

Legislation & Policy Committee Meeting, April 18, 2018, 9:30am

Legislative Update

FY19 Budget

Alan reviewed the House and Senate budget updates that were distributed to the group in the packet. He stated that the House voted out their version of the budget last week on Wednesday. Yesterday, the Senate voted out their version as well. Alan first reviewed the line items for the House version, giving details of each. Some of the highlights were the addition of \$5.5 Million GF for non-Medicaid MH services to hold harmless CMHs that may be negatively impacted by the new FY19 GF funding formula. This funding fix is for one year, but the process will be over 5 years. Another highlight was the addition of \$2.49 Million GF to reimburse counties for 50% of the cost provide up to \$83/month to court appointed guardians and conservators to individuals who receive CMH services; and the addition of \$500,000 GF for St. Mary's in Livonia for a 10-bed detox unit. The House version recommends dropping the autism services line from \$199 Million to \$159 Million and would cap the reimbursement rates at 75% of the federal Department of Defense's TRICARE reimbursement rates. The House version also recommends reducing \$9.5 Million Gross (\$6.3 Million GF) to the MH and Wellness Commission recommendations; reducing \$1.5 Million Gross (\$500,000 GF) funding for implementation costs of 298 Pilots; and, removes \$1.7 Million Gross (\$117,800 GF) to discontinue providing \$50 Gift Cards to Healthy MI Plan recipients, with incomes below 100% FPL who complete a health risk assessment.

Alan stated that the deemed status boilerplate language (Section 994) was removed from the House Version.

Alan then reviewed the Senate Budget as it was proposed, reviewing line items listed. Some of the highlights were the removal of a one-time funding for autism navigator funding \$1.025 Million GF; removal of a one-time funding for university autism funding \$250,000 GF; and, reducing MH and Wellness commission funding \$2 Million Gross (\$1 Million GF). Alan reviewed the full boilerplate language for the 298 Pilots as presented in the Senate version. An addition to that language was that the Health Plans be allowed to contract directly with a service provider in an effort to achieve the contractual requirements with this state for managing the physical and behavioral health of Medicaid eligible individuals within the pilot region. The Association will be discussing with legislators that this is beyond the original RFP that went out. Group discussed details of what the outcome of the 298 process may or may not be.

Alan reviewed section 959 – Medicaid Autism Benefit Containment – which would require the department to continue coverage for autism services that were covered on January 1, 2018 and specifies cases in which a second opinion is needed and requires a report on cases requiring a second opinion. The Association is going to argue that this is a potential parity violation.

Alan then spoke about Section 1009 – Direct Care Wage Increase – which would require the funds provided from this section be utilized by a PIHP for increasing wages, for the employer's share of federal insurance contributions, purchasing worker's comp insurance, or the employers share of unemployment costs.

Alan reviewed the "unenrolled" topic regarding the 298 Pilot process, and what to do with this population. The department proposed creating a new entity to manage their care, but then proposed that this population be contracted to ONE PIHP to manage their care. This presents multiple issues, such as regional coverage, etc. Alan stated that this topic is still being discussed.

House CARES Task Force Update

Alan spoke about the CARES Hotline, which was a recommendation stemming from the House CARES Task Force findings. He reviewed the document that suggests language to optimize that hotline. Topics discussed were telehealth, real time bed availability, discerning a caller's insurance coverage, ability to connect caller to services, ability for the caller to choose the desired level of interaction, and call back functions that include (but were not limited to) text, webchat, phone, facetime and skype. Alan stated that he did not believe this would create a burden for the CMHs, but would enhance services at that level. He stated that they are working closely with 2-1-1 reps. Alan stated that he is unsure if this will go through the Legislature or not, asking if there were any questions or comments on this. Group stated that there was no coordination on the local level for this and that the burdens for the CMHs will likely be more substantial than is realized.

SB 897 – Medicaid work requirements

Alan stated that this was voted out of committee this morning. He stated that this bill would add work requirements for Medicaid recipients. He stated that the Association has been working with Senator Shirkey's office, pointing out that we are against this bill, but that we realize some version of this bill will pass. The Association is working to soften the blow by including a deeper explanation of the term "medically frail". He reviewed the definition that we would like to have inserted into this bill. The section included in the most recent version of this bill seems to include this exemption.

HICA Replacement Proposal

Alan reviewed the document distributed to the group. He gave a brief review of the history of the HICA Tax, which would draw down a certain level of funding. This has not created the revenue it was projected to. The Administration is trying to fix this loss of about \$450 Million per year in Medicaid tax. The proposal would reinstate its provider tax, and shows rates that the HMO's, PIHP's and PPO's would see.

DAB issue Update

Alan spoke about the most recent Medicaid Rate Setting meeting. He stated that PIHPs have had to dip into their reserves, but we still believe there will be an FY18 rate adjustment. The DAB rates should be adjusted for FY19 moving forward. PIHPs are experiencing a significant loss of revenue due to this population migration to a different plan, and miscalculated rate payments.

Policy Updates – Bob Sheehan

HCBS Status

Bob Sheehan stated that MARO, MALA and the Association are moving forward in a partnership on HCBS. He stated that providers have until 2022 to come into compliance if they have been placed under Heightened Scrutiny.

Employment First Initiative

Bob stated that 10 – 12 CMHs and Providers have applied (via the RFP) for this initiative, which will cover transportation and payment reform (paying for jobs instead of contacts). Group discussed efforts available in schools and job coaching.

School Community Health Alliance policy work

Bob stated this is a joint effort to get funding into schools for Primary Care. No movement on this topic recently.

Other

Gun Violence Workgroup Update

Alan reported that the recommendation of this group to establish a gun violence workgroup was finalized, and its first meeting was held on April 13, 2018. He reviewed the document that summarized recommendations from that meeting. Some of the recommendations from that meeting were that persons with mental illness are 10 times more likely to be victims of violence than perpetrators, reduction of gun violence should be across the entire community, school security measures, levels of prevention and early intervention, enforcing mental health parity, universal approaches to prevent bullying, adequate staffing and reforming school disciplinary practices to reduce exclusionary practices. Alan asked for input on the summary of recommendations. He stated that at this meeting, the focus was to stay away from gun/no-gun recommendations and highlight appropriate recommendations from a mental health standpoint. The next meeting will be scheduled for some time in May.

Alan then reviewed the Governor's Plan for School Safety. He stated that the House and the Senate are reviewing this proposal and will likely make recommendations as well. Group wondered if the Association had reached out to any other organizations to work on this topic collaboratively. Alan stated that the Michigan Sheriff's Association input from last month, as well as our work with School and Community Health Alliance is a good start to coordinate efforts.

Bob asked the group if the Gun Violence document could be accepted as usable information during next week's Hill Day visit.

Group agreed by consensus, with no issues noted.

Meeting adjourned at 11:03am.