Environmental scan and MACMHB strategies to advance the system

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Healthcare integration

- Study released by MACMHB’s Center for Healthcare Research and Innovation
- Over 750 healthcare integration efforts led by CMHs, PIHPs, or providers
  - Bi-directional co-location
  - Service coordination, joint plans
  - EMR linking
  - High utilizers
  - Health screening and coordinated referrals
  - Cross discipline education
Impact of General Fund reductions in 2014 and 2015

- Budget cut to provide savings needed to garner political support for HMP
- 10,000 persons lost services as a result
- Report by Association’s Center for Healthcare Research and Innovation study due out soon
60% cut in State General Fund support taken when Michigan expanded Medicaid coverage (as Healthy Michigan Plans)

$117 million remaining from $300 million (was $97 million but $20 million restored after OIG review)
While some level of GF reduction was seen as appropriate (with Medicaid expansion), the reduction was:

- far too deep
- did not reflect the fact that many demands exist, outside of those to be covered by the Healthy Michigan Plan, on the remaining GF dollars
Of the state’s $2.4 billion mental health budget only $117 million (less than 5%) is available for services to persons without Medicaid coverage.

When the portion of that 5% that is used to underwrite the costs of services to persons with Medicare coverage & persons with spend-down Medicaid eligibility are removed from these funds, this 5% drops to 2.5%.
- This 2.5% of the state’s mental health budget provides $60 million per year to meet the mental health needs of the Michigan residents not covered by Medicaid

- This funding level provides **$7.50 per person per year** to meet the mental health needs of these 8 million Michigan residents.
This thin funding level leaves many holes in the public safety net – a safety net that most Michigan citizens assume (and should be able to assume) exists for them and their family member in their time of need.
HICA and Use Tax

- Alternate application of Use Tax revenues vetoed by Governor
- HICA unpopular in business community
- Large Medicaid funding gap if HICA, Use Tax, or other general purpose state revenue not identified for state match for Medicaid
CCBHC

- 14 Michigan sites
- MDHHS has submitted application to be designated a CCHBC demonstrate site state
Direct Care Workers wages

- Section 1009 report calls for wage increase, fostering direct care work as valuable career
- One of top priorities of MACMHB members, coalition members (Partnership for a Fair Caregiver Wage), MDHHS leadership, Governor
- Would require $90 million per year, for next 3 years, in increased Medicaid expenditures ($30 million GF)
HCBS

- Readiness efforts continue, co-led by MDHHS and MACMHB members
- Impact will be dramatic, albeit slow moving with a September 2018 deadline
- Sites and services seen as:
  - unable to meet these standards
  - requiring heightened scrutiny
  - requiring some changes
  - Meet the HCBS standards
1115 Waiver

- MDHHS is awaiting response from CMS
- Likely April 1, 2017 implementation
- Combines all 1915 b, b(3), c waivers and substance abuse services into a single waiver
Section 298

- Celebration, vigilance, advancement
- Strong partnership with advocates
- Draft report out by early December for public comment period
- Report to Legislature in mid-January
- Continued policy and budget debate
MIHealth Link (Duals project)

- 4 pilots continue
  - Upper Peninsula
  - Southwest Michigan
  - Wayne County
  - Macomb County

- Enrollment remains low due to concerns by enrollees
Staffing changes and culture within MDHHS

- Last 2 years of administration – as with any administration
- Elizabeth Hertel’s departure
- New staff
- Cloud resulting from AG’s efforts
Incoming federal administration

- Potential federal changes as a result of Presidential election
- Changes to Exchange under the ACA
  - Essential benefit
  - Requirement to purchase insurance
- Threats to continuation of Medicaid expansion
- Potential block granting of Medicaid
Context for Association’s strategic initiatives

Celebration, vigilance, innovation

Celebration

- Successful effort to turn back the proposal to privatize/profitize this system (Section 298) was impressive
- The solidarity across the state’s BHIDD community was rapid and unified
After Celebration, Vigilance, and Innovation

- Privatization/profitization threat will be with us for some time to come

- Allure of the Medicaid BHIDD market segment is substantial and will continue to attract those who seek to profit by capturing this market
While this threat will last for several years, the lifespan of this threat a function of the speed and depth of the profound changes occurring in the healthcare world.

