

Overview of state department structure

Michigan, like most states with advanced mental health systems, has a mental/behavioral health unit within its department of health and human services (or equivalent) that is **separate from the state's Medicaid office**. In Michigan, the Behavioral Health and Developmental Disabilities Administration (BHDDA):

- carries out responsibilities specified in the **Michigan Mental Health Code and the Michigan Public Health Code**
- develops and oversees the management of the **Medicaid and state General Fund, local funds, and federally funded** statewide mental health system for people with:
 - **intellectual/developmental disabilities**
 - **adults with mental illness**
 - **children and adolescents with serious emotional disturbance**
 - **persons with substance use disorders**
- operates and oversees the **statutorily required recipient (client/patient) rights system**
- operates the **state's psychiatric hospitals and intellectual/developmental disability centers**
- establishes **policy and standards for the statewide community-based mental health system:**
 - Community Mental Health (CMH) centers serving all 83 counties
 - public Prepaid Inpatient Health Plans ((PIHP) public health plans formed and governed by the CMH centers)
 - providers within the CMH and PIHP provider networks

Overview of public community-based mental health system

See "Did you know?" document.

What distinguishes advanced mental health services from physical healthcare funded under Medicaid

While Medicaid is the primary financing source for Michigan's public mental health, as in most states (given the federal contribution that is made available via participation in the federal Medicaid program), **advanced mental health services are fostered via focused mental health units and organizations at the state and local/regional levels.**

What distinguishes advanced mental health services from physical healthcare funded under Medicaid:

1. Because the persons served by the mental health system have, in the main, **chronic mental health conditions and are some of the most vulnerable members of their communities**, the system is designed around:

- A uniquely **comprehensive person-centered approach to care** – far more in-depth than applied in the physical health system
- A strong **recipient (client/patient) rights program**

2. The service array, based on research and the application of evidence-based and promising practices is a **mix of traditional medical/clinical services** (psychiatry, psychotherapy) and **non-traditional human/social services** (supported independent living, drop in centers, outreach casemanagement, vocational services, peer-led services, respite services, supported housing, jail diversion, clubhouses, homebased therapy, wraparound services)

3. Work to address the **social determinants of health** (housing, employment, education, transportation, community and family connection, legal/corrections involvement, etc.) is at the heart of the system's service delivery system

4. BHDDA leads in identifying, **fostering and, often, requiring the use of a wide range of evidence-based and promising practices**

5. The **role of those served/clients** is far more in-depth and related to the leadership and direction of the system than additional Medicaid:

- persons served **make up 1/3 of the Boards of Directors** of the state's CMHs
- Over **1,100 clients/persons served are on the clinical staff of the CMHs and providers as peer support specialists**
- **Person-centered planning**, imbedded in Michigan law, requires in-depth involvement by the person served in the development and implementation of his or her services and supports plan

6. The public mental health system involves issues that are core themes in the mental health system unlike those in the traditional Medicaid physical health system:

- **civil liberties** (in that involuntary treatment is one of the court dimensions of the system)
- **public safety**
- **guardianship and the limitation of a person's right** to make decisions on his or her behalf
- **stigma** around mental health needs
- **both legal and illegal behavior** (the use of drugs and its prevention and treatment)

7. The public mental health system (CMHs) **fulfill a range of functions unlike traditional Medicaid physical health payer and provider system:**

- **Mental health safety net:** providers, purchasers and managers of a comprehensive array of services and supports across a network of providers in **fulfillment of statutory roles** to serve the individuals, families and communities regardless of the ability to pay
- **Community conveners and collaborators:** initiating and participating, often in key roles, collaborative efforts designed to address the needs of individuals and communities
- **Advocates** for vulnerable populations and a whole-person, social determinant orientation
- **Sources of guidance and expertise,** for the public, to address a range of health and human services needs

8. Because of this unique role and the focus on social determinants, the work of driven justice system is **dictated by a blend of Medicaid standards and local resources and needs.** Thus **local dollars, federal dollars, and state dollars, outside of Medicaid funding** are woven into the service delivery mix, at very different levels across the state.

9. The system grew out of a community response to the state psychiatric hospital system so was, from the late **1970s, a risk-based system, where the CMHs assumed the clinical and fiscal risk** of allowing persons to move from state psychiatric hospitals and IDD centers to the community. This risk-bearing system is built around **capitated payments (not fee-for-service) that fosters wholistic services with the aim of improved functioning** across the range of human dimensions.

As a result, Michigan's public mental health system converted a system dominated by state hospital care to a community-based system of care (over 300,000 served by the public mental health system, every year, compared to less than 800 state hospital beds).

If Michigan's CMH/PIHP budget of \$2.5 billion were still used to fund inpatient care in the state psychiatric hospitals and developmental disability centers, 8,500 persons would be served each year. With community-based care, Michigan's CMH/PIHP/Provider system serves over 300,000 persons each year - representing a **35 fold increase in the number of persons who can be served through community-based care when compared with state institutional care.** For every person provided community-based care rather than state facility care, 34 other people can also be served. This rate of return, unheard of in most healthcare arenas, greatly expanded the ability of the system, even with serious fiscal constraints, to reach those previously unserved

10. Medicaid provides **coverage for the entire 2 million persons** in the enrollment base while the **public mental health system serves a small but highly complex and expensive to serve group** of Medicaid enrollees.

11. **The public system is also charged with serving those not on Medicaid (the other 8 million Michiganders),** but with a very small non-Medicaid budget (\$7.50 per person per year) for mental health services per person is not covered by Medicaid.