MSHN
Mid-State Health Network

June 17, 2021

WRITTEN TESTIMONY OF
MID-STATE HEALTH NETWORK
ON HOUSE BILLS 4925-4929

Mid-State Health Network (MSHN) is a Regional Entity operating as a Pre-Paid Inpatient Health Plan (PIHP) created by the 12 Community Mental Health Services Programs (CMHSPs) in the region (and listed at the left) under MCL 330.1204b of the Mental Health Code (MHC).

MSHN opposes House Bills 4927 through 4929.

Instead of damaging the public behavioral health system through pursuit of these proposals, recent innovations by the public behavioral health system should be supported. The Mid-State Health Network Board of Directors supports, and asks our Legislative and Executive Branch leaders to support, invest in, and strengthen:

- PIHPs, CMHSPs and Providers, including substance abuse prevention, intervention, treatment and recovery providers across the state.
- Certified Community Behavioral Health Clinics (CCBHCs).
- Behavioral Health Homes.
- Opioid Health Homes.
- Regional and local primary and behavioral health integration infrastructure and care integration at the point of service delivery.

MSHN highlights the following as rationale for our opposition to these House Bills:

- **Beneficiaries and their families, and the communities that support them, are opposed. This has been documented in prior ("Section 298" and other) redesign efforts. Beneficiaries would stand to lose access to services, supports and input into the design and operation of their services and supports system.**

  Every year, hundreds of thousands of Michigan citizens benefit from the high-quality services and supports provided through the federal and state funding administered by PIHPs and operated by CMHSPs, their provider networks, and the substance abuse prevention, treatment and recovery service delivery system. Thousands upon thousands of individuals, their families, and communities, depend on the public behavioral health system for daily (and in some cases, life-long) supports and services. Many beneficiaries have expressed their desire to strengthen and improve the existing public behavioral health system – opposing the carving in of public behavioral health funding to physical health plans. Many Michigan citizens are completely left out of the legislative proposals. Current innovations in public behavioral health, such as Certified Community Behavioral Health Centers, Behavioral Health Homes, and Opioid Health Homes have evidence to support that they produce better access, better health outcomes, and better care for individuals, families, and communities. Because these proposals ignore the voices of thousands of people served by the public behavioral health system, leave many potential beneficiaries out, and ignore the benefits of innovative models now being established in the State, Mid-State Health Network opposes them.

- **These proposals inappropriately and ill-advisedly sever the state-county partnership that is the cornerstone of the public behavioral health system.**

  The public behavioral health system is the safety net system for our state's most vulnerable and needy people. It is to the board of directors, who are appointed by Community Mental Health Services Program (CMHSP) boards in our 21-county service area (where they are appointed to the CMHSP board by County Commissions) that the regional entity is accountable. The public behavioral health system is a State-County partnership and has been since its inception. We believe strongly that the public safety net behavioral health system must remain public in governance, accountability, funding, and operation. We believe strongly that beneficiaries have immediate and in-person access to their board member representatives in the community and to the whole board of directors through participation in local public board meetings under the Open Meetings Act. The House Bills create a bureaucratic, distant, single entity removed from beneficiaries, local communities, and county governments. Mid-State Health Network opposes the house bills for these reasons.

- **There is no clear statement about the problem(s) that the legislation proposes to cure or address. Current proposals for redesign are not based on facts or performance metrics related to positive outcomes, effectiveness, and efficiency measures associated with the current public system.**

  Facts demonstrate the effectiveness of MSHN and this region, as well as many other PIHPs, CMHSPs and our substance abuse prevention, treatment, and recovery provider systems. Please refer to our recently published Impact Report by clicking on this link. Proposals to "reform" or "redesign" the public behavioral health system must be based on factual determinations that define the problem(s) being addressed and measure performance against metrics meaningful to persons served and our communities. Even cursory review of performance and financial metrics reveal that Mid-State Health Network and the broader public behavioral health system should be supported, invested in, and strengthened. The following are just a few examples of Mid-State Health Network regional performance that meet or exceed expectations, benchmarks, or performance thresholds. There are many, many more.

  - There are nearly 452,000 Medicaid (and Healthy Michigan) enrollees in the 21 County region. Compared to the prior year, as of March 2021, penetration (the number of Medicaid/HMP covered persons receiving specialty behavioral health services from within the eligibles population) increased by 38.2% and is about a 9% annual rate.

  - MSHN collaborates with eight Medicaid Health Plans (MHPs) with operations in the region. In 2017, 53% of individuals shared in common between MSHN and MHPs experienced fewer emergency room visits than the prior year. In 2018 and 2019, over 65% of these individuals had fewer emergency room visits than the prior year.

