

Southwest Michigan

B E H A V I O R A L H E A L T H

Substance Use Disorder Oversight Policy Board (SUDOPB)

Air Zoo Aerospace & Science Museum

6151 Portage Rd, Portage, MI 49002

Monday, July 21, 2025

4:00-5:30

Draft: 7/14/25

- 1. Welcome and Introductions (Randall Hazelbaker)**
- 2. Public Comment**
- 3. Agenda Review and Adoption (Randall Hazelbaker) (d) pg.1**
- 4. Financial Interest Disclosure and Conflict of Interest Handling**
 - None
- 5. Consent Agenda (Randall Hazelbaker)**
 - May 19, 2025, Meeting Minutes (d) pg.2
- 6. Board Actions**
 - Nothing scheduled
- 7. Board Education**
 - a) Fiscal Year 2025 YTD Financials (G. Guidry) (d) pg.5
 - b) PA2 Utilization Fiscal Year 2025 YTD (G. Guidry) (d) pg.6
 - c) 2026 PA2 Budget Proposals and 3 Year Estimates (G. Guidry and J. Smith) (d) pg.8
 - d) Synar Survey Report (J. Smith) (d) pg.34
 - e) FY24 Opioid Health Home Summary (Emily Flory) (d) pg.35
- 8. Communication and Counsel**
 - a) Legislative and Policy Updates (J. Smith) (d) pg.42
 - b) September 15 SUDOPB meeting reminder (J. Smith)
 - c) 2025 SUDOPB Attendance Report (d) pg.58
- 9. County Updates**
- 10. Public Comment**
- 11. Adjourn**

The meeting will be held in compliance with the Michigan Open Meetings Act

Southwest Michigan

BEHAVIORAL HEALTH

Substance Use Disorder Oversight Policy Board (SUDOPB) Meeting Minutes

May 19, 2025
4:00 – 5:30 pm
Draft: 5/20/25

Members Present: Randall Hazelbaker (Branch County); Richard Godfrey (Van Buren County); RJ Lee (Cass County); Jonathan Current (Kalamazoo County); Allyn Witchell (Kalamazoo County); Dominic Oo (Calhoun County); Matt Saxton (Calhoun County); Paul Schincariol (Van Buren County)

Members Absent: Rayonte Bell (Berrien); Alex R. Ott (Berrien); Jared Hoffmaster (St. Joseph County); Marsha Bassett (Barry County)

Staff and Guests Present:

Joel Smith, Substance Use Treatment and Prevention Director, SWMBH; Garyl Guidry, Chief Financial Officer, SWMBH; Alena Lacey, Chief Clinical Officer, SWMBH; Achilles Malta, Regional Prevention Coordinator, SWMBH; Erin Hetrick, SUD Treatment Specialist, SWMBH; Amy St. Peter, Clinical Grants Specialist, SWMBH; Lily Smithson, Gambling Disorder Specialist, SWMBH; Michelle Jacobs, Senior Operations Specialist and Rights Advisor, SWMBH; Ella Philander, Executive Projects Manager, SWMBH; Srinidhi Nemani, Intern, SWMBH

Welcome and Introductions

Randall Hazelbaker called the meeting to order at 4:02 pm. Introductions were made.

Public Comment

None

Agenda Review and Adoption

Motion	Richard Godfrey
Second	RJ Lee
Motion Carried	

Financial Interest Disclosures

None

Consent Agenda

Motion	Jonathan Current moved to approve the 3/17/25 meeting minutes as presented.
Second	Matt Saxton
Motion Carried	

Board Actions

Budget Shortfall Advocacy Resolution

Joel Smith reported as documented noting that the SWMBH Board approved this resolution at their May 9, 2025 meeting.

Motion Jonathan Current moved to approve to SWMBH Budget Shortfall Advocacy Resolution as presented.

Second RJ Lee

Motion Carried

Kalamazoo County Prevention Works Budget Amendment

Joel Smith summarized the budget amendment as presented. Garyl Guidry provided details on three-year projections with an ongoing decline in fund balance.

Motion RJ Lee moved to approve the Prevention Works budget amendment as presented.

Second Jonathan Current

Cass County Woodlands Behavioral Health Budget Amendment

Joel Smith summarized the budget amendment as presented. Garyl Guidry provided details on three-year projections with an ongoing decline in fund balance.

Motion Matt Saxton moved to approve the Woodlands Behavioral Health budget amendment as presented.

Second Jonathan Current

Motion Carried

Board Education

Fiscal Year 2025 YTD Financials

Garyl Guidry reported as documented, highlighting numbers for Medicaid, Healthy Michigan, MI Child, Block Grant, PA2 and PA2 carryforward. Garyl also covered Period 6 SWMBH financials noting deficits, projected deficits, a possible mid-year rate adjustment and CMHs that will run out of money. Discussion followed.

PA2 Utilization Fiscal Year 2025 YTD

Garyl Guidry reported as documented. Discussion followed.

Wakely Document

Garyl Guidry reported as documented noting that Milliman is the State's actuary firm and the State believes those rates are actuarially sound. Wakely does not agree and provided reports to the PHIPs.

2026 Budget Overview and Planning

Joel Smith summarized a first look at the Fiscal Year 2026 Budget and Funding with a historical review of PA2 percent allocations. Providers will receive budget requests and those requests will be brought to the July SUDOPB meeting.

2026 Four Year Projected Funding Estimates

Garyl Guidry reviewed a draft of 4 year estimates showing projected reductions in fund balances noting that PA2 is discretionary funding and can carry forward year to year.

2025 Mid-Year PA2 Outcomes Report

Joel Smith reported as documented.

Communication and Counsel**Legislative Updates**

Joel Smith reported as documented and discussed possible Medicaid cuts from the Federal level.

Federal Grants

Joel Smith reported as documented.

SWMBH Sub Ends 2 & 4

Ella Philander reviewed the SWMBH Board approved Ends, history, Ends and Interpretations covering Sub Ends 2 & 4 along with a request for SUDOPB members on SWMBH's Regional Public Policy Committee.

2025 SUDOPB Attendance Report

Michelle Jacobs noted the attendance report for 2025 will be included in each month's packet per County Administrator request and showed SWMBH's website where documents and information on the SUDOPB can be found.

County Updates

Joel Smith asked about Opioid Settlement activities at the County level. Paul Schincariol said he would get back with Joel.

Public Comment

None

Adjourn

Randall Hazelbaker adjourned the meeting.

Meeting adjourned at 5:30pm



	A	D	E	F	G	H	I	J	K
1	Substance Use Disorders Revenue & Expense Analysis Fiscal Year 2025								
2	For the Fiscal YTD Period Ended 5/31/2025								
4		MEDICAID				Healthy MI			
5		Budgeted	Actual	YTD	Fav	Budgeted	Actual	YTD	Fav
6		YTD Revenue	YTD Revenue	Expense	(Unfav)	YTD Revenue	YTD Revenue	Expense	(Unfav)
7	Barry	142,545	126,113	15,439	110,673	277,930	220,439	19,937	200,502
8	Berrien	536,876	497,395	33,379	464,016	1,104,701	1,002,869	81,097	921,773
9	Branch	150,082	134,463	2,772	131,691	258,286	221,061	23,979	197,082
10	Calhoun	594,732	543,624	269,076	274,548	1,038,638	896,949	653,243	243,706
11	Cass	166,861	147,774	191,782	(44,009)	336,134	260,237	363,826	(103,589)
12	Kazoo	756,602	710,489	167,123	543,366	1,628,905	1,299,771	342,338	957,433
13	St. Joe	213,415	182,708	18,684	164,024	430,732	345,804	38,833	306,971
14	Van Buren	277,245	246,185	0	246,185	525,792	401,153	20,780	380,373
15	DRM	2,130,325	2,002,766	2,247,638	(244,872)	3,847,889	3,291,561	4,295,061	(1,003,500)
17	Grand Total	4,968,683	4,591,516	2,945,894	1,645,622	9,449,007	7,939,845	5,839,094	2,100,751
19		BLOCK GRANT				BLOCK GRANT BY COUNTY			
20	EGRAMS	Budgeted	Actual	YTD	Fav		Actual	YTD	Fav
21	SUD Block Grant	YTD Revenue	YTD Revenue	Expense	(Unfav)	County	YTD Revenue	Expense	(Unfav)
22	Community Grant	2,237,703	2,565,578	2,565,578	0	Barry	196,311	196,311	0
23	WSS	133,333	116,811	116,811	0	Berrien	327,386	327,386	0
24	Prevention	1,097,956	876,894	876,894	0	Branch	50,288	50,288	0
25	Admin/Access	140,000	154,717	154,717	0	Calhoun	369,573	369,573	0
26	State Disability Assistance	83,526	86,751	86,751	0	Cass	173,705	173,705	0
27	Gambling Prevention	125,789	155,304	155,304	0	Kazoo	395,522	395,522	0
28	State's Opioid Response 4	933,333	1,136,425	1,136,425	0	St. Joe	151,895	151,895	0
29	Partnership for Advancing Coalition	83,333	70,459	70,459	0	Van Buren	130,021	130,021	0
30	Substance Use Disorder - Tobacco 2	2,667	0	0	0	DRM	1,700,218	1,700,218	0
31	Alcohol Use Disorder Treatment	147,467	0	0	0				
32	Recovery Incentives Infrastructure	296,985	0	0	0				
33	Healing and Recovery Community Engage	666,667	0	0	0				
34	ARPA Treatment	253,333	273,382	273,382	0	Admin/Access	148,621	148,621	0
35	ARPA Prevention	96,040	144,060	144,060	0				
36	Mental Health Block Grant						3,643,542	3,643,542	-
37	Transitional Navigators	133,333	101,164	101,164	0				
38	Clubhouse Engagement	1,769	2,654	2,654	0				
39	Veterans Navigator	86,667	64,979	64,979	0				
40	Behavioral Health Disparities	166,667	155,156	155,156	0				
41	BhvrI Hlth Home Expansion	46,163	0	0	0				
42	BhvrI Hlth Wrkfrce Stabilization Spprt	45,333	0	0	0				
43	Admin/Access	0	0	9,062	(9,062)	Legend			
44						DRM - Detox, Residential, and Methadone			
45	Grand Total	6,778,066	5,904,336	5,913,398	(9,062)	WSS - Women's Specialty Services			
46									
47		PA2				PA2 Carryforward			
48		Budgeted	Actual	YTD	Fav	Prior Year	Current	Projected	
49		YTD Revenue	YTD Revenue	Expense	(Unfav)	Balance	Utilization	Year End Balance	
50	Barry	102,236	68,157	28,574	39,583	801,542	39,583	841,125	
51	Berrien	429,966	286,644	191,504	95,140	767,594	95,140	862,734	
52	Branch	82,945	55,297	47,828	7,468	586,575	7,468	594,043	
53	Calhoun	386,483	257,655	276,175	(18,520)	221,984	(18,520)	203,464	
54	Cass	87,470	58,313	42,234	16,079	614,452	16,079	630,531	
55	Kazoo	788,297	525,531	442,802	82,729	2,206,764	82,729	2,289,494	
56	St. Joe	122,580	81,720	85,789	(4,069)	407,237	(4,069)	403,168	
57	Van Buren	184,499	122,999	58,748	64,251	543,066	64,251	607,317	
58	Grand Total	2,184,476	1,456,317	1,173,655	282,662	6,149,213	282,662	6,431,875	



