

# Legislative Analysis

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## COMMUNITY MENTAL HEALTH FUNDING

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**House Bill 5118 as introduced**  
**Sponsor: Rep. Aaron Miller**  
**Committee: Appropriations**  
**Complete to 9-12-16**

Analysis available at  
<http://www.legislature.mi.gov>

### ***SUMMARY:***

House Bill 5118 would amend Section 308 of the Mental Health Code (MCL 330.1308) to require state payments to local Community Mental Health Services Programs (CMHSPs) to be calculated and made based on relevant factors in the county, including demographics, unemployment rates, and poverty levels.

This bill would also require the Department of Health and Human Services (DHHS) to work with actuaries to update funding methodologies to be based on a common statewide rate with adjustments for morbidity.

### ***FISCAL IMPACT:***

The overall level of state funding for local CMHSPs are ultimately based on the state appropriations process, meaning this bill would have no fiscal impact on the state. The FY 2016-17 state appropriation for non-Medicaid community mental health services is \$120.1 million. Without an increase in state appropriations, however, this bill would result in CMHSPs experiencing either an allocation increase or an allocation decrease. Without a specific statutory formula, HFA cannot project who those “winners” or “losers” would be. For reference, a table showing FY 2014-15 CMHSP allocations, percentage of statewide population, unemployment rates, and poverty levels by CMHSP is included at the end of this legislative analysis.

Currently, state payments to CMHSPs for non-Medicaid mental health services are based almost entirely on historic costs and each CMHSP’s request for state funding. Chapter 2 of the Mental Health Code requires DHHS to review each CMHSP’s annual request for state funding and to allocate available state appropriations accordingly, while considering a reasonable degree of statewide standardization and a reasonable expectation that CMHSPs will receive continuing state financial support.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

**Community Mental Health Services Program (CMHSP) Data**

CMHSP	County(ies)	Non-Medicaid MH Payment FY 2015	% of Total Payment FY 2015	% of Population 2010	Jobless Rate 2014	Poverty Rate 2013
Detroit Wayne Mental Health Authority	Wayne	\$38,899,700	33.0	18.4	10.0	25.1
Oakland County Community Mental Hlth Authority	Oakland	12,504,600	10.6	12.2	6.8	10.2
County Of Macomb	Macomb	7,904,600	6.7	8.5	8.2	13.4
Genesee Health System	Genesee	5,016,100	4.3	4.3	7.8	21.7
Kent County CMH Authority	Kent	4,992,000	4.2	6.1	4.9	14.8
Community Mental Health Auth Of Clinton Eaton Ingham	Clinton/Eaton/Ingham	4,406,200	3.7	4.7	5.8	17.7
Kalamazoo Community Mental Health Services	Kalamazoo	3,459,000	2.9	2.5	5.6	17.7
Community Mental Health For Central Michigan	Clare/Gladwin/Isabella/Mecosta/Midland/Osceola	2,837,300	2.4	2.8	7.0	21.8
Washtenaw Community Health Organization	Washtenaw	2,729,400	2.3	3.5	4.8	16.3
Saginaw County Community Mental Health Authority	Saginaw	2,613,300	2.2	2.0	7.3	18.7
County Of Muskegon	Muskegon	2,187,000	1.9	1.7	7.4	20.4
Northern Lakes Community Mental Health Authority	Crawford/Grand Traverse/Leelenau/Missaukee/Roscommon/Wexford	2,113,600	1.8	2.0	7.2	14.8
Summit Pointe	Calhoun	2,023,800	1.7	1.4	6.3	18.7
North Country Community Mental Health	Antrim/Charlevoix/Cheboygan/Emmet/Kalkaska/Otsego	1,856,200	1.6	1.5	9.1	14.7
Berrien Mental Health Authority	Berrien	1,687,300	1.4	1.6	6.7	16.9
County Of Ottawa	Ottawa	1,494,600	1.3	2.7	4.7	11.3
Lifeways	Hillsdale/Jackson	1,493,900	1.3	2.1	6.7	18.7
Livingston Cnty Community Mental Health Authority	Livingston	1,448,500	1.2	1.8	6.7	6.4
Monroe County Community Mental Health Authority	Monroe	1,418,300	1.2	1.5	6.1	12.5
Bay-Arenac Behavioral Health	Arenac/Bay	1,273,600	1.1	1.3	7.5	17.1
Pathways	Alger/Delta/Luce/Marquette	1,108,400	0.9	1.2	7.6	16.0
St Clair County Comm Mental Health Authority	St. Clair	1,088,800	0.9	1.6	9.9	15.8
West Michigan Comm Mental Health System	Lake/Mason/Oceana	1,031,200	0.9	0.7	8.8	19.3
Ausable Valley Community Mental Health	Iosco/Ogemaw/Oscoda	742,900	0.6	0.6	10.0	20.8
Northpointe Behavioral Healthcare Systems	Dickinson/Iron/Menominee	741,700	0.6	0.6	7.0	15.6
Van Buren County Mental Health	Van Buren	741,700	0.6	0.8	7.8	17.8
County Of Allegan	Allegan	691,600	0.6	1.1	5.4	13.3
Northeast Michigan Community Mental Health Service	Alcona/Alpena/Montmorency/Presque Isle	671,800	0.6	0.6	9.9	17.5
Hiawatha Community Behavioral Health Authority	Chippewa/Mackinac/Schoolcraft	670,600	0.6	0.6	9.9	16.4
Copper Country Mental Health Services	Baraga/Houghton/Keweenaw/Ontonagon	641,600	0.5	0.6	8.5	20.0
County Of Lapeer	Lapeer	633,200	0.5	0.9	9.9	11.1
Shiawassee Co Comm Mntl Hlth Ctr	Shiawassee	609,100	0.5	0.7	7.4	15.9
Ionia County Community Mental Health	Ionia	564,400	0.5	0.6	6.1	13.3
Barry County Community Mental Health Authority	Barry	560,800	0.5	0.6	5.4	11.2
Cass County Community Mental Health	Cass	550,000	0.5	0.5	6.6	17.2
Branch County Community Mental Health Authority	Branch	536,700	0.5	0.5	6.6	16.9
Tuscola Cty Comm Mental Health Services Board	Tuscola	525,900	0.4	0.6	8.5	16.6
Sanilac County Community Mental Health Authority	Sanilac	511,400	0.4	0.4	8.4	15.8
Comm Mental Health Serv Of Montcalm Cnty	Montcalm	498,300	0.4	0.6	7.4	18.8
Newaygo County Mental Health	Newaygo	401,600	0.3	0.5	7.1	17.2
Manistee-Benzie Community Mental Health Services	Benzie/Manistee	395,600	0.3	0.4	8.4	15.8
Community Mental Health Services	St. Joseph	380,600	0.3	0.6	5.7	17.4
Huron County Community Health Authority	Huron	348,600	0.3	0.3	6.8	15.7
Gratiot County CMHSP	Gratiot	347,400	0.3	0.4	7.1	19.5
Lenawee Community Mental Health Authority	Lenawee	311,200	0.3	1.0	6.4	16.0
Gogebic County Community Mental Health	Gogebic	129,100	0.1	0.2	8.7	23.0
<b>TOTAL/AVERAGE</b>		<b>\$117,793,200</b>	<b>100.0</b>	<b>100.0</b>	<b>7.3</b>	<b>17.0</b>

**Sources**

Non-Medicaid Mental Health Payments: Michigan Department of Health and Human Services

Population: U.S. Census Bureau

Unemployment Rate: Michigan Department of Technology, Management, and Budget

Poverty Rate: USDA Economic Research Service