

Community Mental Association of Michigan

Summary of advocacy efforts to ensure the strength and survival of Michigan's public mental health system – in the face of legislative threat

April 2022

System threatening Senate bills introduced

Since 1997, Michigan's public mental health system has been a Medicaid carve out system, in which the **Medicaid behavioral health benefit is managed by public specialty/behavioral Medicaid health plans with direct ties to county government**. The Medicaid physical health benefit is managed by a group of private Medicaid health plans, the bulk of which are for-profit plans.

In 2021, Michigan Senate Majority Leader Shirkey introduced Senate Bills 597 & 598 which would move the management of all of Michigan's Medicaid mental health services to private health plans. These bills and their analysis can be [found here](#).

These bills have moved out of the Senate Committee, to which the bills were referred, and have not been voted out of the full Senate. At this point, it is clear that Senator Shirkey has not had the votes, since the summer of 2021, to pass the bill out of the Senate and is still many votes short. Opposition to the bills is also growing in the House – opposition that will be essential if and when the bills move to the House.

This the fourth attempt, in the past six years, to move the management of the state's publicly managed system (greater detail below) to the management of private health plans.

Structure of Michigan's current system

As noted above, since 1997, Michigan's public mental health system has been a Medicaid carve out system, in which the Medicaid behavioral health benefit is managed by public specialty/behavioral Medicaid health plans with direct ties to county government.

These specialty plans (known as Prepaid Inpatient Health Plans [PIHP] in federal parlance) have been designed in various forms and regions since 1997 – all with the Medicaid managed care role being played by public organizations formed by and accountable to local county governments.

The current structure of the public specialty/behavioral health plans were formed and are governed by the state's public Community Mental Health (CMH) centers. These specialty/behavioral plans (PIHPs) receive Medicaid dollars from the State of Michigan via risk-bearing capitated payments and make sub-capitated payments to the state's CMHs who formed them. These CMHs, using these Medicaid dollars (90% of the CMH budgets) and a much smaller allocation of state/non-Medicaid dollars, directly provide and purchase the full range of behavioral health services to adults with mental illness, children and adolescents with emotional disturbance, and persons with intellectual and developmental disabilities. in an efficient and tightly managed provider network. In most communities, while still publicly managed, the substance use disorder prevention and treatment network is directly managed by the public specialty plans (PIHPs) and not through the state's CMHs (the result of the historic funding streams used in Michigan's SUD system).

It is this three-part system – public specialty/behavioral Medicaid health plans, public Community Mental Health centers, and private providers in the networks of these two public bodies – that make up Michigan's public mental health system.

Components of comprehensive advocacy effort in opposition to these bills

In response to these bills and the harm that they would do to the state's high performing public mental health system and the 300,000 Michiganders and their families and communities who are served by that system, a comprehensive advocacy effort opposing these bills has been designed and implemented over the past year. This advocacy effort is the collective work of the Community Mental Health Association of Michigan (CMHA), its members and allies, persons served throughout the state, the state's major advocacy groups.

The components of this effort are summarized below.

1. Large and diverse coalition opposing Senate bills 597 and 598: Built on the longstanding collaboration among the state's public mental health system and its local community partners, [over 100 organizations](#), representing a diverse set of interests and geography, have come out in opposition to these bills.

2. Strong opposition by Michigan counties: Based on the longstanding partnership with the Michigan Association of Counties (MAC), MAC and over 2/3 of Michigan counties have come out strongly against these bills. MAC's stance upon and action in opposition to these bills is captured in the recent notice from MAC, below:

Podcast 83 interviews state mental health leader about threat to local control in Senate Bills 597-98

Legislation that would bring in private companies to handle mental health services in Michigan would wreck longstanding local oversight and almost assuredly weaken assistance for those in need, a state leader in the field said during [a special episode of MAC's Podcast 83](#).

Alan Bolter, associate director of the Community Mental Health Association of Michigan, discussed [Senate Bills 597-98](#) with Meghann Keit-Corrior, MAC governmental affairs associate and point person on mental health issues.

MAC and CMHA are among organizations that have opposed these measures, which are backed by Senate Majority Leader Mike Shirkey (R-Jackson). First introduced in July 2021, the bills cleared a Senate committee last fall and are before the full Senate.

Use MAC's [advocacy platform](#) to send a message of opposition to your senator. MAC also has a [talking points sheet](#) on mental health legislation for members' use.

A poll commissioned by the [Community Mental Health Association of Michigan](#) and conducted by third-party survey provider [EPIC-MRA](#) found 67 percent of Michigan voters prefer the public mental health system to be managed by public entities who specialize in mental health care vs. turning the system over to private, for-profit companies.

