teamwork

Behavioral Health & Developmental Disability Administration

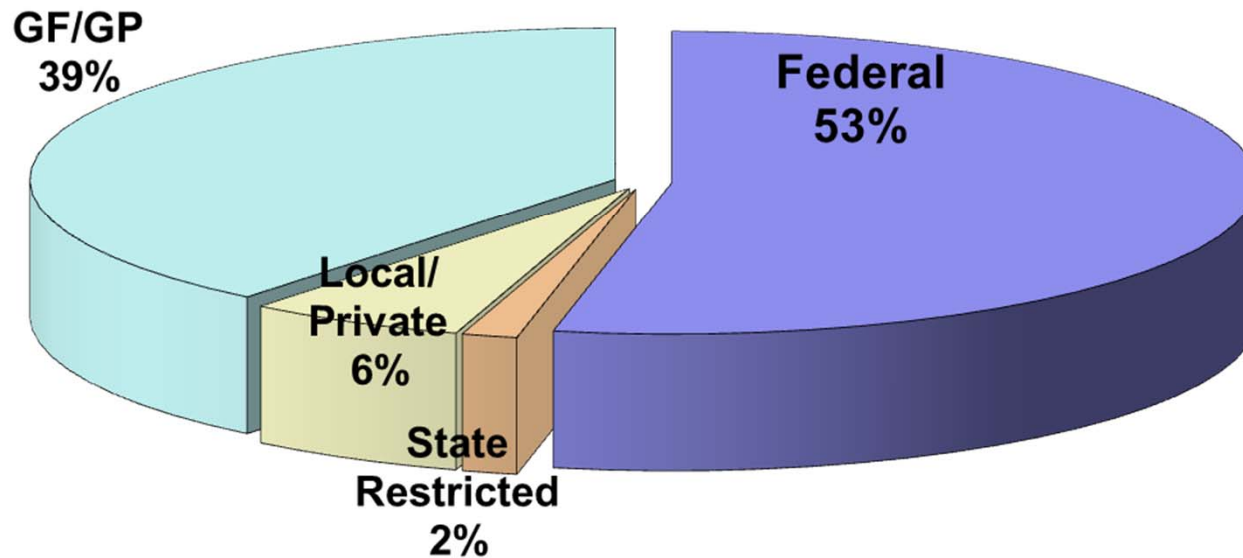
Substance Use Disorder & Addiction: *Michigan's public substance use and addiction disorder prevention, treatment, and recovery system will promote wellness, strengthen communities, and facilitate recovery for the people of Michigan.*

Mental Health & Intellectual and Developmental Disabilities (I/DD): *Michigan's public mental health system will serve citizens by diminishing the impact and incidence of developmental disability, emotional disturbance and mental illness.*

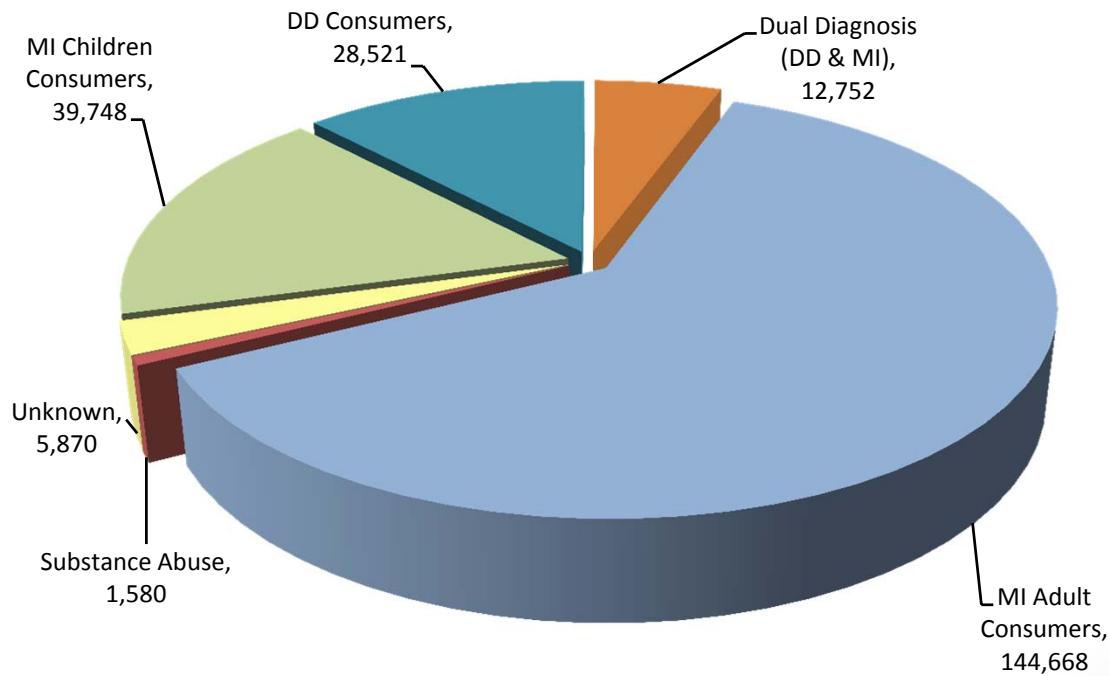
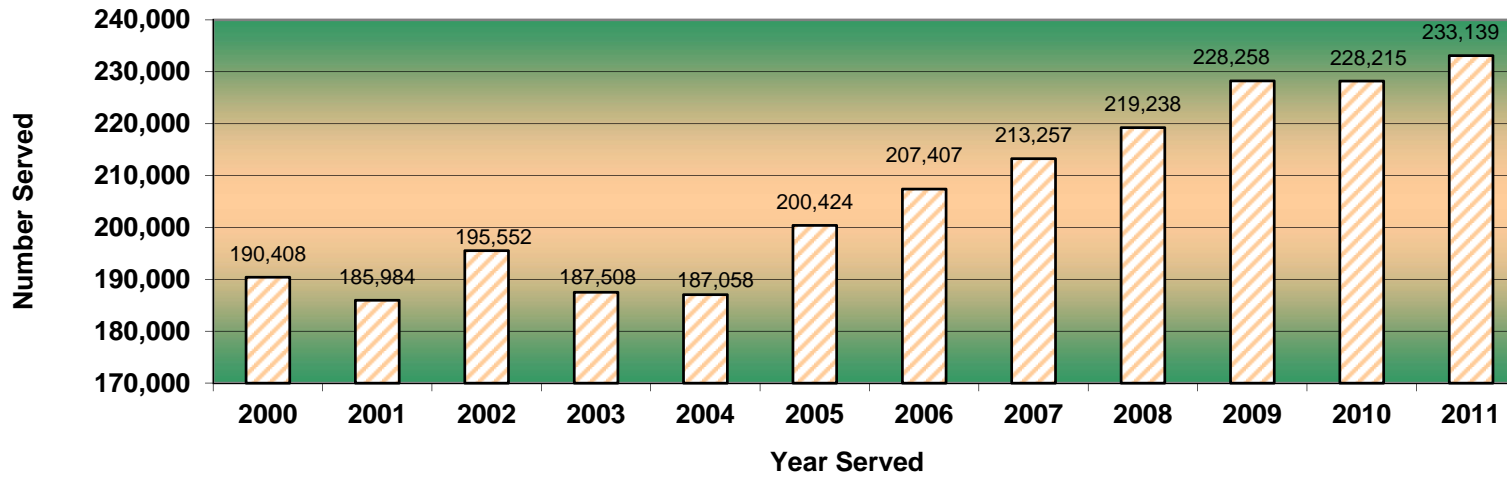
Behavioral Health & Developmental Disability Service Statistics