**Public Act 2 (PA2) Utilization Report
Fiscal Year 2025**

Program	FY25 Approved Budget	Utilization FY25 May 2025	PA2 Remaining	YTD Utilization
Barry	225,819	28,574	197,245	13%
Barry County-Adult Specialty Court	81,743	22,799	58,944	28%
BCCMHA - Outpatient Services	68,300	5,775	62,525	8%
BCCMHA-Prevention Services	75,776	-	75,776	0%
Berrien	501,708	243,731	257,977	49%
Abundant Life - Healthy Start	74,200	49,312	24,888	66%
Berrien MHA - Riverwood Jail Based Assessment	33,184	-	33,184	0%
Berrien County - Treatment Court Programs (DTC)	29,750	5,525	24,225	19%
Berrien County - Trial Courts (Intake/Assessment Coordinator)	58,274	18,478	39,796	32%
CHC - Jail Services	8,000	4,027	3,973	50%
CHC - Carol's Hope	42,000	39,123	2,877	93%
CHC - Wellness Group	6,000	2,749	3,251	46%
CHC - Star of Hope Recovery House	60,000	34,189	25,811	57%
Sacred Heart - Juvenile SUD Services	90,300	23,660	66,640	26%
Berrien County Health Department - Prevention Services	100,000	66,668	33,332	67%
Branch	118,139	47,828	70,311	40%
Pines BHS - Outpatient Treatment	30,000	9,574	20,426	32%
Jail Based Clinician	88,139	38,254	49,885	43%
Calhoun	397,873	276,176	121,697	69%
Calhoun County 10th Dist Sobriety Treatment Court	108,586	93,643	14,943	86%
Calhoun County 10th Dist Veteran's Treatment Court	6,050	5,818	232	96%
Calhoun County 37th Circuit Drug Treatment Court	213,238	133,438	79,799	63%
Haven of Rest-Haven Life Recovery Program (Men's)	20,000	13,333	6,667	67%
Calhoun County Juvenile SUD Services	25,000	13,277	11,723	53%
Michigan Rehabilitation Services - Calhoun	25,000	16,666	8,334	67%
Cass	198,358	42,234	95,265	21%
Woodlands - Meth Treatment & Drug Court Outpatient Services	65,673	35,838	29,835	55%
Woodlands BHN-Family Education Group	15,730	4,538	11,193	29%
Woodlands Case Management Outreach	45,596	-	45,596	0%
Woodlands BHN-Contingency Management	10,500	1,859	8,642	18%
Woodlands-Prevention Services	60,859	-	60,859	0%
Kalamazoo	980,047	459,344	520,703	47%
CHC - New Beginnings	47,627	44,106	3,521	93%
CHC - Bethany House	26,154	14,850	11,304	57%
ISK - Oakland Drive Shelter	42,600	28,400	14,200	67%
8th District Sobriety Court	26,900	7,906	18,994	29%
8th District General Probation Court	14,850	4,412	10,438	30%
8th District Mental Health Recovery Court	4,950	1,126	3,824	23%
9th Circuit Problem Solving Courts	80,000	32,731	47,269	41%
CHC - Adolescent Services	21,876	1,033	20,843	5%
KCHCS Healthy Babies	87,000	37,202	49,798	43%
ISK - Opioid Overdose Response Program (OORP)	100,000	67,803	32,197	68%
ISK - Homeless Emergency Response System (FUSE)	33,600	22,400	11,200	67%
ISK - Mental Health Services Court	100,000	66,667	33,333	67%
ISK - IDDT Transportation Participant Support	16,500	10,458	6,042	63%
Michigan Rehabilitation Services - Kalamazoo	17,250	11,500	5,750	67%
Recovery Institute - Recovery Coach	108,336	64,654	43,682	60%
Prevention Works - ATOD	75,000	-	75,000	0%
Prevention Works - Task Force	25,000	-	25,000	0%
WMU - Jail Groups	85,851	-	85,851	0%
WMU - BHS Engagement Via Text Messaging	10,552	6,497	4,055	62%

Program	FY25 Approved Budget	Utilization FY25 May 2025	PA2 Remaining	YTD Utilization
Gryphon Gatekeeper - Suicide Prevention	20,000	13,600	6,400	68%
Gryphon Helpline/Crisis Response	36,000	24,000	12,000	67%
St. Joseph	141,641	91,642	49,999	65%
CHC - Hope House	57,325	38,558	18,767	67%
3B District - Sobriety Courts	37,040	25,000	12,040	67%
3B District - Drug/Alcohol Testing	3,276	600	2,676	18%
Pivotal (CMH) - Court Ordered Drug Testing/Assessments	44,000	27,484	16,517	62%
Van Buren	269,942	58,748	211,194	22%
Van Buren CMHA- Substance Abuse Treatment	107,964	20,829	87,135	19%
Van Buren CMHA-Recovery Coaching	92,213	4,246	87,967	5%
Van Buren County-Speciality Courts and Pretrial Services	69,765	33,674	36,092	48%
Totals	2,833,526	1,248,278	1,585,249	44%

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
ALCOHOL TAX PLAN - FY26**

	Approved Budget FY 25 Oct-Sep	Approved Amended Budget FY 25 Oct-Sep	Projected Revenue/Expense FY 24 Oct - May	Proposed Budget FY 26 Oct-Sep	Inc/(Dec) over approved FY 25 Budget
Revenue:					-
Prior Year(s) Carryover	6,268,549	6,268,549	6,149,213	6,012,605	(255,944)
PA2 Revenue	2,184,476	2,184,476	2,184,476	2,184,476	-
Total Revenue	8,453,025	8,453,025	8,333,689	8,197,080	(255,944)
Expenses:					
RESIDENTIAL TREATMENT SERVICES	173,706	173,706	188,871	173,106	(600)
OUTPATIENT TREATMENT SERVICES	2,275,590	2,267,186	1,739,177	2,465,019	197,833
PREVENTION SERVICES	188,558	392,635	393,037	231,778	(160,857)
Total Expenses	2,637,854	2,833,527	2,321,084	2,869,902	36,376
Total Carryover	5,815,170	5,619,498	6,012,605	5,327,178	(292,320)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
ALCOHOL TAX PLAN - FY26**