[Sixty-two Michigan counties](#) have passed resolutions in support of local control and against SBs 597-98.

3. Opposition letter signed by key allies: Early in the advocacy effort, a number of organizations joined CMHA and the Michigan Association of Counties in signing a [joint statement in opposition to the bills](#).

4. Talking points and infographics: A number of talking point documents and infographics have been developed for use with local and statewide advocacy efforts. Those documents include:

- [SB 597 & 598: The Wrong Step at the Wrong Time: Dangerous, Costly & Bad for Michigan:](#)
- [Wrong Step at the Wrong Time: Care Cost, Governance, Performance](#)
- [These stars do not align with quality behavioral health](#)

5. “Within our Reach”: concrete approaches to advancing the system – as alternative to system damaging proposals: While much of this advocacy approach focuses on opposition to the legislative proposals, CMHA and its members also proposed a number of concrete actions that, if taken, would actually address the areas in which advancement of the system is needed. These recommendations are captured in a document [Within Our Reach: Concrete approaches to building a world class public mental health system in Michigan](#).

6. Illustrated video highlighting the dangers of the bills: [This video](#), developed jointly by CMHA and one of its members, West Michigan CMH System, outlines the dangers of these bills using illustrations and drawings – in language and drawings that make the arguments against these bills accessible to a wide and diverse audience.

7. Action Alerts: Since these bills were introduced, CMHA has issued eight electronic Action Alerts to its members and allies, urging them to express their opposition to these bills. The CMHA Action Alert system allow any person/potential advocate, with only a handful of keystrokes and using the advocate’s zip code (to identify the advocate’s legislative district), to send an email to his or her State Senator, Representative, and the state’s Governor. The advocate can use the language provided in the action alert, personalize that message, or write a completely original e-mail. CMHA members and allies sign onto receiving regular Action Alerts by signing onto the CMHA system.

These Action Alerts have resulted in over 14,000 e-mails to Michigan legislators (each from a constituent in the legislator’s own district), with nearly 4,500 additional e-mails sent to Michigan’s Governor.

8. Social media posts: A set of “to the point” [social media posts](#) have been developed and, with the increased presence purchased by CMHA, through Lambert, they are getting wide distribution. These social media posts are attached.

9. First person hard-hitting video: Working with a videographer team, its members, and a number of persons served, CMHA developed the advocacy video [“They must think that we are not paying attention; enough is enough”](#). That video, with very high production values, has been welcomed by stakeholders and partners across the state, putting a face and a voice to those who would be directly impacted by these bills.

10. Public polling: CMHA contracted with EPIC-MRA (one of the state’s preeminent public polling firms) to gauge the public sentiment around Senator Shirkey’s bills. The poll was conducted in January 2022 among active and likely November 2022 general election voters across Michigan with a margin error of +/-4. Key data points, highlighted in the [press release](#) announcing the poll results, include:

- Nearly 3 times as many Michiganders oppose the privatization of the state's mental health services for Medicaid patients (the purpose of Senate Bills 587 & 598). 67% oppose while only 24% support that privatization.
- 76% of voters are concerned that private, for-profit health plans, do not have a good track record in treating patients with mental health needs and fear they will make matters worse.
- 73% of voters are concerned that high overhead costs of the private health insurance companies (double that of the public system) and the corporate profits that these companies take out of the taxpayer-funded Medicaid system will lead to less mental health services for those in need.
- The data also found factors that make a public mental health care system more cost effective than a private system, including active management of comprehensive services, a person-centered planning approach and high medical loss ratios (low spending on administrative costs to allocate those dollars towards Medicaid beneficiaries).
- Nearly 4 times as many Michiganders are less likely to support their legislator if he/she supports privatization of mental health services for Medicaid patients than those more likely to support that legislator: 40% less likely compared with only 11% more likely.
- Twice as many Michiganders think that Governor Whitmer should veto legislation if it passes than those who think she should sign the bills: 54% favor veto with only 27% favoring signing

11. Electronic media messages: CMHA and Lambert developed banner advertisements to run, daily, on both of Michigan's capitol news services, MIRS and Gongwer - services religiously read by the state's legislators, staff, and policy makers.



12. Multi-state analysis: In 2022, CMHA conducted a study of the impact of the movement of the management of a state's Medicaid behavioral health benefit to private health plans. This study was released by the Center for Healthcare Integration and Innovation (CHI2), the research and analysis arm of CMHA. [This study](#) provides a clear-eyed picture of what happens to persons served and the public and private provider systems upon which they rely when states move the control of Medicaid behavioral health dollars to private for-profit health insurance companies.