- 46 Community Mental Health Services Programs (CMHSP)
- 18/10 Prepaid Inpatient Health Plans (PIHPs)
- 233,139 people served by CMHSPs and PIHPs in 2011
- 16 Regional Coordinating Agencies, nine of which are co-located in a Prepaid Inpatient Health Plan (PIHP)
- 5 state operated hospitals and centers
- 1,017 state psychiatric hospital bed capacity
- 2,013 licensed psychiatric beds in the community for adults; 232 for children
- 7,279 allegations investigated by Office of Recipient Rights in 2011
- 38 Developmental Disabilities Council grants
- Zero persons with Intellectual and Developmental Disabilities living in State Institutions (1 of only 5 states)
- 64,218 persons received substance use disorder (SUD) treatment in FY12
- 47.9% of persons admitted to SUD treatment, in FY12, also had a mental health issue
- 8,234 persons received medicated-assisted treatment during FY12, up from 5,875 during FY06
- In 2003, combined heroin and opioid admissions were less than one-sixth of all treatment admissions; in 2012, combined heroin and opioid admissions reached a third of all treatment admissions
- 5,437 women received specialty treatment services during FY12
- 192 babies were born drug-free to women in SUD treatment during FY12
- Michigan's drug-abstinence rate at treatment discharge exceeded the national average rate by 4% in 2011
- The reported percentage of persons employed increased 24.7% during the course of SUD treatment in FY12
- The reported percentage of persons homeless decreased 32.4% during the course of SUD treatment in FY12
- The reported percentage of persons arrested decreased 33.7% during the course of SUD treatment in FY12
- More than 250,000 persons attended substance abuse prevention programs in FY12
- 10.7% of retailers "sold" tobacco to underage persons during the FY12 Synar survey, down from the FY11 rate of 14.9%
- 39th – Michigan's ranking out of 45 states on spending for SUD services
- 779,000 Michigan residents are estimated to meet clinical criteria for substance use disorder treatment; of those, 54,500 (7%) feel they need treatment; of those, 39,500 (72%) are likely eligible for and would access services if available
- 1,563 callers to the problem gambling help-line were provided referrals for problem gambling assistance in FY12
- 605 persons received problem gambling treatment, including 62 in the problem gambling diversion program, during FY12

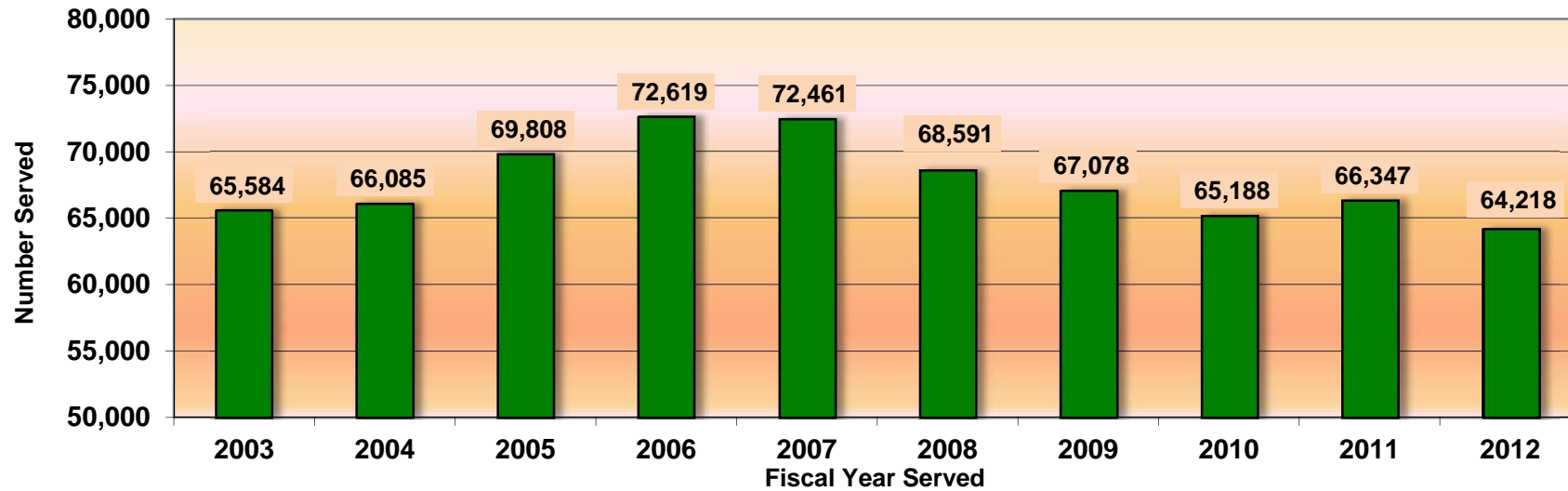
FY 13 Behavioral Health and Developmental Disabilities Appropriation Revenue Sources by Percentage (21% of MDCH Budget)