There are three near term windows for this privatization/profitization threat to arise:

- the current round of the 298 process
- the lame duck session of the Michigan Legislature
- the FY 2018 Michigan budget development process
These prolonged and near term threats call us to

- Remain vigilant in our work to thwart these threats
- While, simultaneously, advancing our system
Advancement of the system must be marked by

- Boldness, creativity, risk taking, partnership development, and the wise synthesis of the best of public sector and private sector thinking
- Willingness to continue to grow and evolve in the areas in which we are strong
- Willingness to address, with clear-eyed honesty, the areas in which we need to improve
MACMHB’s strategic initiatives to advance the system

The strategic framework’s structure is built around:

- Need to address short term and longer term opportunities and threats

- Foundational work - longstanding strengths of the system and the Association

- Premises upon which the next phase of the action plan is based
Premises

- Premise 1: performance and vision are important
  - High levels of performance substantiated by easy to understand comparative data
  - Identification and development of innovative visions

- Premise 2: performance and vision are necessary but not sufficient;
  - political pragmatism and strategy are essential
Premise 3: the threat of profitization is real and will continue for some time to come

Premise 4: partnership with consumers and other constituencies has always and will continue to be at the center of our work
  – They are the reason that our system exists
  – Their voice is morally and politically powerful
A. Partnership development

- Continue to strengthen and grow the number of partnerships with advocates and allies, including dozens of state-level advocacy groups and other natural allies – alliances that have grown strong since the beginning of the year.
B. Development of a common vision and agenda

- Build a common vision and agenda, across the CMH, PIHP, and provider members of MACMHB
  - Adopted unanimously by the MACMHB Executive Board
  - Based on work of the Association’s System Redesign Workgroup, Executive Board, committees, Directors Forum, Provider Alliance, and dialogue with allies
  - Use of consultant firms with regional and national reputations and perspectives to assist in the development of this vision
C. Legislative relations and advocacy

- Continued strengthening partnerships with traditional and non-traditional allies
- Deployment of the Association’s electronic action alert system, Voter Voice
- Continued dialogue with key legislative leadership, by Association staff and multi-client lobbying firms.
- Strategic use of the MACMHB Education and Advocacy Fund and the CMH PAC fund
- Increased partnering with the National Council and NACBHDD
D. Executive branch relations and advocacy

- Use of regular dialogue with MDHHS leadership on a range of issues, via quarterly and ad hoc meetings and discussions with MDHHS and BHDDA leadership to further the vision and agenda of the Association and its members.

- Initiate dialogue with the Governor’s office in addition to that with the Lieutenant Governor’s office on a range of issues.

- Continued and growing participation, as MACMHB staff and recruitment of MACMHB members, on MDHHS workgroups aimed at system improvements.
E. Public and media relations

Focus the public and media relations work of the Association and its public relations firm, Lambert, Edwards and Associates, on:

- those issues with significant impact on the system
- underscoring the value and performance of the public BHIDDD system
- use a range of approaches including: press releases and letters to the editor, blogs, social media, and infographics
F. Policy analysis, research, and advocacy

- Development of contractual relationships with policy and practice consultants (HMA, TBD, MLPP, PSC), via retainer and/or project-specific contracts
- Continued use of the fiscal and data analyst position
  Continued use of the contract negotiation analyst position
- Further development of a robust fiscal and demographic data warehouse
- Creation of a Public Policy and Research Graduate Student Practicum position
In closing, we must:
- Remain vigilant in our work to thwart threats to our system and those whom we serve
- While, simultaneously, advancing our system

Advancement of the system must be marked by:
- Boldness, creativity, risk taking, partnership development, and the wise synthesis of the best of public sector and private sector thinking
- Willingness to continue to grow and evolve in the areas in which we are strong
- Willingness to address, with clear-eyed honesty, the areas in which we need to improve