



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 1195 (as reported without amendment)
Senate Bill 1196 (Substitute S-3 as reported)
Sponsor: Senator Bruce Caswell
Committee: Appropriations

(as enrolled)

CONTENT

Under revisions to the Mental Health Code enacted by Public Act (PA) 290 of 1995, community mental health (CMH) boards were given the option to convert from community mental health services programs (CMHSPs) to mental health authorities. As the board of a mental health authority, a board has more autonomy and is able to accumulate assets, enter into contracts, employ staff, own or lease property, etc. Conversion to an authority, under PA 290, requires an enabling vote by the county commissioners of each county within the CMHSP.

Most CMHSPs have converted to authority status over the last 17 years. The largest CMHSP in the State, the Detroit-Wayne CMH, has not opted to do so. There have been attempts, through statutory and budgetary action, to encourage or require the Detroit-Wayne CMH to become a mental health authority. These efforts resulted from concerns expressed by some about the management of the Detroit-Wayne CMH.

Detroit-Wayne CMH has one unique status: Other single-county CMH boards, under statute, have their directors appointed by their county commission. The Detroit-Wayne CMH's board consists of 12 members, with six appointed by Wayne County and six appointed by the City of Detroit.

Senate Bill 1195 could amend the Social Welfare Act to require that the Detroit-Wayne CMH comply with the provisions of Senate Bill 1196, which would mandate that the Detroit-Wayne CMH become a mental health authority. Senate Bill 1195 is tie-barred to Senate Bill 1196.

Senate Bill 1196 (S-3) would amend the Mental Health Code to require that the Detroit-Wayne CMH become a mental health authority pursuant to Section 205 of the Code. It would exempt the Detroit-Wayne CMH from the statutory language that states that authority status is voluntary. The bill also would repeal the provision directing that the 12-member board have six members appointed by Wayne County and six members appointed by the City of Detroit. The repeal of this provision would mean that all members of the authority's board would be appointed by Wayne County.

Six authority board members would be appointed by the Wayne County board of commissioners, with a requirement that two members be consumers or family members of consumers of services provided by the authority. The other six members would be appointed by the Wayne County board of commissioners from a list provided by the Mayor of Detroit, with a similar requirement that two members be consumers or family members of consumers. The bill also would bar appointment to the board of any employee or contractor of the City of Detroit, Wayne County, or the State of Michigan.

Both bills refer to a single-county CMHSP in a county with a city having a population of at least 500,000. The Detroit-Wayne CMH is the only CMHSP that meets those criteria.

Proposed MCL 400.109k (S.B. 1195)
MCL 330.1204 et al. (S.B. 1196)

FISCAL IMPACT

While the bills would affect an entity that receives over \$600.0 million in Medicaid and non-Medicaid funding, there would be no direct fiscal impact on State or local government. The amount of money being spent, and its sources, would not change. Whether the change in governance would result in greater efficiencies or greater risks cannot be determined at this point.

Date Completed: 8-15-12

Fiscal Analyst: Steve Angelotti

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