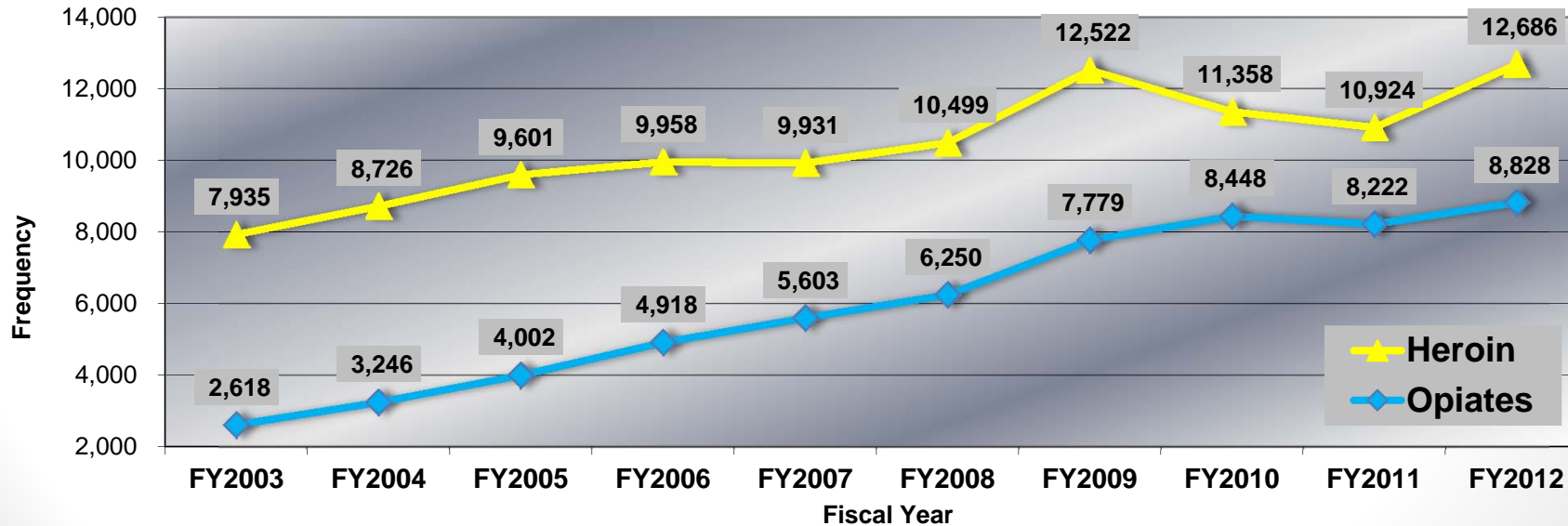
Michigan Public Behavioral Health System Individuals Served in CMH FY 2000 - 2011



Michigan Public Behavioral Health System Individuals Served in the Substance Use Disorder Treatment System

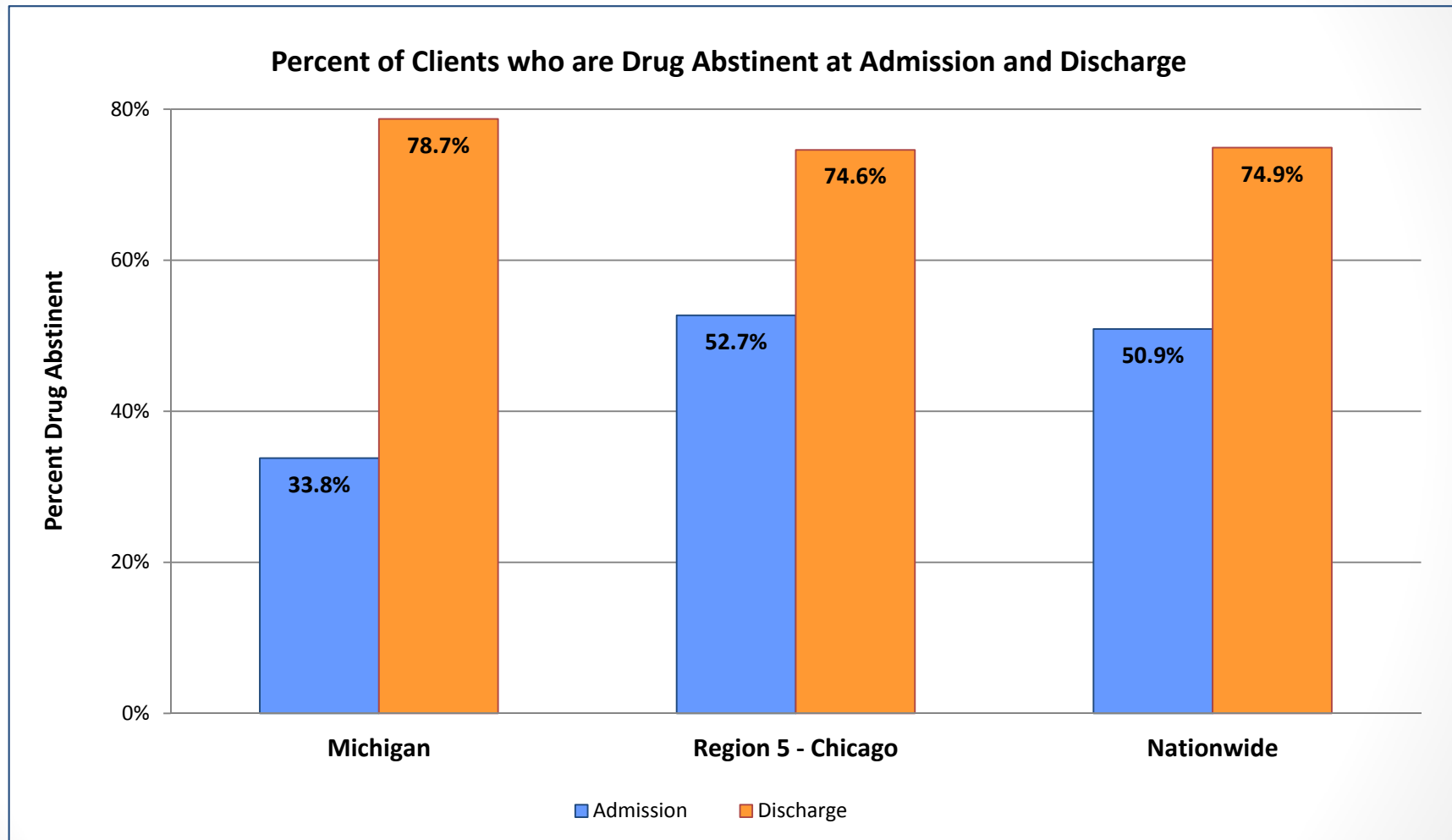


Primary Substance of Abuse at Admission: Heroin/Other Opiates



SOURCE: FY 2003 to 2012 TEDS treatment admission records.