	Approved	Approved Amended	Projected	Proposed	Inc/(Dec)
	Budget FY25 Oct-Sep	Budget FY25 Oct-Sep	Rev/Exp FY25 Oct-May	Budget FY26 Oct-Sep	over approved FY 25 Budget
Barry					
OUTPATIENT TREATMENT SERVICES	150,043	150,043	32,728	193,975	43,932
PREVENTION SERVICES	32,558	75,776	75,776	75,778	2
Total	182,601	225,819	108,504	269,753	43,934
Berrien					
OUTPATIENT TREATMENT SERVICES	401,708	401,708	313,407	371,974	(29,734)
PREVENTION SERVICES	100,000	100,000	100,002	100,000	-
Total	501,708	501,708	413,409	471,974	(29,734)
Branch					
OUTPATIENT TREATMENT SERVICES	118,139	118,139	71,742	123,884	5,745
PREVENTION SERVICES	-	-	-	-	-
Total	118,139	118,139	71,742	123,884	5,745
Calhoun					
OUTPATIENT TREATMENT SERVICES	397,873	397,873	438,423	659,918	262,044
PREVENTION SERVICES	-	-	-	-	-
Total	397,873	397,873	438,423	659,918	262,044
Cass					
OUTPATIENT TREATMENT SERVICES	96,403	137,499	99,859	174,461	36,962
PREVENTION SERVICES	-	60,859	60,859	-	(60,859)
Total	96,403	198,358	160,718	174,461	(23,897)
Kalamazoo					
RESIDENTIAL TREATMENT SERVICES	116,381	116,381	131,034	115,781	(600)
OUTPATIENT TREATMENT SERVICES	757,166	707,666	545,512	697,019	(10,647)
PREVENTION SERVICES	56,000	156,000	156,400	56,000	(100,000)
Total	929,547	980,047	832,945	868,800	(111,247)
St Joseph					
RESIDENTIAL TREATMENT SERVICES	57,325	57,325	57,837	57,325	-
OUTPATIENT TREATMENT SERVICES	84,316	84,316	103,025	84,316	-
PREVENTION SERVICES	-	-	-	-	-
Total	141,641	141,641	160,862	141,641	-
Van Buren					
OUTPATIENT TREATMENT SERVICES	269,942	269,942	134,481	159,473	(110,469)
PREVENTION SERVICES	-	-	-	-	-
Total	269,942	269,942	134,481	159,473	(110,469)
All Counties					
RESIDENTIAL TREATMENT SERVICES	173,706	173,706	188,871	173,106	(600)
OUTPATIENT TREATMENT SERVICES	2,275,590	2,267,186	1,739,177	2,465,019	197,833
PREVENTION SERVICES	188,558	392,635	393,037	231,778	(160,857)
Total	2,637,854	2,833,527	2,321,084	2,869,902	36,376

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
BARRY COUNTY
ALCOHOL TAX PLAN - FY26**

	Approved	Approved Amended	Projected	Proposed			
	Budget FY25 Oct - Sep	Budget FY25 Oct - Sep	Rev/Exp FY 25 Oct - May	Budget FY26 Oct - Sep	Estimate FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep
Revenue:							
Prior Year(s) Carryover	811,902	811,902	801,542	795,274	627,757	452,147	268,202
PA2 Revenue	102,236	102,236	102,236	102,236	102,236	102,236	102,236
Total Revenue	914,138	914,138	903,777	897,509	729,992	554,383	370,438
Expenses:							
OUTPATIENT TREATMENT SERVICES							
Barry County Community Mental Health Authority - Jail Service:	68,300	68,300	9,900	111,840	115,195	118,651	122,211
Barry County - Adult Specialties Court	31,823	31,823	58	32,215	33,181	34,177	35,202
Barry County - Peer Recovery Coach	49,920	49,920	22,770	49,920	51,418	52,960	54,549
PREVENTION SERVICES	32,558	75,776	75,776	75,778	78,051	80,392	82,804
Total Expenses	182,601	225,819	108,504	269,753	277,845	286,181	294,766
Total Carryover	731,537	688,319	795,274	627,757	452,147	268,202	75,672

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
BERRIEN COUNTY
ALCOHOL TAX PLAN - FY26**

	Approved Budget FY 25 Oct - Sep	Projected Rev/Exp FY 25 Oct - May	Proposed Budget FY 26 Oct - Sep	Estimate FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep
Revenue:						
Prior Year(s) Carryover	777,491	904,380	920,937	878,929	822,761	752,010
PA2 Revenue	429,966	429,966	429,966	429,966	429,966	429,966
Total Revenue	1,207,457	1,334,346	1,350,903	1,308,894	1,252,727	1,181,976
Expenses:						
OUTPATIENT TREATMENT SERVICES						
Abundant Life - Healthy Start	74,200	73,968	77,700	80,031	82,432	84,905
Berrien MHA - Riverwood Jail Based Drug Assessment	33,184	-	16,085	16,568	17,065	17,577
Berrien County - DTC	29,750	8,288	99,625	102,614	105,692	108,863
Berrien County - Trial courts (Intake Coordinator)	58,274	55,435	62,564	64,441	66,374	68,365
CHC - Jail	8,000	4,842	8,000	8,240	8,487	8,742
CHC- Carol's Hope	42,000	58,685	42,000	43,260	44,558	45,895
CHC - Wellness Grp	6,000	4,123	6,000	6,180	6,365	6,556
CHC - Star of Hope Recovery House	60,000	51,283	60,000	61,800	63,654	65,564
Sacred Heart	90,300	56,784	-	-	-	-
PREVENTION SERVICES	100,000	100,002	100,000	103,000	106,090	109,273
Total Expenses	501,708	413,409	471,974	486,133	500,717	515,739
Total Carryover	705,749	920,937	878,929	822,761	752,010	666,237

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
BRANCH COUNTY
ALCOHOL TAX PLAN - FY26**

	Approved Budget FY25 Oct - Sep	Projected Rev/Exp FY 25 Oct - May	Proposed Budget FY26 Oct - Sep	Estimate FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep
Revenue:						
Prior Year(s) Carryover	591,264	607,479	618,682	577,742	533,087	484,603
PA2 Revenue	82,945	82,945	82,945	82,945	82,945	82,945
Total Revenue	674,209	690,424	701,626	660,687	616,032	567,548
Expenses:						
OUTPATIENT TREATMENT SERVICES						
Outpatient Treatment	30,000	14,361	30,000	30,900	31,827	32,782
Jail Base Clinician	88,139	57,381	93,884	96,701	99,602	102,590
PREVENTION SERVICES	-	-	-	-	-	-
Total Expenses	118,139	71,742	123,884	127,601	131,429	135,371
Total Carryover	556,070	618,682	577,742	533,087	484,603	432,176

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
CALHOUN COUNTY
ALCOHOL TAX PLAN - FY26**

	Approved Budget FY25 Oct - Sep	Projected Rev/Exp FY25 Oct - May	Proposed Budget FY26 Oct - Sep	Estimate FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep
Revenue:						
Prior Year(s) Carryover	266,468	221,154	169,214	(104,221)	(397,453)	(711,076)
PA2 Revenue	386,483	386,483	386,483	386,483	386,483	386,483
Total Revenue	652,951	607,637	555,697	282,262	(10,970)	(324,593)
Expense:						
OUTPATIENT TREATMENT SERVICES						
10th Dist Drug Sobriety Court	108,586	160,530	204,838	210,983	217,312	223,832
10th Dist Veteran's Court	6,050	9,974	6,614	6,813	7,017	7,228
37th Circuit Drug Treatment Court	213,238	200,158	323,027	332,718	342,699	352,980
Haven of Rest	20,000	20,000	72,938	75,126	77,380	79,701
MRS	25,000	25,000	25,000	25,750	26,523	27,318
Calhoun County Youth Center	25,000	22,761	27,501	28,326	29,175	30,051
PREVENTION SERVICES						
Substance Abuse Council	-	-	-	-	-	-
Substance Abuse Prevention Services	-	-	-	-	-	-
Total Expenses	397,873	438,423	659,918	679,715	700,107	721,110
Total Carryover	255,078	169,214	(104,221)	(397,453)	(711,076)	(1,045,703)

Note(s)

PREVENTION SERVICES						
Substance Abuse Council	284,605	284,605	284,605	293,143	301,937	310,996
Substance Abuse Prevention Services	114,832	114,832	114,832	118,277	121,826	125,480
Total Expenses	399,437	399,437	399,437	411,420	423,763	436,476

Prevention services are funded through block grant

Notes:

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
CASS COUNTY
ALCOHOL TAX PLAN - FY26**

	Approved Budget FY25 Oct - Sep	Approved Amended Budget FY25 Oct - Sep	Projected Rev/Exp FY 25 Oct - May	Proposed Budget FY26 Oct - Sep	Estimate FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep
Revenue:							
Prior Year(s) Carryover	616,715	616,715	642,915	569,667	482,676	390,451	292,835
PA2 Revenue	87,470	87,470	87,470	87,470	87,470	87,470	87,470
Total Revenue	704,185	704,185	730,385	657,137	570,146	477,921	380,305
Expense:							
OUTPATIENT TREATMENT SERVICES							
Woodlands BHN Jail & Outpatient Services	65,673	65,673	44,271	101,701	104,752	107,894	111,131
Woodlands BHN Family Education Group	15,730	15,730	6,806	17,761	18,293	18,842	19,407
Woodlands BHN Case Management Outreach	-	45,596	45,596	45,000	46,350	47,741	49,173
Woodlands BHN - Contingency Management	15,000	10,500	3,186	10,000	10,300	10,609	10,927
							-
PREVENTION SERVICES	-	60,859	60,859	-	-	-	-
Total Expenses	96,403	198,358	160,718	174,461	179,695	185,086	190,638
Total Carryover	607,783	505,828	569,667	482,676	390,451	292,835	189,667

