


Navigating Challenging Times

Janet Olszewski, Director,
Michigan Department of Community Health




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www.michigan.gov/mdch



Successes in Challenging Times

- o System based on recovery
- o Peer Support Specialists
- o Anti-stigma campaign
- o Culture of gentleness

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Michigan is Changing

- o Michigan is becoming a different state - and a smaller state
 - Estimated 2008 population (just over 10 million) is down 46,000 from 2007
 - Michigan's rate of net migration to other states (1.1%) was the nation's highest in 2008
 - 1 million jobs lost between June 2000 and December 2010
 - FY 10 GF/GP revenue expected to be about \$2.85 billion less than FY 2000
 - Auto industry in crisis

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Budget Crunch


- Continuation budget in place (30 days)
- DCH budget just over \$13 billion, \$2.3 GF
 - EO reductions annualized
 - GF: Almost 25% cut
 - **Community Mental Health: \$40 million cut**
 - Medicaid: Providers face 8% rate cut
 - More funding for our increasing Medicaid caseload



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Challenges ... and Opportunities


- In Michigan, our mental health system must find ways to meet demands for services while positioning ourselves for the future
 - Increasing efficiencies
 - Streamlining structures
 - Utilizing best practices
 - Responding to consumer needs



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The Case for Reform


- More than 45 million are uninsured in the U.S.
- In the past 10 years health care premiums have increased 117% for families and individuals and 119% for employers
- The U.S. spends 16% of its GDP on health care – more than any nation – but WHO ranks the U.S. 37th in overall health system performance
 - Preventable chronic conditions account for more than 70 percent of all deaths in the U.S. – and 75 percent of all health care costs
- Primary care, the backbone of our health care system, is in crisis. For example, Michigan is on pace to have a shortage of 4,000-6,000 primary care doctors by 2020.



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Why it Matters in Michigan


- 1.1 million without insurance
- 1 in 6 enrolled in Medicaid
- Families USA report projects 1,040 Michigan citizens will lose insurance weekly through 2010
- That same report estimates some 162,100 Michiganians will lose their health insurance between 2008 and 2010
- According to the 2008 MDCH Survey of Physicians:
 - About 62 percent of doctors report their practice is full or nearly full – up from 42% in 2005
 - About 85% of doctors report they provide care to Medicaid patients, down from 87% in 2007 and 89% in 2006



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Reform Efforts in D.C.


- The Senate Finance Committee bill likely will be the vehicle bill
 - Health care legislation is expected to be on the Senate floor in a couple of weeks
- House continues to combine health care bills
- Mental Health/Substance Abuse parity coverage mandated in all plans
- Kaiser Family Foundation: healthreform.kff.org



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“Change is the law of life.
 And those who look only to
 the past or present are
 certain to miss the future.”

~ *John F. Kennedy*



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