Comparison of Drug Abstinence Outcomes for Persons in Substance Use Disorder Treatment



Greater improvement and better outcomes in Michigan than in the Great Lakes Region and in the United States.

SOURCE: FY 2011 Uniform Application for Substance Abuse Prevention and Treatment (SAPT) Block Grant

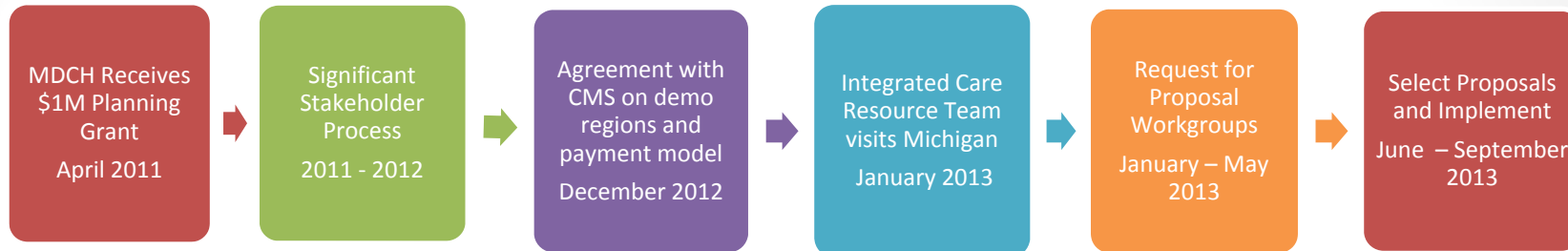
FY 2013 Major Initiatives

- ✓ **Autism Coverage**
- ✓ **Integrated Care for Dual Eligibles**
- ✓ **Alignment of Behavioral Health Provider Systems**
- ✓ **New Commissions**
 - **Mental Health and Wellness Commission**
 - **Mental Health Diversion Council**

Autism Coverage

- ✓ As of December 2012, 3,141 children were receiving limited treatment for Autism
 - Implement for Medicaid
 - Implementation waiver submitted to CMS December 27, 2012
 - Targeted population age 18 months through 5 years
 - Autism Applied Behavioral Analysis (ABA) therapy will become an option for Medicaid and MIChild children in Michigan upon approval from the Federal Government
 - Expected to serve 604 children in FY 2013 and 1,235 children in FY 2014
 - Proposed effective date of April 1, 2013

Dual Eligibles – Status



4 demonstration regions will include half of dual recipients (101,000)

- Macomb County
- Southwest Michigan – 8 counties
- Upper Peninsula
- Wayne County

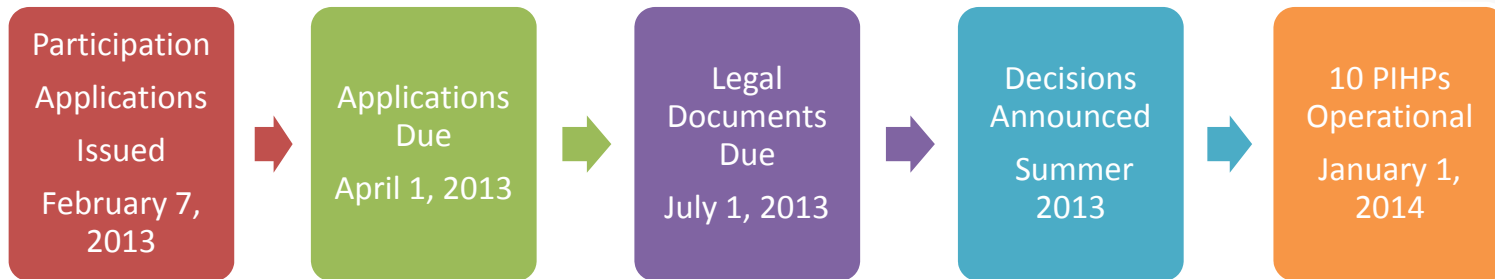
Medicaid pays Prepaid Inpatient Health Plans directly

Medicare disburses funds to Integrated Care Organizations

Alignment of Behavioral Health Provider Systems

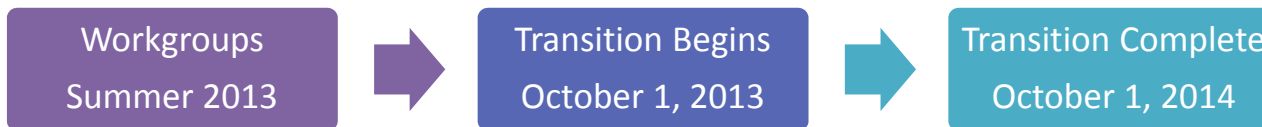
✓ Medicaid Prepaid Inpatient Health Plans (PIHPs)

- 18 to 10



✓ Substance Abuse Coordinating Agencies (16) merge into Designated Community Mental Health Services Programs (PIHPs)