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
KALAMAZOO COUNTY
ALCOHOL TAX PLAN - FY26**

	Approved Budget FY25 Oct - Sep	Approved Amended Budget FY25 Oct - Sep	Projected Rev/Exp FY 25 Oct - May	Proposed Budget FY26 Oct - Sep	Estimate FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep
Revenue:							
Prior Year(s) Carryover	2,244,279	2,244,279	2,371,146	2,326,498	2,245,995	2,139,947	2,007,585
PA2 Revenue	788,297	788,297	788,297	788,297	788,297	788,297	788,297
Total Revenue	3,032,576	3,032,576	3,159,443	3,114,795	3,034,293	2,928,244	2,795,882
Expenses:							
RESIDENTIAL TREATMENT SERVICES							
CHC - New Beginnings	47,627	47,627	66,158	47,627	49,056	50,527	52,043
CHC - Bethany House	26,154	26,154	22,275	26,154	26,939	27,747	28,579
ISK - Oakland Drive Shelter	42,600	42,600	42,600	42,000	43,260	44,558	45,895
OUTPATIENT TREATMENT SERVICES							
8th District Sobriety Court	26,900	26,900	15,813	29,590	30,478	31,392	32,334
8th District Probation Court	14,850	14,850	8,823	14,850	15,296	15,754	16,227
8th District Mental Health Recovery Court	4,950	4,950	2,252	4,950	5,099	5,251	5,409
9th Circuit Drug Court-Problem Solving Court	80,000	80,000	65,462	80,003	82,403	84,876	87,422
Alano Club	49,500	-	-	-	-	-	-
CHC - Adolescent Services	21,876	21,876	1,549	21,876	22,533	23,209	23,905
KCHCS Healthy Babies	87,000	87,000	74,404	87,000	89,610	92,298	95,067
ISK - Opioid Overdose Response Program (OORP)	100,000	100,000	101,704	168,818	173,883	179,099	184,472
ISK - Homeless Emergency Response System (FUSE)	33,600	33,600	33,600	33,600	34,608	35,646	36,716
ISK - MH Court	100,000	100,000	100,000	100,000	103,000	106,090	109,273
ISK - IDDT Transporation	16,500	16,500	17,928	-	-	-	-
MRS	17,250	17,250	17,250	17,250	17,250	17,250	17,250
Recovery Institute - Recovery Coach	108,336	108,336	96,981	139,081	143,253	147,551	151,978
WMU - Jail Groups	85,851	85,851	-	-	-	-	-
WMU - BHS Text Messaging	10,552	10,552	9,746	-	-	-	-
PREVENTION SERVICES							
Gryphon Gatekeeper - Suicide Prevention	20,000	20,000	20,400	20,000	20,600	21,218	21,855
Gryphon Helpline/Crisis Response	36,000	36,000	36,000	36,000	37,080	38,192	39,338
Prevention Works - ATOD	-	75,000	75,000	-	-	-	-
Prevention Works - Task Force	-	25,000	25,000	-	-	-	-
Total Expenses	929,547	980,047	832,945	868,800	894,346	920,659	947,761
Total Carryover	2,103,029	2,052,529	2,326,498	2,245,995	2,139,947	2,007,585	1,848,121

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
ST. JOSEPH COUNTY
ALCOHOL TAX PLAN - FY26**

	Approved Budget FY25 Oct - Sep	Projected Rev/Exp FY25 Oct - May	Proposed Budget FY26 Oct - Sep	Estimate FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep
Revenue:						
Prior Year(s) Carryover	398,992	380,842	342,560	323,499	300,188	272,501
PA2 Revenue	122,580	122,580	122,580	122,580	122,580	122,580
Total Revenue	521,572	503,422	465,140	446,079	422,768	395,081
Expenses:						
RESIDENTIAL TREATMENT SERVICES						
Hope House	57,325	57,837	57,325	59,045	60,816	62,641
OUTPATIENT TREATMENT SERVICES						
3B District - Sobriety Courts	3,276	1,800	3,276	3,374	3,476	3,580
3B District - Drug/Alcohol Testing	37,040	60,000	37,040	38,151	39,296	40,475
CMH Drug Testing/Assessments	44,000	41,225	44,000	45,320	46,680	48,080
PREVENTION SERVICES	-	-	-	-	-	-
Total Expenses	141,641	160,862	141,641	145,890	150,267	154,775
Total Carryover	379,931	342,560	323,499	300,188	272,501	240,307

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
VAN BUREN COUNTY
ALCOHOL TAX PLAN - FY26**

	Approved Budget FY25 Oct - Sep	Projected Rev/Exp FY25 Oct - May	Proposed Budget FY26 Oct - Sep	Estimate FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep
Revenue:						
Prior Year(s) Carryover	567,346	641,625	691,643	716,670	736,912	752,227
PA2 Revenue	184,499	184,499	184,499	184,499	184,499	184,499
Total Revenue	751,846	826,124	876,143	901,169	921,412	936,726
Expenses:						
OUTPATIENT TREATMENT SERVICES						
Van Buren CMHA	107,964	41,657	88,007	90,647	93,366	96,167
Van Buren CMHA-Recovery Coaching	92,213	25,477	-	-	-	-
Van Buren Circuit Court-Specialty Court	69,765	67,347	71,466	73,610	75,818	78,093
PREVENTION SERVICES	-	-	-	-	-	-
Total Expenses	269,942	134,481	159,473	164,257	169,185	174,260
Total Carryover	481,904	691,643	716,670	736,912	752,227	762,466

Note(s)

Barry County FY 2026 Proposals			
Agency	Program/Service	Description	Amount
Barry County CMHSAS	Outpatient and Jail Services	PA2 funding to provide co-pay, deductible, and insurance assistance to clients who are experiencing financial barriers to treatment services. Funding is also used to provide gender specific group treatment in the jail. Increase in FY26 for: discharge planning, increased women's group in jail, and small increase for men's group and co pays.	\$ 111,840.00
Barry County CMHSAS	Prevention	Separate funding amount requested for prevention services at Barry County CMHSAS.	\$ 75,777.60
Barry County Specialty Courts	Adult Specialty Courts: Treatment Services	Gender specific groups will include Relapse Prevention, Moral Reconation Therapy (MRT) and Seeking Safety. All clinicians providing SUD treatment services will be required, at a minimum, to possess a bachelor's degree in the Behavioral Sciences (social work, counseling, psychology) and must possess appropriate state licensure and credentials including Michigan Certification Board of Addiction Professionals (MCBAP) certification; master's level certified clinicians are preferred. Additional certification/training will be obtained/completed as required by program curriculum (i.e.to facilitate MRT groups).	\$ 32,215.00
Barry County Specialty Courts	Adult Specialty Courts: Recovery Coaching	Peer Recovery Coach Services support and promote recovery and prevent relapse through supportive services that result in the knowledge and skills necessary for an individual's recovery. Peer recovery services are designed and delivered primarily by individuals in recovery and offer social, emotional, and/or educational supportive services to help prevent relapse and promote recovery.	\$ 49,920.00
Estimated PA2 Revenue			\$ 102,236.00
Proposed PA2 Expenses			\$ 269,752.60
Difference (Carryforward Impact)			\$ (167,516.60)

Berrien County FY2026 Proposals			
Agency	Program/Service	Description	Amount
Abundant Life	Jail	This program provides gender based Substance Use Disorder programming to incarcerated women and men in the Berrien County Jail. The program aims to reduce substance use and improve functioning of participants during incarceration and post-release. Programming is focused on SUD education, community based resources, recovery coaching and post-release assistance.	\$ 77,700.00
Berrien County Health Dept	Prevention	Local match dollars required for prevention services	\$ 100,000.00
Berrien County Trial Court	Treatment Court	<p>Drug and alcohol testing is a critical component of Drug Treatment Court and Mental Health Court operations. Participants are better able to maintain their sobriety knowing that they will be subject to frequent, random and observed testing over the course of their involvement with DTC (15-24 months) or MHC (12-24 months). Expenses associated with testing represents a significant barrier to the continued operation of the programs when other funding does not cover all the costs, and/or there are increases in test administration, confirmation and supplies expenses, as is expected for 2024. Request also includes the use of recovery coaches to help support participants.</p> <p>FY26 increase due to drug testing supplies and contractual services (SUD counseling, assessments, testing administration, and electronic messaging needed for Berrien's new sobriety court.</p>	\$ 99,625.00
Berrien County Trial Court	Intake Coordinator	A comprehensive biopsychosocial assessment will be performed on all individuals needing substance use disorder treatment, prior to sentencing. This type of comprehensive assessment will assist in making better treatment recommendations to avoid the need for a duplicative assessment to be performed and charged to an individual prior to beginning treatment.	\$ 62,564.80
Community Healing Center	Wellness Group (Recovery Life Group)	The Recovery Life Group is based on the Stages of Change and its purpose is to assist persons in the maintenance phase. Its focus will be for persons who have established recovery either through a treatment program or other method of recovery. This group will be once a month for 3 hours. The facilitators are peer support specialists who are also in recovery. This is a county wide program and referrals from other agencies are accepted. The age requirement is 18 years and older.	\$ 6,000.00

