

Governor's Proposed FY 2017 DHHS Budget

Sec. 298. (1) The department shall transfer the service funds appropriated in part 1 currently provided to PIHPs through the Medicaid mental health services, Medicaid substance use disorder services, Healthy Michigan plan – behavioral health and Autism services lines to the Health plan services line by September 30, 2017. To implement this change the department shall:

(a) Amend the contracts for the Medicaid health plans to include responsibility for covering the full array of specialty services and supports for eligible Medicaid beneficiaries with a serious mental illness, developmental disability, serious emotional disturbance, or substance use disorder upon completion of a plan to integrate these specialty services and supports in to the comprehensive health plan contract.

(b) Engage external stakeholders in the development of the integration plan. This process shall include, but not be limited to the Michigan association of community mental health boards, the Michigan association of health plans and advocates for consumers of behavioral health services.

(c) Contract with an administrative service organization to provide oversight of the Medicaid health plans and the CMHSPs and ensure continuity of care for the served populations. This organization would be responsible for, at a minimum, conducting analytics on claims from the Medicaid health plans and CMHSPs, reducing duplicative administrative functions at the CMHSP and the service delivery level, and advising state on performance outliers and population health status. The department may issue a request for information to identify potential administrative service organizations. The department is authorized to conduct a competitive direct solicitation to procure services in accordance with state procurement policy.

(2) The contract amendment described in (1) shall require Medicaid health plans to contract with the existing CMHSPs for the provision of specialty services and supports.

(3) Sixty days prior to completing the contract amendment detailed in (1), the department shall provide a report describing the integration plan to the state budget office, senate and house appropriations committees and senate and house fiscal agencies. This report shall, at minimum, detail the following:

(a) An assumed timeline for completion of the integration of behavioral health services into Medicaid health plan contracts.

(b) Information on the assumed change in rates that will be provided to Medicaid health plans as a result of the integration of behavioral health services into the Medicaid health plan contracts.

(c) Information on the projected fiscal impact of this change including any administrative savings that may be generated through the integration of behavioral health services into the Medicaid health plan contracts.

(d) A detailed plan describing steps that will be taken to ensure that current consumers of behavioral health service currently funded through PIHPs will not experience any disruption to their services and supports.

(e) A detailed plan describing how the department shall ensure the readiness of Medicaid health plans to take responsibility for services previously funded through PIHPs.