- Public Acts 500 and 501 of 2012



✓ Detroit/Wayne Community Mental Health

- Transition to authority status
- Public Acts 375 & 376 of 2012

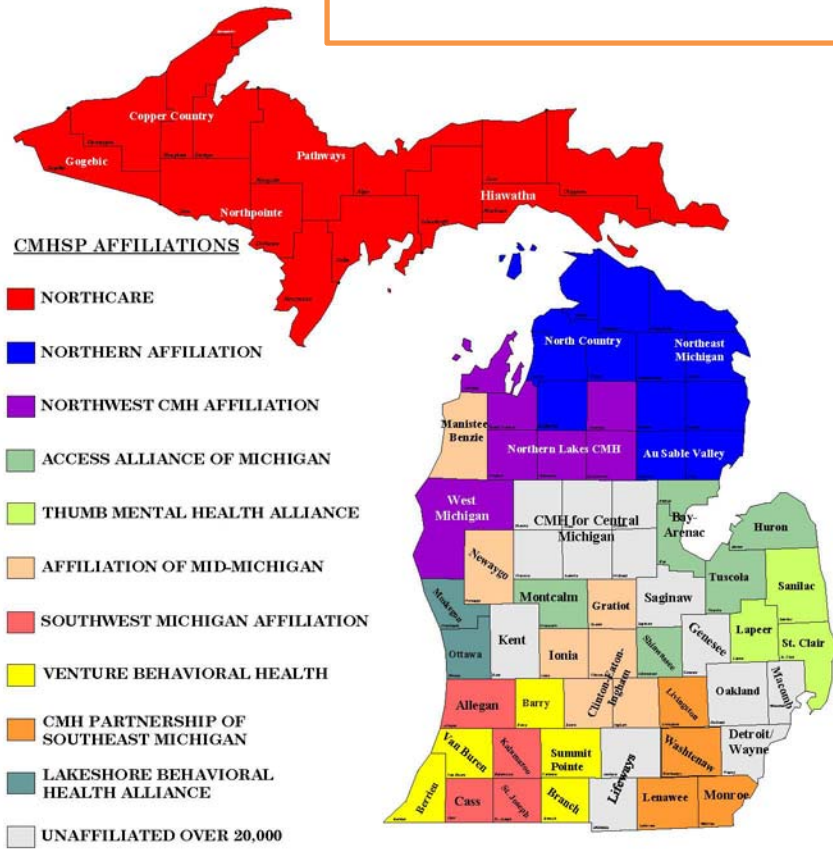


Alignment of Behavioral Health Provider Systems

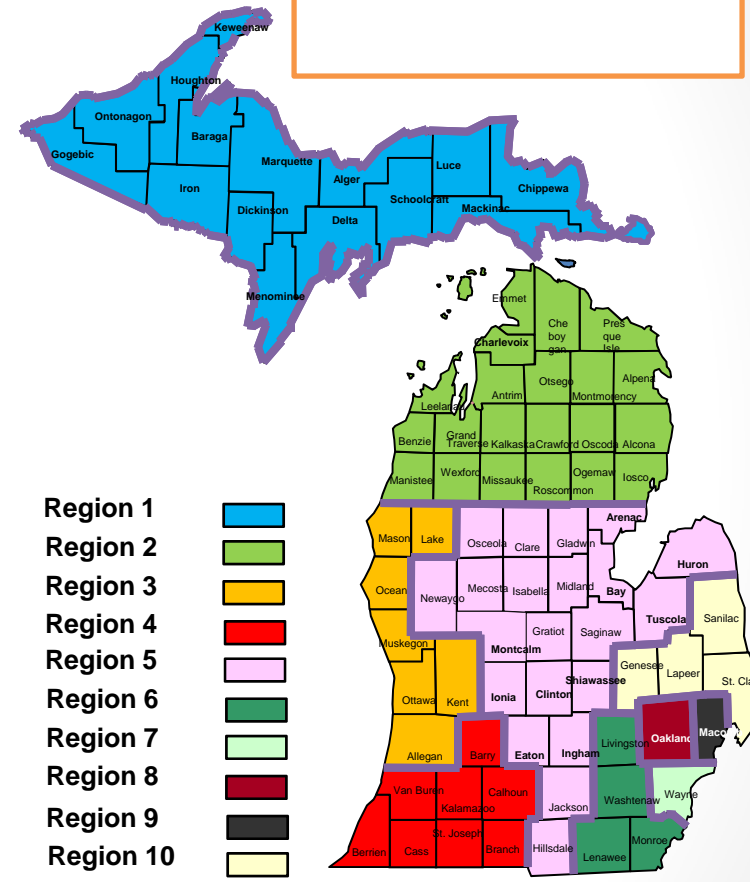
- ✓ Application For Participation (AFP)-Medicaid Managed Care
 - First Opportunity to CMH System-1915(b) (C) Waiver
 - New Regions (18 to 10)-Commence January 1, 2014
 - New regional governance required for multi CMH regions
- ✓ Substance Abuse Coordinating Agency-CMH/PIHP Integration
 - Public Acts 500 and 501 of 2012, transition plans developing
 - Plans required by October 1, 2013, completed by October 1, 2014
 - Smoothest transition: completion by January 1, 2014 (coincide with implementation of new CMH PIHP regions)
 - Key Components:
 - Regional substance abuse policy board advise PIHP
 - Substance Abuse leadership at PIHP for region
 - Transition timeframes in law (providers, health departments)
 - Assurances to protect individuals receiving services and substance abuse and prevention resource investments