Community Healing Center	Co-Occurring Jail Treatment	The jail program provides groups, case management, individual sessions, and recovery coaching for men and women who suffer from addiction and are incarcerated. The men's group meets on Wednesdays and the women's group meets on Thursdays. The groups are facilitated by a therapist and a certified peer recovery coach. The evidence-based program used is the Matrix Model. The inmates can participate in programming for the length of their incarceration if they choose. The goal of the program is to assist the person in preparing for recovery once they are released from jail.	\$ 8,000.00
Community Healing Center	Recovery Housing - Star of Hope	This program is specifically designed to help women with chemical dependency and to help guide them in changing their behaviors by engaging with them in person centered planning and by building healthy relationships. Each woman will be provided with an individualized plan for living a balanced life with successful recovery. During this program the women develop independence and increased self-awareness. They learn how to overcome life's diversities and how to cope in healthy ways to current life stressors. While staying at Star of Hope each woman will learn how to regain control of their lives, repair relationships that have been damaged by substance use, and in many cases, regain custody of their children.	\$ 60,000.00
CHC	Carol's Hope	Carol's Hope Team aims to assist individuals in navigating access to SUD and other services. By assisting those individuals when they are in crisis from overdose or other situations and helping them to navigate entry into treatment whenever possible. Staff will primarily consist of Certified Recovery Coaches who are equipped to help those presenting for care make the move into recovery. The Carol's Hope Team provides 24/7 emergency support to individuals in the ER and community experiencing a crisis related to substance use. Carol's Hope Recovery Coach services include: 24/7 rapid response to local ER's and medical floors, patient navigation, direct referrals to substance use treatment, linkage to community recovery supports, recovery coaching in the Berrien County jail, outreach with the law enforcement agencies, engagement with family members, and ongoing recovery coaching.	\$ 42,000.00

Riverwood	Outpatient and Outreach Services	PA2 funding will assist with the funding of an outreach recovery coach position that primarily works to engage individuals in recovery in the Berrien community. Funding will also assist in providing substance use disorder assessments at the Berrien County jail to help expedite transitions of care. Finally, funding will assist Riverwood with the implementation of contingency management for participants in their intensive outpatient program, regardless of substance.	\$ 16,085.00
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Estimated PA2 Revenue	\$ 429,966.00
Proposed PA2 Expenses	\$ 471,974.80
Difference (Carryforward Impact)	\$ (42,008.80)

Branch County FY 2026 PA2 Proposal Summary			
Agency	Program/Service	Description	Amount
Pines Behavioral Health	Outpatient Services	Covered services include court evaluations not covered by another source, outpatient treatment not covered by another funding source, contingency management, and staff development.	\$ 30,000.00
Pines Behavioral Health	Jail Based Services	Jail based treatment program inside the jail setting to provide for early recovery and transition to services upon release. The jail clinician will implement an evidenced based curriculum such as Seeking Safety, the Change Company, and/or MRT to prepare the individual for ongoing recovery post-release. Should the individual then engage in a follow-up post-release service following release, the person will then be eligible to participate in the contingency management program which will include incentives.	\$ 93,884.00
Estimated PA2 Revenue			\$ 82,945.00
Proposed PA2 Expenses			\$ 123,884.00
Difference (Carryforward Impact)			\$ (40,939.00)

Calhoun County FY2026 Proposals			
Agency	Program/Service	Description	Amount
Calhoun 37th Circuit	Drug Treatment Court	Drug court case managers are the heart of the drug court program. From screening to program discharge, case managers have by far the most direct contact with program participants of any team member. Case managers are at the center of information and activities. Through the case managers screening and assessment activities, an individualized treatment plan is initiated. Case managers act as the entry and referral point for prevention and intervention services, connecting participants with appropriate services; i.e. substance abuse/mental health, life skills, MRT classes, self-help recovery support services, job readiness development, educational development, housing, parenting, anger management, etc. Working collaboratively with the courts, mental health and substance abuse treatment providers, educational institutions, employment services, health and dental providers, etc. they bring together the justice partners (i.e. judges, prosecutors, defense attorneys) and community stakeholders (i.e. treatment, schools, employers, families, social services, etc.). Request will fund 2 FTE case managers, drug testing, and participant incentives.	\$ 323,027.05
Calhoun County 10th District	Sobriety Court	Probation Case Managers meet face-to-face weekly, biweekly and monthly with participants depending on which program phase a participant is in at the time. Case Managers help participants navigate through program requirements, administer alcohol/drug tests, identify community resources and monitor compliance with program requirements. Case Managers participate in the bi-weekly team review meetings and update all team members on the progress, or lack thereof, of every participant. Case Managers recommend to the review committee, including the Sobriety Court Judge, that a participant either be given an incentive or sanction for their behavior. The Case Managers monitor a participant's compliance with the Court's incentive or sanction. Funding will also cover drug testing.	\$ 204,837.85
Calhoun County 10th District	Veteran's Court	The purpose of Veterans Treatment Court is to divert individuals charged with certain offenses into a program that brings treatment, community supervision and judicial supervision together. Participants are individually assessed for what treatment and support services they need in order to address the substance abuse or mental health issue that brought them into the criminal justice system. Funding will assist with drug testing expenses and other needs such as transportation and incentives.	\$ 6,614.30

Haven of Rest	Mens LRP	The Haven's Men's Life Recovery Programs ("LRP's") is an ongoing substance abuse treatment ministry to the chronically addicted. These programs are conducted physically in Battle Creek. The Men's LRP has a 15 year history of creating positive change in men's lives, allowing them to rehabilitate from substance and/or alcohol abuse and reconnect with the community in positive ways. The LRP's operate with a holistic, Christian faith-based view of patient-centered care, and use evidence-based practices extensively, applied through licensed and accredited therapists. Funding will assist with funding clinical treatment staff.	\$ 72,938.00
Michigan Rehabilitation Services (MRS)	Vocational Rehabilitation	Local match to provide rehabilitation services for individuals with a substance use disorder. This agreement was developed in partnership with community substance abuse providers to enhance services for MRS customers with substance abuse disabilities. The program will provide a comprehensive and coordinated vocational rehabilitation service model to the targeted population. This will be accomplished through a team approach with MRS and local substance abuse service providers working together to enhance service delivery by providing and coordinating a full range of vocational rehabilitation services. Services will assist each identified customer served under this agreement to reach their identified employment goal.	\$ 25,000.00
Summit Pointe	Youth Home Services (Juvenile Home)	Effective treatment provides the young offender with the opportunity to make positive changes in their behavior. Treatment for the individual with the dual disorder of SUD and criminal behavior utilizes motivation enhancement strategies, cognitive behavioral approaches, and focuses on dynamic risk factors as promising targets for change. Treatment initiated within this setting should include an SUD assessment, short-term interventions and linking to community resources for ongoing treatment and monitoring. Services will include: assessment, group treatment, individual discharge planning and referral to community resources. Group therapy will utilize one of the following evidence based practices: MET/CBT5, Family Support Network, or Seeking Safety.	\$ 27,500.55

Estimated PA2 Revenue	\$ 386,483.00
Proposed PA2 Expenses	\$ 659,917.75
Difference (Carryforward Impact)	\$ (273,434.75)

Cass County FY 2026 Proposals			
Agency	Program/Service	Description	Amount
Woodlands	Jail Services	Woodlands BHN seeks to continue their collaborative partnership with the Cass County Jail, for provision of treatment to incarcerated individuals who have a reported Stimulant Use Disorder and/or other Substance Use Disorder. As reflected in county demographics, Cass County has a high number of individuals who struggle with Methamphetamine and other Substance Use Disorders, often resulting in arrest, prison and the loss of parental custody of dependent children. Many of these individuals may later be eligible for deferred prosecution through the various Treatment Courts in our county. In effort to promote treatment outcomes and adherence upon release from jail, early treatment is recommended. The in-custody treatment groups have been found to be an effective and beneficial tool for use with long term management of Stimulant (Methamphetamine) Use Disorder and other Substance Use Disorders in Cass County.	\$ 101,700.50
Woodlands	Family Group	<p>Woodlands seeks to improve treatment outcomes by providing an education group to family and friends of persons with Substance Use Disorders. Research suggests that successful recovery is improved when family/friends of persons in recovery are educated about Substance Use Disorder treatments and recovery concepts (SAMSHA TIP #39)</p> <p>The PA-2 funding will be accessed to assist in paying for staff time and services in providing a biweekly Education Group. The Group will be 90 minutes and will meet face-to-face or via telehealth if circumstances dictate. Materials for the Group will be evidence-based and will draw largely from the Matrix Institute's Family Education Group curriculum.</p>	\$ 17,760.60
Woodlands	Case Management Outreach	Case Manager screens and identify patients who may have a possible substance use disorder (SUD) while incarcerated, involved in criminal justice system or other community programs, with emphasis on patients with a possible Opioid Use Disorder (OUD) and Stimulant Use Disorders StUD. The provider will determine where in the CMH system of care a SUD case manager may intervene to help potential clients receive case manager services to stabilize their living situation and help make referrals to treatment. The case manager will assist them in applying for benefits, finding stable, safe, and drug-free housing, connecting them to treatment or recovery coach services during incarceration and after, following up to assure connections, and advocating to remove barriers both in achieving recovery as well as avoiding incarceration. Half funded with SOR 4.	\$ 45,000.00

