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Senate Bill 558 (as introduced 6-26-01)

Sponsor: Senator Bev Hammerstrom

Committee: Families, Mental Health and Human Services

Date Completed: 10-10-01

CONTENT

The bill would amend the Social Welfare Act to specify that, effective October 1, 2002, a community mental health (CMH) services program established by a single county would have to be established as a CMH authority under the Mental Health Code before contracting with the Michigan Department of Community Health as a specialty prepaid health plan to provide specialty services and supports. (The phrase "specialty services and supports" is not defined in either the Social Welfare Act or the Mental Health Code, but is commonly understood to refer to Medicaid-covered services for the seriously mentally ill, the developmentally disabled, and those who suffer from addictive disorders.)

(Under the Mental Health Code, a CMH services program may be operated as a CMH authority, a CMH organization, or a county CMH agency. A CMH authority is a separate legal governmental entity created under the Code to operate as a CMH services program; a CMH organization is a CMH services program that is organized under the Urban Cooperation Act; and a county CMH agency is an official county or multicounty agency created under the Mental Health Code that operates as a CMH services program and that has not elected to become a CMH authority or a CMH organization.)

Proposed MCL 400.109h

Legislative Analyst: P. Affholter

FISCAL IMPACT

The bill would require a single-county community mental health board to become a CMH authority in order to contract to provide Medicaid mental health and substance abuse services. Any single-county CMH board that was not reconstituted as a CMH authority by October 1, 2002, would no longer be eligible to provide Medicaid mental health and substance abuse services. If this occurred, other providers, either other CMHs or private entities, would take over the provision of Medicaid services for that county. Such a change would have a clear but indeterminate fiscal impact on both the State and the county.

Fiscal Analyst: S. Angelotti

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.