Prepaid Inpatient Health Plan (PIHP) Consolidation

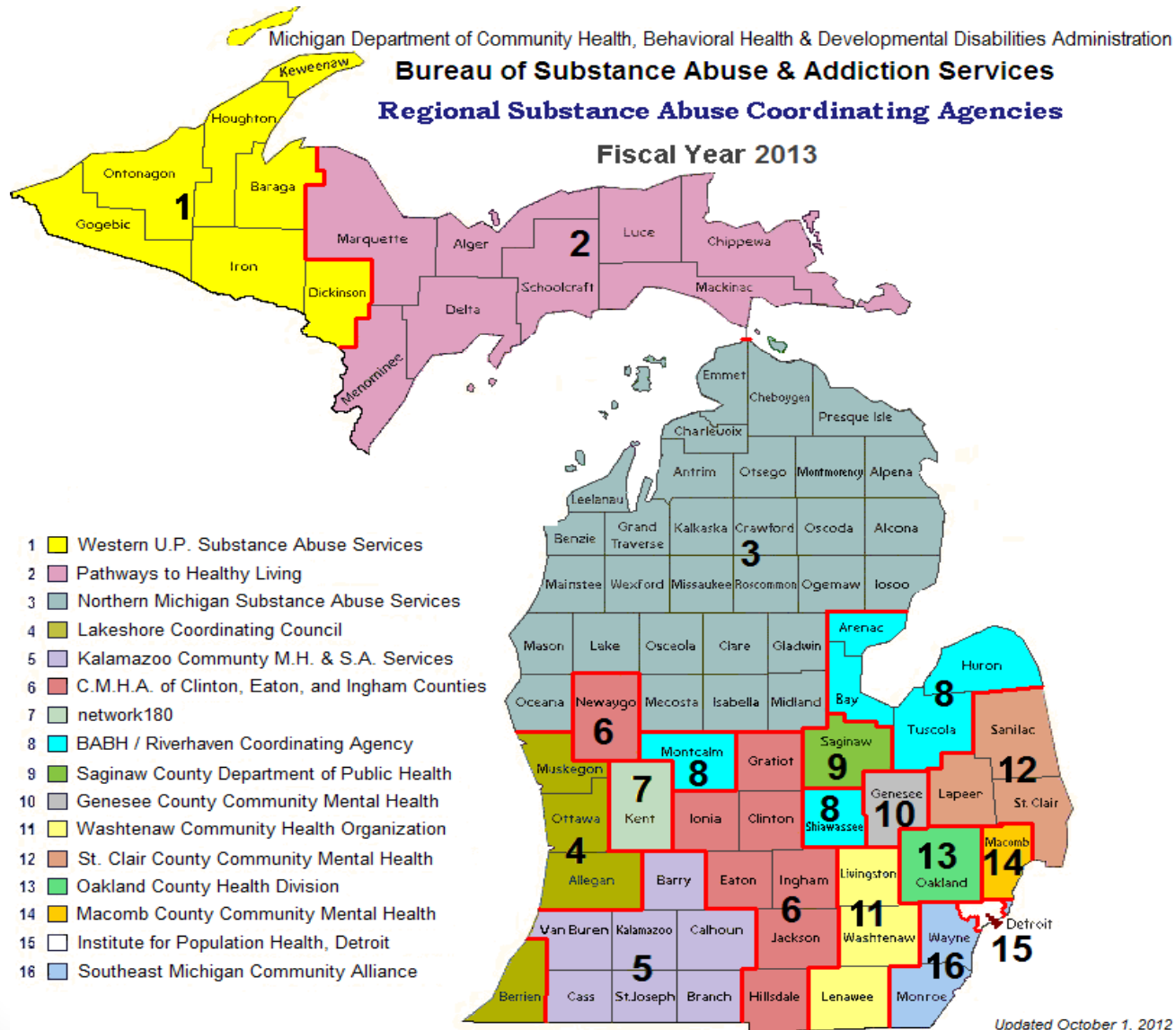
Current PIHP Structure (18)



New PIHP Structure (10)



Current Substance Abuse Coordinating Agency Structure (Merged with PIHP no later than 10/1/14)



Updated October 1, 2012

Mental Health and Wellness Commission

- ✓ Executive Order 2013-6
- ✓ Six members
 - Lieutenant Governor Brian Calley
 - MDCH Director James Haveman
 - Appointed by Speaker of the House Jase Bolger
 - Representative Matt Lori
 - Representative Phil Cavanagh
 - Appointed by Senate Majority Leader Randy Richardville
 - Senator Bruce Caswell
 - Senator Rebekah Warren
- ✓ Strengthen and improve the system of mental health support and the delivery of services
 - Recommend ways to address gaps in the delivery of mental health services
 - Propose new service models to strengthen the entire delivery spectrum of mental health services throughout Michigan
 - Issue a final report of findings and recommendations by December 20, 2013

Mental Health Diversion Council

- ✓ Executive Order 2013-7
- ✓ 14 members
 - Lieutenant Governor Brian Calley (Chair)
 - James Haveman, MDCH Director, (Lynda Zeller, Designee)
 - Daniel Heyns, MDOC Director (Joanne Sheldon, Designee)
 - Macomb County Sheriff Anthony Wickersham
 - Lori Ryland (Battle Creek): represents Prepaid Inpatient Health Plans
 - Jessica Parks (Potterville): represents State Court Administrative Office
 - Risa Coleman (Farmington Hills): represents adult service agencies and local community mental health service providers
 - Judge Curtis Bell (Kalamazoo): represents the Judiciary
 - Elizabeth Hardwick (Horton): represents community prison/jail re-entry programs
 - Ronald Schafer (Portland): represents prosecutors
 - George Strander (Albion): represents court administrators
 - Timothy Bourgeois (Parchment): represents local law enforcement
 - Christopher Cooke (Traverse City): represents licensed attorneys
 - Irva Faber-Bermudez (Royal Oak): represents advocates and consumer representatives

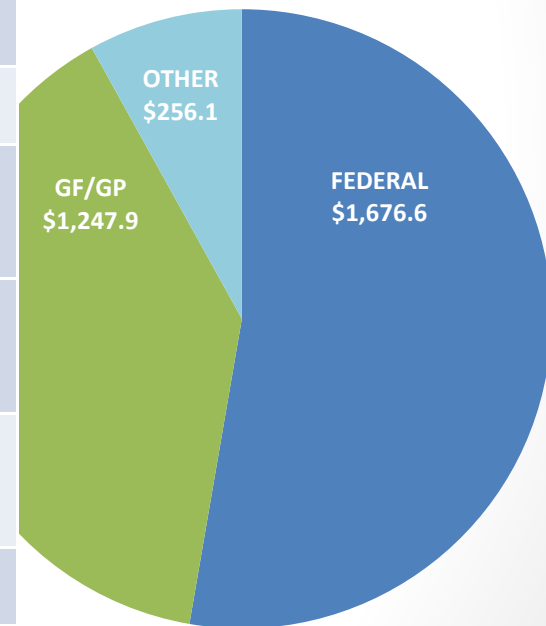
Mental Health Diversion Council

- ✓ Divert individuals from the criminal justice system into appropriate treatment services
 - Adopt and implement a diversion action plan
 - Make recommendations for statutory and regulatory requirements regarding criminal justice and behavioral health services
 - Recommend a model for improving overall community response for individuals with mental illness, substance use disorders or developmental disabilities

