**Highlights of Requirements for Mental Health System Reform**

**Don’t Privatize—Do it Right**

The Michigan public mental health system is in crisis. The governor’s plan to privatize will only make the problems worse. The following requirements highlight the underlying needs for reform. These requirements are all addressed in the proposal “A Better Mental Health System” found under the Advocacy tab of [www.amioakland.org](http://www.amioakland.org).

### Organizational consolidation for economies of scale

* The CMHSPs and “core agencies” must be consolidated with their PIHPs into regional organizations for significant reduction of costs, administration and operating complexity.
* Basic operational support services—accounting, purchasing, human resource management and information systems—must be consolidated at the state level for consistency and economies of scale.
* State-wide information systems must include shared provider services and electronic health records along with unified deployment of technological advances for consistency, economy of scale and rapid adaptation.

### MDHHS to contract with all providers and pay for all services under those contracts.

* State budget must specify the scope of services to be provided and the qualifications of people to be served.
* State contracting achieves consistency and economies of scale in contracting and accounting for services
* No delegation of risk or bundled services to enable adequate and appropriate services for all qualified recipients.

### Regional organizations to focus on community needs and quality care

* Professionals will order services needed by individuals to be delivered under state master contracts
* Community focus will promote collaboration with community organizations, early intervention with persons exhibiting problems, and objective oversight of service providers.
* MDHHS budget must include cost of incarcerated persons qualified for mental health services to eliminate cost shifting.

### Independent assessment of system performance and needs for services

* Needs assessment, performance oversight. resolution of service disputes (rights complaints, grievances, appeals, denial of services, and under-utilization management) and assignment of remedies must be managed by an independent agency that informs and supports the legislature for effective governance.
* The mental health budget must be based on the state-wide assessment of need and a consistent specification of services and recipient qualifications.
* The budget specification must determine statewide, unmet needs for public accountability of the administration and the legislature.

### Qualified and dedicated personnel for quality care

* Professionals must be empowered to do the right thing, providing services that are truly person centered and appropriate, and performing oversight of individual service delivery.
* Services must be certified and all delivery personnel must be licensed or certified to ensure proper qualifications and to exclude personnel who fail or lose certification.
* Personnel must be paid competitive wages to attract and retain quality personnel. Providers must be paid for the work they deliver.

### Timely, objective and informed treatment and services

* Supports and funding must be provided for collaboration and coordination of care by treating professionals.
* State contracting must support a provider directory for informed choices by recipients
* Treatment planning must address the need for housing, transportation, recreation and social activities to support treatment and recovery.
* Early intervention along with supported and sustained recovery will reduce the severity of disability, improves the quality of life, and significantly reduces the lifetime cost of services.

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For more information and town hall videos see [www.amioakland.org](http://www.amioakland.org) under the Advocacy tab

# **The Michigan Public Mental Health System Is in Crisis**

* 252,133 persons in Michigan with Schizophrenia or Bipolar Disorder, 119,697 are without treatment (NIMH 2016)
* Providers can’t hire or retain direct care workers—can make more at McDonalds or Walmart
* General funds help persons without insurance and cover services not covered by Medicaid. General funds have been cut and costs are increasing.
* Hundreds of people in need of services have been discharged because they no longer qualify for Medicaid but cannot pay for medications and support services.
* Professionals, particularly case managers, have a conflict of interest because their management is driven by an inadequate budget (managed care delegation of risk).
* Persons with symptoms of mental illness are denied service until their illness reaches a crisis or their behavior causes encounters with criminal justice.
* There are 9,395 persons with mental illness in Michigan prisons, and the number is rising. Many of these would never have become inmates if they had received timely and appropriate treatment.
* Many persons who have recovered sufficiently to live relatively independently with minimal supports are discharged from necessary supports and may lose ability to pay for medications. These people return later as seriously ill in need of expensive services.

# **Fundamental Problems**

* Funding is inadequate to meet the needs and provide quality care
* The system is complex, fragmented and inefficient due to multiple levels of contracting and duplication of administrative functions.
* MDHHS (Michigan Department of Health and Human Services) is not accountable for the suffering of persons unserved and underserved and the burden on their families and the general public
* The legislature does not know the needs for services, the inadequacy of the budget, nor the consequences. Legislators who become knowledgeable are lost to term limits.
* Budgeting risks are delegated to providers and individual recipients and potential suffer the consequences
* The providers save money when difficult or expensive recipients end up in criminal justice, homeless or dead.

# **Current Initiatives:**

* The governor wants to turn the $2.4 Billion over to multiple HMOs
* MDHHS has managed a series of hearings of Affinity groups to get public input
* The HMOs (MAHP) has prepared a proposal for the legislature
* MDHHS has accepted (other) proposals for change that focus on specific refinements to the system
* **AMI of Oakland County has submitted a proposal to MDHHS for substantial reform**
* MDHHS will submit selected proposals and pilot plans to the legislature on March 15.