Our public mental health system’s funding solutions are 30 years out-of-date. Together, we need to address the ancient funding issues to accommodate new behavioral health care changes, services, and risks.

**SOLUTIONS**

Set Medicaid rates to match demands & costs.
Reflect the actual and projected growth in demand for and the real costs of providing the services.

Make it so that Medicaid rates include contributions to risk reserves.
The contributions should be at a level sufficient for fiscal soundness of the public mental health system.

Allow the public mental health system to hold sufficient risk reserves.
Increase the size of Prepaid Inpatient Health Plan (PIHP) risk reserves to a reasonable level and move to a shared CMH and PIHP savings model.

Remove the local match draw-down obligation, Section 928 in the appropriations boilerplate.
This language earmarks the $25.2 million local money given to CMH’s by their counties to draw down additional Medicaid funds.

Restore General Fund dollars to the public mental health system.
CMH’s need a full year of general fund allocation to be a minimum of $170 million.

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CMHA
Community Mental Health Association of Michigan