Woodlands	Contingency Management	Funding will assist Woodlands with the implementation of contingency management, a form of operant conditioning and evidence based practice, for participants in their substance use disorder treatment program, regardless of substance.	\$ 10,000.00
Estimated PA2 Revenue			\$ 87,470.00
Proposed PA2 Expenses			\$ 174,461.10
Difference (Carryforward Impact)			\$ (86,991.10)

Kalamazoo County FY26 PA2 Proposal Summary			
Agency	Program/Service	Description	Amount
Community Healing Center	Adolescent Drug Assessment	The Community Healing Centers partner with the Kalamazoo County 9th Circuit Court Family Division to provide substance abuse assessments for adolescents. An assessment is conducted to determine the diagnosis and treatment needs. Recommendations and referrals are provided to the court and client.	\$ 21,876.25
Community Healing Center	Recovery Housing - Bethany House	This program is specifically designed to help women with chemical dependency and to help guide them in changing their behaviors by engaging with them in person centered planning and by building healthy relationships. Each woman will be provided with an individualized plan for living a balanced life with successful recovery. During this program the women develop independence and increased self-awareness. They learn how to overcome life's diversities and how to cope in healthy ways to current life stressors. While staying at the Healing House each woman will learn how to regain control of their lives, repair relationships that have been damaged by substance use, and in many cases, regain custody of their children.	\$ 26,154.00
Community Healing Center	Recovery Housing - New Beginnings	New Beginnings provides gender specific housing for up to 12 men who are in early recovery from substance use disorders. The program provides a nurturing environment where men can address their emotional, social, and familial issues. The services provided while at New Beginnings are; individual case management, community based substance abuse counseling, education on developing a healthy lifestyle, promote self-growth, goal setting, budgeting, and peer support. The program's purpose is to help men, who have become homeless because of their substance use, build the tools they will need to return to a productive life through attending to their physical and mental health needs, finding a job or returning to school.	\$ 47,627.00
Community Healing Center	Recovery Housing - Bethany House	This program is specifically designed to help women with chemical dependency and to help guide them in changing their behaviors by engaging with them in person centered planning and by building healthy relationships. Each woman will be provided with an individualized plan for living a balanced life with successful recovery. During this program the women develop independence and increased self-awareness. They learn how to overcome life's diversities and how to cope in healthy ways to current life stressors. While staying at Bethany each woman will learn essential skills, repair relationships that have been damaged by substance use, and in many cases, regain custody of their children.	
Gryphon Place	HELP Line	HELP-Line services provide information and referral to those community members seeking information regarding community services, mental health, or substance abuse services. The HELP-Line also provides crisis intervention services to community members who may be experiencing a mental health, substance abuse, or co-occurring crisis.	\$ 36,000.00

Gryphon Place	Gatekeeper	The Gryphon Place Gatekeeper Youth Suicide Prevention Program, developed by Gryphon Place, is a universal prevention program that is presented in both middle and high school classrooms via a standardized curriculum. The Gatekeeper Program helps to increase the likelihood that school gatekeepers, administrators, faculty, staff, and students can identify, intervene, and obtain help for at-risk youth. Additional goals of the program are to educate about issues of mental illness, depression, and substance abuse in a manner that reduces stigma and encourages help-seeking behaviors; and to develop positive coping skills, self-esteem, asset-building, stress reduction, and communication skills.	\$ 20,000.00
Integrated Services of Kalamazoo	Oakland Drive House	The Oakland House Shelter programs are designed to move individuals from homelessness to permanent housing within 60 days. Individuals who have a disability and/or substance use disorder and are homeless or chronically homeless are in need of a rich set of resources including mental health, substance use disorder services, disability income, medical insurance, opportunities for supported employment and access to psychiatrists and other medical and clinical professionals. In addition, ISK is committed to a recovery, strength-based model for individuals receiving services. Request will assist with staffing for the program.	\$ 42,000.00
Integrated Services of Kalamazoo	Mental Health Recovery Court	MHRC focuses on the treatment and rehabilitation of offenders with a history of serious and persistent mental illness, or co-occurring disorders, which is oftentimes the cause of the person's criminal involvement. After identification of a potential a MHRC participant, a clinical staff member will determine if the individual is open to ISK specialty services. If the individual is open, MHRC will contact the case manager and gather clinical information, a copy of the person center plan, and facilitate obtaining needed releases of information. If the potential participant is not open to ISK services, a MHRC clinical staff member will meet with the individual to screen for clinical eligibility to MHRC. Funding request is for MHRC staffing.	\$ 100,000.00

Integrated Services of Kalamazoo	Homeless Emergency Response System (HERS) Formerly FUSE	<p>Kalamazoo Community Mental Health & Substance Abuse Services (KCMHSAS) is part of a collaborative effort targeting frequent users of the Bronson Hospital emergency department (ED) with chronic unmanaged pain who are also homeless. The Homeless Emergency Response System (HERS) program will serve the population representing the highest utilizers of multiple community safety net systems, particularly those with complex medical and social needs as well as underlying mental health, behavioral health, and substance use disorder issues. These issues coupled with fragmented care significantly impact quality of life.</p> <p>The HERS program seeks to create a system change, whole person approach addressing medical needs concurrent with mental health, substance use disorders, social service, and housing needs that contribute to high utilization of ED services, poor health outcomes, and poor life choices. The HERS program will bridge safety net systems and the medical community, building communication between medical, mental health, substance use disorders, housing, and other disciplines that do not traditionally collaborate effectively. Request is to support staffing costs of the program.</p>	\$ 33,600.00
Integrated Services of Kalamazoo	Opioid Overdose Response Program	The Opioid Overdose Response Program (OORP) provides 24/7 emergency support to individuals in the ER and community experiencing a crisis related to substance use. OORP services include: 24/7 rapid response to local ER's and medical floors, patient navigation, direct referrals to substance use treatment, linkage to community recovery supports, recovery coaching in the Kalamazoo County jail, outreach with the Kalamazoo Department of Public Safety, engagement with family members, and ongoing recovery coaching. OORP engages with clients via phone and face to face (ISK access center, hospitals, jails, local shelters, and community outreach). OORP prioritizes 24/7 rapid response to local ER's. When appropriate, OORP coordinates with EMH to assist with diverting individuals from hospitalization or other crisis services to substance use treatment. OORP uses evidence-based models such as Project ASSERT (Alcohol & Substance Use Services, Education and Referral to Treatment) and SBIRT (Screening, Brief Intervention and Referral to Treatment).	\$ 168,818.00
Kalamazoo 8th District Court	Mental Health Recovery Court	Funding request will assist MHRC participants with costs of drug screening, interlock devices, supplies, and training for MHRC staff.	\$ 4,950.00
Kalamazoo 8th District Court	Sobriety Court	The mission of the 8th District Courts OWI Program is to reduce the number of participants who engage in subsequent DWI's or other drug/alcohol related criminal behavior and to reduce substance abuse by participants through referrals to appropriate levels of treatment, regardless of ability to pay. Funding will assist the OWI Court Program in the following areas: Treatment Services, Pro-social and recovery oriented services, PBT/ Interlock Devices, trainings for staff, and supplies.	\$ 29,590.00

Kalamazoo 8th District Court	General Probation	An estimated 1,000 individuals are sentenced to “regular” or general supervision through the 8th District Court. The majority of these probationers are ordered to complete some type of substance abuse counseling, for which there is no available grant funding - unlike the specialty court programs. Many of these individuals, while consenting and often eager to comply with counseling, have limited financial means to pay for this court ordered treatment. Many qualify for outpatient services through local block grant funds, however, the cost of the initial assessment is not covered. The inability to pay this assessment fee (\$125-\$250) often keeps probationers from starting treatment and leads to probation violation warrants for failure to comply with court orders. This in turn often leads to a sentence of jail, all precipitated by an inability to pay. The ability to get probationers involved in substance abuse treatment as soon as possible after sentencing is a significant need. In addition, many probationers fail to report for drug/alcohol testing due to an inability to pay. This as well, often leads to a probation violation warrant for failure to test and subsequently a jail sentence. Funding will allow probationers to stay in counseling, therefore reducing jail sentences, and assist the general probation population in the following areas: assessment services, drug/alcohol testing, and supplies.	\$ 14,850.00
Kalamazoo 9th Circuit	Problem Solving Court (Formerly Drug Treatment Court)	The mission of the 9th Circuit Problem Solving Court is to hold non-violent felony offenders accountable, to stop criminal activity related to the abuse of alcohol and drugs, and to increase the likelihood of successful rehabilitation of offenders through early, continuous, and intensive judicially supervised substance abuse treatment and other appropriate rehabilitation services that will allow participants to become more integrated in the community as productive and responsible members of society. DTCP's are designated a "priority population" drug treatment court, whose target population includes straddle and presumptive prison cell offenders, dependent upon drugs and/or alcohol, who are screened as high risk/high need using the COMPAS Assessment tool. The DTCP's are both a pre and post adjudication court, accepting those that plea into the program and probationers/parolees that are sentenced into the program. Funding will assist with costs associated with drug testing to assure compliance with treatment court programming requirements.	\$ 80,003.30