  - MSHN has a 90% rate of child access to primary care and a 92% rate of adult access to primary care (beneficiaries connected to primary care and have had at least one primary care visit in the prior 12 months).

  - 98% of new beneficiaries received their initial assessment within 14 days of their request for services. 97.6% of persons served in the MSHN region received their first service within 14 days of receiving their assessment. Performance on both metrics is well above established thresholds.

  - MSHN has doubled the number of individuals served by Opioid Treatment Programs (Methadone). 25 times more persons have been served through office-based medication assisted treatment for an opioid use disorder.

  - MSHN has overseen successful preventative reductions in youth access to and use of alcohol (from 24% in 2014 to 19% in 2018) and tobacco use (from 11.4% in 2014 to 6.5% in 2018).

- Due to increased physical and behavioral health care coordination (and other factors) MSHN has earned 100% of performance incentives in the last five years totaling nearly $12.2M – all of which was distributed to CMHSPs in the region for use to improve behavioral health services in their communities.

- MSHN direct administrative costs (costs of PIHP direct options) has been less than 2% since the inception of the regional entity in 2014. The MSHN region has generated savings from efficient regional and local operations every year since its inception.

- MLR (Medical Loss Ratio) is a measure of how much money available to the PIHP is directed to services and supports for beneficiaries. MSHN's MLR for FY 2018 was 98.03%, for FY 2019 was 96.51% and for 2020 was 90.05% (calculation instructions were revised in 2020, which is the reason for the change). This compares to a performance standard/requirement of 85% for health plans.

- MSHN has achieved the highest audit opinion of its financial operations every year since its inception. MSHN has also performed above state standards (90%) on the following metrics: Billed code allowable (100%), beneficiary eligible on date of service (100%), Service included in individual/person-centered plan (99.98%), documented service date/time match claim (98.76%) and many others.

- MSHN has consistently met or exceeded external quality review standards, which is a set of measures associated with the quality of its managed care operations. High performance areas include: practice guidelines, staff qualifications and training, beneficiary rights and protections, and coordination of care (among others).

- MSHN has led the state in establishing processes to honor results of provider performance monitoring conducted by other entities and in establishing recognition for training received in other areas of the state (reciprocity activities).

Pursuing these proposals reflected in the referenced House Bills, in the absence of a stated problem (or set of problems) is nothing more than reactive and anecdotal and must be avoided. We want the legislature to invest in and strengthen the public behavioral health system and hold it accountable, especially while we implement the innovative programming described above that is now being established in Michigan. Because these proposals do not accomplish any of these aims, we stand united in opposing them.

- **These proposals cause significant upheaval when alternatives to redesign are readily available. The bill sponsors attempt to create a single, statewide, administrative entity to achieve certain kinds of access and operational standardization and reduce administrative costs. The legislature has power to pass laws mandating the statewide standardization, uniform access standards or other outcomes it intends without the upheaval, disruption, and chaos that will take place if the house bills are enacted.**

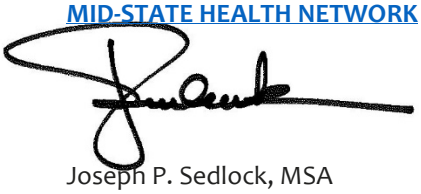
  The public behavioral health system carries out its responsibilities to ***every citizen*** in this state by seeking and serving persons with the greatest, most severe, most persistent needs and vulnerabilities without regard to whether there is risk of loss, low or no return on investment, or other non-person-centered motivations. The public system appropriately shares these risks with the State and is demonstrably efficient at moving more taxpayer money into services and not into administration or infrastructure as evidenced by a review of "Medical Loss Ratios" (reported for MSHN above). Because the House proposals at least in part are based on anecdotes and hearsay and not on facts or performance, and because there are readily available, less costly, less destabilizing options available, the MSHN region is opposing them.

This is no time for major upheaval on the public behavioral health system that so many thousands of persons, their families and communities rely on for support, especially during this pandemic period, but at any time. The public behavioral health safety net has ensured continued services and supports to individuals, families, communities,

workforce members and provider organizations in every possible way before and throughout the pandemic period including **millions of dollars** in provider stabilization and direct care worker support in this region alone.

We request that our policy making representatives support, improve and strengthen the public behavioral health safety net system, and that you support improvements in the delivery of publicly governed, publicly accountable, publicly operated regional and community-based systems, invest in and expand initiatives that are proven to improve citizen access, beneficiary engagement, individual and population health, behavioral well-being, resiliency, quality of life, and community betterment such as those mentioned above. These are among the daily, weekly, and yearly accomplishments of the public system, managed by PIHPs and delivered through robust CMHSPs and substance abuse prevention and treatment provider networks that would be destroyed by pursuing these proposals.

MID-STATE HEALTH NETWORK



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