Governor Snyder's FY 2014 Recommendation

Behavioral Health and Developmental Disabilities – Budget (in millions)

	2013	2014
Behavioral Health Program Administration and Special Projects	\$56.6	\$57.4
Behavioral Health Services	2,807.0	2,840.2
Developmental Disabilities Council and Projects	3.0	3.0
State Psychiatric Hospitals and Forensic Mental Health Services	278.5	275.0
Mental Health Services for Special Populations	3.0	
Mental Health Innovation		5.0
Total	\$3,148.1	\$3,180.6



FY 2014 Program Investments (in millions)

Description	FY 2014 Recommendation	
	GF/GP	Gross
Behavioral Health Homes	\$0.1	\$0.9
Improve Jail Diversion	\$1.6	\$1.6
Adopt Medicaid Expansion ⁽¹⁾	(\$181.7)	\$1,359.0
Establish Mental Health Innovation Funding (one-time)	\$5.0	\$5.0

(1) Excludes savings of \$24.2 in the budget for the Department of Corrections

MDCH 2014 Savings Detail (in millions)

Description	FY 2014 Recommendation	
	GF/GP	Gross
Expand Medicaid – Use Federal Funds to Offset GF/GP ⁽¹⁾ : Adults Benefit Waiver Non-Medicaid Mental Health Services	(\$181.7)	\$1,359.0

(1) Excludes savings of \$24.2 in the budget for the Department of Corrections

Protect Michigan's Health Care Safety Net FY 2014 Key Budget Adjustments (in millions)

Description	FY 2014 Recommendation	
	GF/GP	Gross
Caseload Adjustment from FY13	(\$5.4)	(\$16.2)
Caseload and Utilization Adjustment for FY14	\$5.6	\$16.7
1.25% for Pre-paid Inpatient Health Plan (PIHP) Actuarial Soundness	\$9.1	\$26.9
Federal Medical Assistance Percentage (FMAP) Decrease – Requires GF Investment	\$1.5	-
Annualization of Autism Funding	\$7.4	\$21.9

MDCH's FY 2014 Strategic Priorities

- ✓ **Improve Population Health**
- ✓ **Transform the System of Care**
- ✓ **Reform the Health Care System**
- ✓ **Transform the Michigan Department of Community Health**

Improve Population Health

- ✓ Strengthen Efforts to Address Smoking & Obesity
 - 2011 Center for Disease Control data on Michigan adults shows:
 - 31.3% are obese
 - 34.2% are overweight
 - 65.5%, or 2/3 of adults struggle with weight
 - 2011 Center for Disease Control National Data on Smoking
 - 1 in 3 adults with Mental Illness smoke, compared to 1 in 5 without mental illness
 - 3 of 10 cigarettes smoked are by persons with mental illness
- ✓ Reduce underage drinking and youth access to tobacco
- ✓ Reduce prescription and over-the-counter drug abuse
- ✓ Reduce problem and pathological gambling

Transform the System of Care: Health Homes

- ✓ Improve the quality of care and clinical outcomes for Medicaid enrollees with serious mental illness and chronic conditions—high need, high cost, high risk mentally ill
- ✓ Build additional service linkages and enhance the integration of medical and behavioral health care services
- ✓ Services include: comprehensive care management; care coordination; comprehensive transitional care from inpatient to other settings; individual and family support; and referral to community and social support services
- ✓ 3 demonstration sites
- ✓ FY 14 Investment = \$900k gross, \$90k GF (90% Federal Match)

Transform the System of Care: Training & Learning Initiatives

- ✓ Collaboration with Michigan Association of Community Mental Health Boards
 - New website resource “Improving Practice” <http://improvingmipractices.org/>
 - Increase awareness & support recovery (mental illness and substance use disorders)
 - “One-stop-shopping” location for public and providers to receive information:
 - Evidence-based practices, training, communication, online courses/exams
 - 2,258 members of public sector behavioral health provider workforce enrolled
 - “Learning Collaborative” Focus Integration and Health Home Models
- ✓ Physical-Behavioral Health Integration
 - Numerous Examples Statewide
 - Co-Location (Behavioral Health in Clinic site, and Primary Care in Behavioral Health)
 - CMH/SUD partnering to support new Federally Qualified Health Centers (FQHC)
 - Partnering with Hospitals, Local Health Departments, DHS
 - <http://www.mpca.net/> - Michigan Primary Care Association “Behavioral Health Integration Map.” 90 plus examples CMH-FQHC/Clinic Integration
 - Need to remove barriers and gaps (contracts, policies, statutes)

Transform the System of Care

✓ **Mental Health Early Intervention**

- FY 14 provides \$5.0M Gross/GF in one-time funding for new and expanded programs for early intervention with youth:
 - Home-based services and treatments to additional children across the state \$2.5M
 - Care management and treatment for high risk youths \$1M
 - Training and Awareness \$1.5M
 - Mental health first aid tools to recognize the signs and systems of mental health problems
 - Youth Crisis Intervention training for two law enforcement communities

Transform the System of Care

- ✓ Jail Diversion (with Department of Corrections –Diversion Council)
 - \$1.6M GF investment
 - Coordinate efforts with advisory council continuing similar to make up of workgroup (judges, local law enforcement, etc.)
 - Strengthen existing systems in 5 pilot communities by bridging gaps, improving collaboration and coordination, and improving continuity of care

Transform the Department of Community Health

- ✓ Electronic Medical Records
 - Implementation in state hospitals and centers
 - Investment = \$6.5M for year 2 funding
- ✓ Establish standards and procedures to enhance customer experience
- ✓ Cross System Data Analytics to Measure and Improve Population Health (Physical Health, Mental Health, Developmental Disabilities, Substance Abuse Systems)
- ✓ Mental Health & Substance Abuse System Integration
 - Combined Block Grant Application & Monitoring
 - Combined Behavioral Health Advisory Committee
 - Combined Contracts, Performance Monitoring, Data and Quality Systems