Kalamazoo Health and Human Services	Healthy Babies/Healthy Start	Healthy Babies Healthy Start is a community collaboration reducing fetal and infant mortality in Kalamazoo County, specifically focused on the 49001, 49006, 49007, and 49048 zip codes. These zip codes are specific to higher incidences of poverty, low birth weight infants, infant mortality, mental health issues, and alcohol and substance use or abuse. The project offers one on one support to families through case management and educational opportunities through in-home visits and/or community activities and outreach. Women are enrolled prenatally and provided services up to the infant's 2nd birthday. Enrolled moms are also encouraged to engage their infant's father or male caregiver in the newly implemented Fatherhood program to support the family as a unit. Teams work together to ensure both parents are provided education to sustain their infant's health and well-being. Funding will provide staffing, training, and other program related expenses.	\$ 87,000.00
Michigan Rehabilitation Services (MRS)	Vocational Rehabilitation	Local match to provide rehabilitation services for individuals with a substance use disorder. This agreement was developed in partnership with community substance abuse providers to enhance services for MRS customers with substance abuse disabilities. The program will provide a comprehensive and coordinated vocational rehabilitation service model to the targeted population. This will be accomplished through a team approach with MRS and local substance abuse service providers working together to enhance service delivery by providing and coordinating a full range of vocational rehabilitation services. Services will assist each identified customer served under this agreement to reach their identified employment goal.	\$ 17,250.00
Recovery Institute	Recovery Coach	As a peer run organization, RI serves as a resource to other organizations and employees at various levels to learn more about the process of recovery from addiction and strategies for recruiting, hiring and training Recovery Coaches. RI is also a resource for people in recovery who wish to enter employment in the field of addiction services as Recovery Coaches. It offers mentorship, volunteer opportunities and information about other training and professional development opportunities. The primary goal of this project is to expand Recovery Coach service capacity to the point where all Substance Use Disordered Service Providers in Kalamazoo have the knowledge and capacity to arrange Recovery Coaching for everyone who meets SWMBH eligibility standards.	\$ 139,080.96

Estimated PA2 Revenue	\$ 788,297.00
Proposed PA2 Expenses	\$ 868,799.51
Difference (Carryforward Impact)	\$ (80,502.51)

St. Joseph County FY26 PA2 Proposal Summary			
Agency	Program/Service	Description	Amount
Pivotal (CMH of St Joe County)	Drug Court Assessments/Testing	PA2 funding is requested to provide drug and/or alcohol testing at the Day Reporting Center (DRC). The DRC is a branch of the Twin County Community Probation Center located in Three Rivers, Michigan. The DRC is the primary drug and alcohol testing facility in St. Joseph County supported and utilized by the County Courts for virtually all of its testing of those who are out on bond, on probation, parole and involved in other types of criminal cases where testing has been ordered as part of a conditional release.	\$ 44,000.00
Community Healing Center	Recovery Housing - Hope House	This program is specifically designed to help women with chemical dependency and to help guide them in changing their behaviors by engaging with them in person centered planning and by building healthy relationships. Each woman will be provided with an individualized plan for living a balanced life with successful recovery. During this program the women develop independence and increased self-awareness. They learn how to overcome life's diversities and how to cope in healthy ways to current life stressors. While staying at Hope House each woman will learn how to regain control of their lives, repair relationships that have been damaged by substance use, and in many cases, regain custody of their children.	\$ 57,324.99
St. Joe 3B District Court	Sobriety Court - Interlock	Through the use of an ignition interlock device, 3-B District Court Sobriety Court Program (SOBC) participants will be allowed access to employment, treatment services and other positive community resources with the reinstatement of their driving privileges through the Michigan Ignition Interlock Project which began in January 2011. Participants are eligible to have an Ignition Interlock device installed in their vehicle after 45 days of compliance with the SOBC program. Once installed, participants provide random breath tests while operating the vehicle.	\$ 3,276.00
St. Joe 3B District Court	Sobriety Court - Drug Testing	Within a treatment court such as Sobriety Court, there are very few opportunities to objectively measure compliance. Drug/alcohol testing, when following evidence-based practices, can provide an objective measurement to determine if a participant is progressing. These tests can provide guidance on appropriateness of treatment levels, holds participants accountable, and gives timely and accurate assessment of substance use during a program. Sobriety court participants are required to be given frequent and random tests for the duration of the program. PA2 funding provides drug and/or alcohol testing	\$ 37,040.00
Estimated PA2 Revenue			\$ 122,580.00
Proposed PA2 Expenses			\$ 141,640.99
Difference (Carryforward Impact)			\$ (19,060.99)

Van Buren County FY26 PA2 Proposal Summary			
Agency	Program/Service	Description	Amount
Van Buren Circuit Court	Circuit Specialty Court	The Drug Treatment Court is a fifteen-month minimum program that provides intense services to non-violent offenders with the following requirements 1) random drug testing 2) case management 3) judicial supervision 4) treatment 5) ancillary services and 5) productivity requirements. The Sobriety Court is a minimum of a twelve-month program that provides intense services to non-violent OWI offenders with the following requirements 1) random drug testing 2) case management 3) judicial supervision 4) treatment 5) ancillary services and 5) productivity requirements. The purpose of these program is to divert non-violent offenders from costly and ineffective incarceration and provide services in the community to reduce recidivism and save taxpayer money. PA2 funding is requested for drug testing (\$25,000) and ignition interlock services for indigent participants (\$20,000). Remaining request for FY26 includes funding recovery coach to help support participants throughout the program.	\$ 71,465.86
Van Buren CMH	Outpatient SUD	Variety of substance use disorder services including contingency management programming to increase attendance, providing assessments to individuals who are required to complete an SUD assessment due to an operating while intoxicated offense, and serving as a treatment representative at Van Buren specialty courts.	\$ 88,006.77
Estimated PA2 Revenue			\$ 184,499.00
Proposed PA2 Expenses			\$ 159,472.63
Difference (Carryforward Impact)			\$ 25,026.37



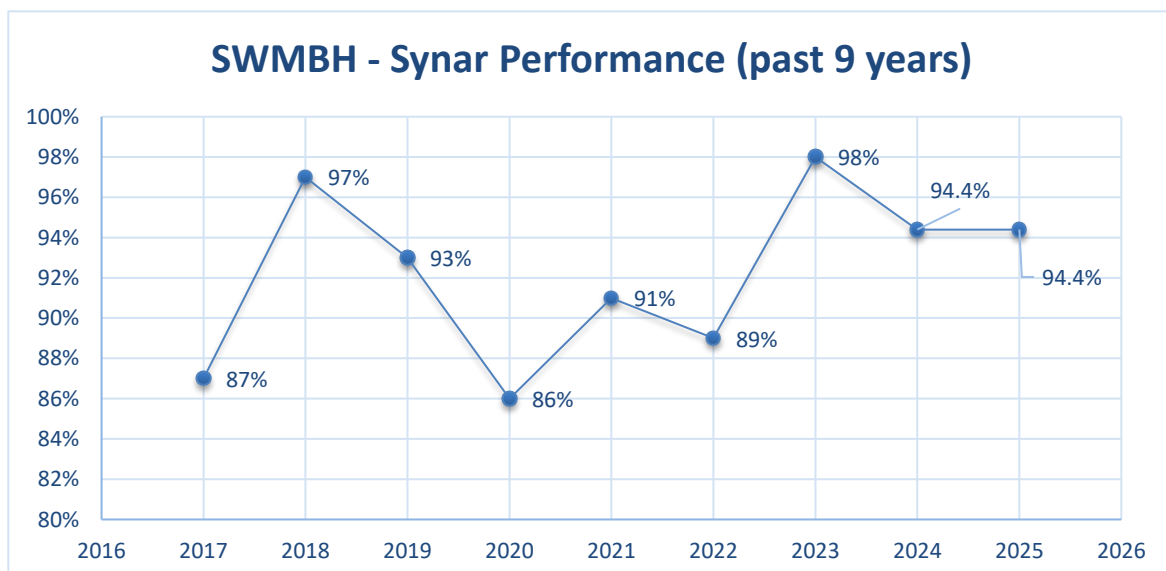
2025 Synar Summary

Overview of Synar Tobacco Compliance Checks:

- The "Alcohol, Drug Abuse, and Mental Health Administration Reorganization Act" of July 1992 includes the Synar Amendment (Section 1926), which requires states to create a Youth Tobacco legislation (MI-YTA), verify retailer compliance level annually, and report it to the Department of Health and Human Services.
- Minimum compliance rate expected from each state is **80%**.
- States that fail to demonstrate a minimum compliance rate of 80% stand to lose as much as 40% of their allocated block grant funding (penalty incurred in the following FY)
- Each year, the Michigan Department of Health and Human Services (MDHHS) randomly selects tobacco and vaping retailers of each county, and assigns PIHPs to conduct covert compliance inspections of these retailers during a specific time of the year (June 2025)
- In addition to the Synar Compliance Inspections, the PIHP conducts year-round compliance checks and education efforts of tobacco retailers, alcohol retailers and vaping devices retailers in each county. These efforts are focused on supporting retailers in maintaining compliance with legislation that restricts youth access to these substances.

