Michigan Association of
COMMUNITY MENTAL HEALTH

July 22, 2011

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TO: CMH Executive Directors
    Chairpersons and Delegates
    Provider Alliance
    Executive Board

FROM: Michael Vizena, Executive Director
      Alan Bolter, Associate Director

RE: Healthcare Reform Planning Group Update
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Healthcare Reform Planning Group Update

The MACMHB workgroup charged with reviewing opportunities and challenges with state and federal healthcare reform has completed its initial planning phase with development of a foundational document to be used to briefly document the CMHSPs/PIHPs vital role in helping shape/reshape the state’s healthcare delivery system(s). This document has been developed through a process that was open to all CMHSPs and included participation from boards throughout the state.

The document will be shared with the Executive Board at its August meeting for review and action. MACMHB will be sharing it with our affiliates and with our advocacy partners for their information and feedback. MACMHB offices will be trying to set up a meeting with Director Dazzo and Deputy Director Zeller, some time in mid August, to review this information and discuss opportunities to partner to continue to improve healthcare outcomes for persons and families served by the public mental health and substance use disorder system.
The next meeting of the workgroup is scheduled for August 11th, at 1:00 p.m. at the MACMHB offices. The workgroup will continue to work on healthcare reform-related documents with additional detail on proposed models of integrated care and the system’s capacity to effectively manage care with its community partners.

**Dual Eligibles Planning Update**

The first two of the state’s four regional stakeholder forums were held this week in Gaylord and Marquette. These forums are designed to provide information and solicit input for the state’s plan for integrating care for persons with both Medicare and Medicaid eligibility. According to initial reports, there was a significant presence and input at both forums from persons and organizations representing people with developmental disabilities and serious mental illness who are dual eligible. On behalf of MACMHB’s executive board, we want to thank the persons, providers, and CMHs who participated in these forums to ensure that the state’s planning leadership understand the importance of the state’s specialty behavioral health care services system to these individuals.

The state has also issued additional guidance on the planning process that has begun. In addition to the forums, the state is conducting structured telephone interviews with a number of organizations and individuals with knowledge of the current delivery system(s). These include providers, advocates, and consumers.

Later this summer a series of focused workgroups will be conducted, and a directed request for information will be issued. The topics and membership for these workgroups is being informed by the input from the forums and the structured interviews. All CMH and affiliate directors have been provided the information regarding this additional planning detail.

MACMHB encourages CMHs and providers to attend the last two regional stakeholder forums scheduled for July 25th in Grand Rapids and July 27th in Southfield. Interested participants can get details on the meeting agenda and location and register to attend at [https://janus.pscinc.com/dualeligibles/](https://janus.pscinc.com/dualeligibles/), or can contact Dawn Wade at Public Sector Consultants at (517) 484-4954.

**Call for Nominations: 2011 MDCH Director’s Award**

The Michigan Department of Community Health is seeking nominations for the following categories:

1) Director’s Award for Consumer Empowerment;
2) Director’s Award for Advocacy on Behalf of Mental Health Recipients;
3) Director’s Award for Innovation in Rights Protection.

The awards will be presented at the 18th Annual Recipient Rights Conference, October 18-21, 2011 at Crystal Mountain Resort in Thompsonville, Michigan.
Nominees may be either 1) Individuals, 2) Recipient Rights offices operated by DCH, CMHSP, Licensed Private Hospital/Units (LPH/U), or 3) Programs/projects contracted with, or associated with, those agencies. For a description of the award categories, follow this link: http://www.macmhb.org/Director's_Awards_Call_for_nominations_2011.pdf

**LEGISLATIVE UPDATE**

**No Votes Scheduled for July House Session**

The House will not take any votes during its session day scheduled for Wednesday, July 27. Members were e-mailed Tuesday with a note from the majority floor leader's office that no recorded attendance or votes will be taken.

The next House session is scheduled for August 24, the same day the Senate will be back in session.

**No Action Expected on SB 348 Until September**

It is looking less likely the House will do anything with SB 348 when they are in session on August 24. At this point it is unclear if the House and Senate will have any votes at all in August.

MACMHB staff is working with several other state associations in support of SB 348, which creates new the 1% Health Insurance Claims Assessment Act as a replacement for the current 6% HMO/PIHP Use Tax.

With very limited action taking place in Lansing over the next 5-6 weeks, legislators will be back home in the community. This is an excellent time to touch base with them regarding the importance in maintaining the state’s Medicaid program.

**NATIONAL UPDATES**

**Congress Moves toward Deal to Break Debt Ceiling Impasse**

With only two weeks left before the US could default on its fiscal obligations, Congress this week appeared to move toward breaking the stalemate that has characterized negotiations over the course of this month.

Negotiations are now progressing along two tracks. In the Senate, a bipartisan effort led by Majority Leader Harry Reid (D-NV) and Minority Leader Mitch
McConnell (R-KY) would allow President Obama to raise the debt ceiling in three installments before the end of 2012. The plan would likely mandate short-term spending cuts while simultaneously convening a legislative panel to examine more contentious budget reductions such as taxes and entitlement reform. Throughout the debt ceiling debate, President Obama has opposed any short-term fixes, but he indicated this week that he might be open to a short-term increase of the debt ceiling if it paved the way for a more comprehensive deal.

Before moving forward on the Reid-McConnell proposal, however, the Senate will first consider a House-passed debt ceiling bill that would raise the national debt limit on the condition that Congress pass and send to the states for ratification a balanced budget amendment to the Constitution. A vote on that legislation is likely to come within the next several days, though the measure is almost certain to fail.

Meanwhile, a bipartisan group of six Senators (known as the “Gang of Six”) this week put forward a plan to cut $3.7 trillion in federal spending over the next decade by closing tax loopholes, making entitlement program reforms, and overhauling the tax code. The plan has generated opposition among fiscal conservatives in the House – particularly among the 87-member freshman Republican class – because it would raise $1.2 trillion in new revenue. However, over a third of Republicans in the Senate have signed on to a bipartisan letter in support of the plan.

The Gang of Six plan would also repeal the Community Living Assistance Services and Supports (CLASS) Act, a long-term care reform proposal enacted under the 2010 health reform law. Although the Congressional Budget Office has said that repealing CLASS would cost the government $86 billion over ten years, the program has sparked intense opposition among some lawmakers who claim that it is fiscally unsustainable.

Also included in the Gang of Six plan is a proposal to permanently fix the Sustainable Growth Rate formula for Medicare physician payment, which has threatened to significantly reduce Medicare payment rates every year since 2002. Each year, Congress has passed a temporary “fix” to prevent the payment cuts. The Gang of Six plan would direct the Senate Finance Committee to find enough budget savings to pay for the SGR fix. Additional details about the plan are forthcoming later this week.
2011 Hill Day Recap

This week, around 300-400 behavioral health advocates went to Washington DC for the National Council’s 7th Annual Public Policy Institute and Hill Day. Michigan sent 27 participants, which included consumers, CMH directors and staff, and providers from across the state. Our delegation met with every Congressional office, Senator Stabenow’s office and spent about 30 minutes with Senator Levin. Our message to Congress was:

- Vote against proposals that would drastically cut Medicaid, including a “blended” Medicaid rate, a Medicaid block grant, and a repeal of the Medicaid Maintenance of Effort
- Co-sponsor the Behavioral Health Information Technology Act (S. 539)
- Support legislation to create Federally Qualified Behavioral Health Centers
- Support the President's budget request for SAMHSA in FY2012

Have a great weekend!