Highlighted in this white paper is a sample of just some of the states that have moved their publicly sponsored and funded (primarily Medicaid) mental health system to the private sector. Examples of the harm to the state's providers and the persons and communities that they serve include: significant

payment delays, inaccurate payment rates, and inexplicable rejections of claims – when combined resulted in closures of providers. Also noted is the lack of expertise regarding behavioral health care on the part of private insurance companies. Additionally, the providers and persons served in these states reported that the definition, by the private health plans, of medically necessary services is vastly different from that of public behavioral health, both in direct client care and regarding services related to social determinants of health such as housing, employment, transportation, and education.

A number of states reported the erosion or complete loss of longstanding and vital community partnerships around primary care, law enforcement, education, and housing and homeless services. Additionally, a number of private plans have been charged with Medicaid fraud. As a result of these moves to privatization, persons served across these states have experienced reduced access to quality care due to challenges finding available providers and premature termination or reduction in services, with disparities exacerbated for BIPOC and LGBTQ+ communities due to lack of linguistically and culturally concordant providers.

This is the latest analysis carried out by CMHA, CHI2, and their partners around the impact of this wrong-headed policy. The earlier studies are found [here](#) and [here](#).

13. Petition in opposition to bills: Several components of this advocacy campaign urge allies to sign the petition against these bills. To date, over 7,000 Michiganders have signed this [petition](#).

14. Press coverage: Working with Lambert, CMHAs: The media relations components of this campaign – led by CMHA, Lambert, and the public relations lead on the staff of CMHA member organizations in communities across the state – have generated a large number of new stories underscoring the danger of these bills and the public's opposition to those bills. A sampling of these news stories can be found at:

- Stabenow opposes Shirkey mental health integration bills: <https://www.cmham.org/wp-content/uploads/2022/03/Stabenow-Opposes-Shirkey-Mental-Health-Integration-Bills.pdf>
- 300,000 people rely on Michigan's public mental health system. Republicans want to privatize it: <https://gandernewsroom.com/2022/03/17/michigan-public-mental-health-system-republicans-privatize/>
- Our benefits work – please don't change them: <https://www.ourmidland.com/opinion/voices/article/Our-benefits-work-please-don-t-change-them-17007206.php>
- Poll: Michigan voters oppose privatization of mental health services: <https://www.michigansthumb.com/local-news/article/Poll-shows-voters-oppose-privatization-of-mental-16947329.php>
- Bills would threaten community 'safety net' for mental health patients, opponents say: <https://cmham.org/wp-content/uploads/2021/12/Petoskey-News-Bills-Threaten-Safety-Nets-11.26.21.pdf>
- Build on Michigan's proven public mental health system: <https://www.crainsdetroit.com/other-voices/commentary-build-michigans-proven-public-mental-health-system>
- Latest effort to reform Michigan's mental health system finds critics: <https://www.bridgemi.com/michigan-health-watch/latest-effort-reform-michigans-mental-health-system-finds-critics>

- Michigan Senate leader's plans to overhaul mental health system worries advocates:
<https://cmham.org/wp-content/uploads/2021/05/Detroit-News-Senate-leaders-plans-May-2021.pdf>

15. Regular advocacy briefings: CMHA's Associate Director, the leader of CMHA's government relations work, conducts half-hour briefings on these bills, related legislation, and the collective advocacy efforts of CMHA and its allies. These briefings allow CMHA members to hear, in a brief and informal dialogue, the latest on these bills and the advocacy efforts around them.

16. Dialogue with Governor: The success of this advocacy effort to bring the gravity of and opposition to these bills to the political forefront and CMHA's strengthened financial support for key elected officials led to meetings with Michigan's Governor Whitmer. Those discussions centered on the threat that these bills pose to the state's public mental health system and those Michiganders who rely upon that system.

17. Advocacy with Michigan Senators and House Members: For months, CMHA, in partnership with its multi-client lobbying partners, Muchmore, Harrington, and Smalley; and RWC, has been holding a series of focused meetings with key Senators and members of the Michigan House, urging them to oppose Senator Shirkey's bills.

18. Dialogue with the leadership of the Michigan Department of Health and Human Services: Akin to the discussions held with the Governor, State Senators, and House Members, CMHA met with the leadership of the Michigan Department of Health and Human Services. To underscore the threat that these bills pose to the state's public mental health system and those Michiganders who rely upon that system.