Transform the System of Care

- ✓ Services to Veterans (with Military & Veterans Affairs)
 - \$60,000 Gross/GF investment in FY14
 - Credentialing of Community Mental Health Service Programs (CMHSP) and Substance Use Disorder (SUD) providers in TriCare: an insurance system that pays for treatment for active duty/military families (\$20,000)
 - Co-location and/or Co-Credential of CMHSP and SUD clinicians by the Veterans Health Administration (\$10,000)
 - Training Program for Law Enforcement in recognizing Post-Traumatic Stress Disorder related behavior and “mental health first aid” (\$20,000)
 - Military Cultural Competency for all 46 CMHSPs and at least one SUD provider in each Coordinating Agency area (\$10,000)
- ✓ Expand integrated behavioral health and primary care services for persons with mental health and substance use disorders
- ✓ Performance Based Contracting (Withholds & Incentives, Sanctions)
- ✓ Standardize Rates to Address Access Variance (Rates based increasingly on Morbidity vs Historical/Geography)

Impact of Medicaid Expansion on Persons Needing Behavioral Health Services

- ✓ 12% of new Medicaid eligible will have a serious mental illness
 - “disproportionately higher prevalence of serious mental illness, schizophrenia, ... contributes to their not being able to maintain a job and have a higher income” according to Avalere Health
- ✓ Behavioral health services help reduce imprisonment
 - Washington State chemical dependency program for unemployable adults reduced arrests by 18%
- ✓ Behavioral health services help reduce recidivism
 - 10% reduction in recidivism would save \$10M per year
- ✓ If Michigan does not expand, 252,000 individuals under 100% of the federal poverty level would be uninsured
- ✓ By 2022 those left uncovered would grow to 360,000

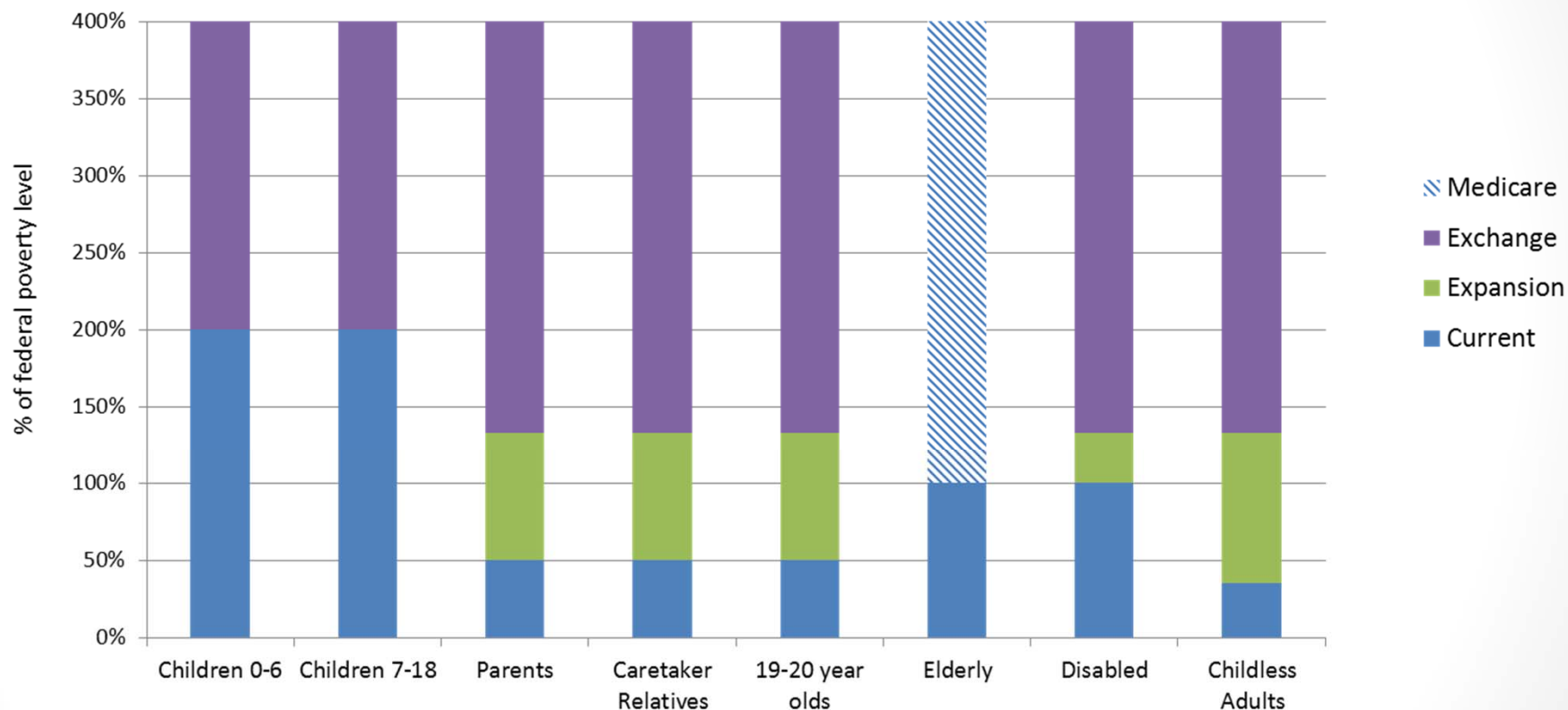
Impact of Medicaid Expansion on Persons Needing Behavioral Health Services

- ✓ A recent national report concluded that a Medicaid expansion in Michigan would result in a 46% reduction in the uninsured*
- ✓ Expansion positively impacts persons receiving behavioral health and developmental disability services.
 - Significant reduction in barriers and variance in services
 - Managed care specialty services access
 - Medication access increases likelihood of compliance
 - Many on “Spend down” become continuously eligible, increasing likelihood of treatment success, early intervention
 - Increases likelihood of seeking service

* Kaiser Commission on Medicaid and the Uninsured, November 2012

Medicaid Expansion

For many groups, Medicaid expansion fills the gap between current coverage and proposed health care coverage in 2014



Non Medicaid elderly populations would continue to be covered by Medicare



MDCH Contact Info and Useful Links

Phone: (517) 373-3740

Website: <http://www.michigan.gov/mdch>

Facebook: <http://www.facebook.com/michigandch>

Twitter: @MIHealth, <https://twitter.com/mihealth>

Useful Links:

Executive Budget: <http://www.michigan.gov/mibudget2014>

MI Healthier Tomorrow: www.michigan.gov/mihealthiertomorrow

Medicaid Expansion: www.expandmedicaid.com