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BILL ANALYSIS

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House Bill 5067 (as passed by the Senate)  
Sponsor: Representative Scott Shackleton  
House Committee: Health Policy  
Senate Committee: Families, Mental Health and Human Services

Date Completed: 2-24-00

### **RATIONALE**

Under the Mental Health Code, if a county or a combination of counties elects to establish a community mental health (CMH) services program, a 12-member CMH board is appointed by the board (or boards) of commissioners of the county or counties. For a single-county CMH services program, all of the board members must be representatives of that county. For a multicounty CMH services program, the board membership is divided among the counties in proportion to each county's population, except that each county is entitled to have at least one board member. If one or more existing CMH programs merge into a multicounty program, the county commissioners of the counties involved may appoint a new board that is different in size or composition than as described above, but only for three years from the time of the merger. By the end of the three-year period, the new board must comply with the Code's requirement for a 12-member board appointed on the basis of population.

In October 1997, the Hiawatha Community Mental Health Authority was formed when the CMH services programs of Mackinac, Chippewa, and Schoolcraft Counties merged. At the time of the merger, the boards of commissioners elected to have an equal number of representatives from each county on the new board, rather than appoint members based on county population. The system reportedly has worked well for the authority, and the three counties would like to continue to have equal representation on the board. The three-year anniversary of the merger is approaching, though, and the authority's enabling resolution requires that a new board be appointed on April 1, 2000. Unless there is a change in the law, the boards of commissioners for the three counties will be mandated by the Code to appoint the members based on population rather than the desired equal representation.

### **CONTENT**

The bill would amend the Mental Health Code to make an exception to the Code's requirement regarding the board membership of a multicounty community mental health (CMH) board. The Code requires that the membership of a multicounty CMH board be divided among the counties in proportion to each county's population, with each county having at least one board member. Under the bill, that requirement would apply unless otherwise agreed to by each of the participating counties.

MCL 330.1214

### **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

#### **Supporting Argument**

When the CMH services programs of Chippewa, Schoolcraft, and Mackinac Counties merged in October 1997 to create the Hiawatha CMH Authority, the county commissioners elected to split the seats on the board evenly between the three counties. This has worked well for the authority, and the three counties would prefer to keep the seats on the board divided equally. The bill would allow this authority to choose an alternative board composition if all counties agreed.

#### **Supporting Argument**

The bill would give county commissioners across the State flexibility to configure the board membership of multicounty CMH services programs in the manner best suited for their situation. If all counties of a CMH program agreed, the commissioners could choose equal representation or some other configuration. Allowing such flexibility and local control could encourage rural CMH services

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programs to merge. Under current requirements, a smaller county may not want to merge because a merger would give it less board representation than the other counties in a multicounty program. If two counties were considering a merger, but one county would have only two seats on the board and the other would have 10 seats, for example, the smaller county would have a disincentive to agree to a merger, especially if it feared loss of control over programs in its county. By giving counties the freedom to negotiate board representation, the bill would grant much needed flexibility for each program to decide the membership configuration that was best for its purposes.

Mergers between county programs should be encouraged because cost savings from streamlining administration of the programs could be directed into services for clients. For example, money saved in administrative overhead by the Hiawatha CMH Authority reportedly was redirected to clinical programs and improved telecommunication capabilities. For rural communities, new technology may be essential to get the most out of limited mental health dollars. The three-county merger evidently allowed the programs to pool their resources and to hire a technology expert who devised an internal teleconferencing system that allows many meetings to be held without the need for staff to be on the road, further reducing expenses such as mileage reimbursement. Soon, use of teleconferencing may allow a client in one rural area to be interviewed by a mental health professional in another area. This is particularly important, considering that, reportedly, there are only two child psychiatrists in the entire Upper Peninsula.

Legislative Analyst: P. Affholter

#### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: S. Angelotti