2025 Results:

- SWMBH was tasked with conducting Synar inspections of 37 retailers.
- Compliance rate: 34/36 (94.4%), or Retailer Violation Rate (RVR): 5.6% (note: One of the retailers was not eligible for inspection because it has been permanently closed).
- NOTE: The compliance rate of our region has been above the 80% mark for the past 16 years. Synar Compliance rate of past nine inspection cycles:
 - **2025: 94.4%**
 - 2024: 94.4%
 - 2023: 98%
 - 2022: 89%
 - 2021: 91%
 - 2020: 86%
 - 2019: 93%
 - 2018: 97%
 - 2017: 87%





Opioid Health Home FY 24 Summary

What is Opioid Health Home?

- A program designed to help coordinate and manage all the care and services clients diagnosed with an Opioid Use Disorder need.
- To be eligible, customers must have active Medicaid or Healthy Michigan Plan, an opioid use disorder and live in the SWMBH region.
 - Clients with dual Medicare/Medicaid are eligible if they are not enrolled in MI Health Link
 - Clients with spend down are not eligible
 - Clients enrolled in HHBH (Behavioral Health Home), HHMICare (Health Home MI Care Team), ICO-MC (Integrated Care MI Health Link), NH (Nursing Home), or Hospice are not eligible.

What does OHH do?

- Opioid Health Home provides additional support for customers, focusing on the social determinants of health, from an integrated team of providers who:
 - Coordinate care with other doctors/specialists/providers for clients.
 - Help advocate for proper care for clients.
 - Help clients understand and manage other conditions they may have.
 - Refer clients to resources focusing on overall health.
 - Assist clients with housing, legal issues, transportation, employment, educational goals, etc.
 - Connect clients to community resources.
- OHH is a wraparound service in addition to treatment. Customers continue to participate in SUD therapy and/or Medication Assisted Treatment.

Current OHH Providers:

- Harbortown Treatment Center in Benton Harbor (Berrien County)
- Victory Clinical Services in Kalamazoo (Kalamazoo County)
- Victory Clinical Services in Battle Creek (Calhoun County)
- Summit Pointe in Battle Creek (Calhoun County)



HARBORTOWN TREATMENT CENTER



MDHHS Pay for Performance Metrics

- 5% performance incentive based on the following metrics (MDHHS withholds payment from SWMBH for these metrics).
- MDHHS Metrics:
 - Initiation and engagement of alcohol and other drug (AOD) dependence treatment within 14 days.
 - Follow-up after Emergency Department Visit for Alcohol or Other Drug Dependence (FUA-AD), Follow up within 7 days after discharge.
 - Emergency Department Utilization for SUD per 1,000 Medicaid Beneficiaries.

FY24 Numbers:

P4P Number	Measure	OHH Rate	Regional Rate	Statewide Total	P4P Met?
1	IET14	*	30.7	37.04	*
2	FUA7	80.95	26.56	24.02	Yes
3	SUD-EDYR	397.02	400	NA	Yes

*MDHHS changed logic for IET14 in FY 24 so all regions received payment.

SWMBH Value Based Payment

- SWMBH withholds 10% of case rate for value-based payment bonus.
- Currently, the metric focuses on retention in services:
 - 60% of new OHH enrollees will remain in “enrolled” status for at least 6 months.

Why Retention Matters:

- Greater chance at sustained recovery
- Consistent support when relapse occurs
- In addition to skills learned in treatment, longer retention ensures other social determinants of health needs are met.

FY24 Numbers:

Provider	Met	Not Met	NA	Total	Percentage
Summit Pointe	38	33		71	53.5%
VCS – Battle Creek	22	13	2	37	62.9%
VCS – Kalamazoo	63	24	5	92	72.4%
Harbortown	40	11	3	54	78.4%
SWMBH Total	163	81	10	254	66.8%

FY24 Summary

- 255 new customers enrolled in OHH
- Average of 425 customers enrolled per month
- More than 11,000 services provided throughout the year
- 330 customers disenrolled:

Disenrollment Reason:
Voluntary: 35
Successful Completion: 29
Unresponsive: 103
Eligibility: 133
Administrative: 12
Death: 5
Change in Health Home Setting: 13



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

ELIZABETH HERTEL
DIRECTOR

FOR IMMEDIATE RELEASE:
May 23, 2025

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MDHHS releases results of behavioral health care survey and details related to PIHP procurement requirements

LANSING, Mich. - The Michigan Department of Health and Human Services today released results from its recent survey about behavioral health care as well as information about an upcoming competitive procurement process for the state's Prepaid Inpatient Health Plan (PIHP) contracts.

Michigan's specialty behavioral health care system provides health care coverage to approximately 300,000 Michiganders, including adults with serious mental illness, children with serious emotional disturbance, individuals with substance use disorder and individuals with intellectual and developmental disabilities. MDHHS contracts with regional PIHPs to manage and deliver these Medicaid-covered services in communities across the state.

PIHPs are responsible for making sure people receive the behavioral health care services and support they need and manage the network of behavioral health care providers including Community Mental Health Service Providers. They play a vital role in helping the department achieve its mission to improve the health, safety and prosperity of residents.

Through a competitive procurement process, MDHHS will select PIHPs to contract with the state to provide managed care functions for the specialty behavioral health care services.

"Michigan Medicaid beneficiaries deserve access to behavioral health care services when and where they need them," said Elizabeth Hertel, MDHHS director. "The department is changing to a competitive procurement process for the state's Prepaid Inpatient Health Plan contracts to help create a more accessible and person-centered system of care dedicated to ensuring Michigan residents a healthier future."

In February 2025, [MDHHS solicited feedback](#) from Medicaid beneficiaries and their families, advocacy groups, community-based organizations, federally recognized tribal governments, health care providers and other interested parties via an online survey. MDHHS received more than 2,600 responses representing a variety of individuals and partners across Michigan.

Several themes emerged from survey feedback on topics including:

- Provider availability - patients and providers shared dissatisfaction with breadth of care options, suggesting too few providers may be driving limited access to care.
- Services - patients indicated need to advocate for their own care, referencing prior authorization requirements, burdensome paperwork and limited care settings were limiting their access.
- Structure - respondents requested more PIHP accountability to address bias and limitations on managing complaints.
- Input on potential program changes – all respondent types indicated increased provider availability and expanded care settings were of highest interest.

[The survey results](#) will be used to inform four strategic pillars of the upcoming procurement, which include:

- Provide high-quality, timely services.
- Improve choice and consistency across regions.
- Ensure accountability and transparency.
- Simplify the system with reduced bureaucracy.

MDHHS plans to issue a request for proposals (RFP) for PIHPs in summer 2025 with the goal of a service start date of Oct. 1, 2026.

“As organizations representing providers across Michigan’s behavioral health continuum, we welcome MDHHS’s focus on timely care, consumer choice and system accountability. A well-designed system can move us beyond bureaucracy and into a future where access and outcomes – not process – drive the work,” said Daniel Cherrin, on behalf of the MI Care Council, MI Behavioral Health & Wellness Collaborative and the Michigan Association of Substance Addiction Providers. “This is Michigan’s moment to build a behavioral health system rooted in impact and transparency where care is consistent, conflicts are removed and every Michigander gets the support they need, no matter where they live.”

As part of the department’s commitment to transparency and planning, [anticipated contract requirements are being released today on the MDHHS website](#) to provide guidance about eligibility and evaluation for the upcoming RFP. Sharing these criteria is intended to support prospective contractors in understanding the requirements for participation, as well as key priorities that will inform the department’s selection process. This early visibility is critical to ensuring preparation, alignment with program goals and strong, regionally coordinated proposals ahead of the formal RFP release.

Additional information can be found at Michigan.gov/BehavioralHealth. There is also [a recorded webinar](#) with additional details.

Email MDHHS-BehavioralHealth@michigan.gov with procurement-related questions.

#

Prepaid Inpatient Health Plan (PIHP) public survey summary



PIHP stakeholder engagement survey: overview

What?

Eighteen-question public survey to solicit feedback on specialty behavioral health service delivery by PIHPs, focused on:

- Provider availability.
- Service quality.
- Strengths and challenges of PIHP system.
- Potential program changes.

When?

Open for responses February 28 - March 31, 2025

How?

Electronic submission with option to respond via paper forms²

2,622

Respondents¹

13,700

comments²

1. As of 5/14/2025, no paper surveys had been received by MDHHS, and thus no paper-based submissions are included in current analysis

2. Excludes blank comment spaces, characters only, N/As, Tests, and emojis: " ", ".", "...", ".....", " ", "NA", "n/a", "n.a", "N/A", "Not applicable", "N/A to my knowledge & experience", "TEST", "?", "??"

Public solicitation

- Public solicitation was active from February 28 through March 31, 2025.

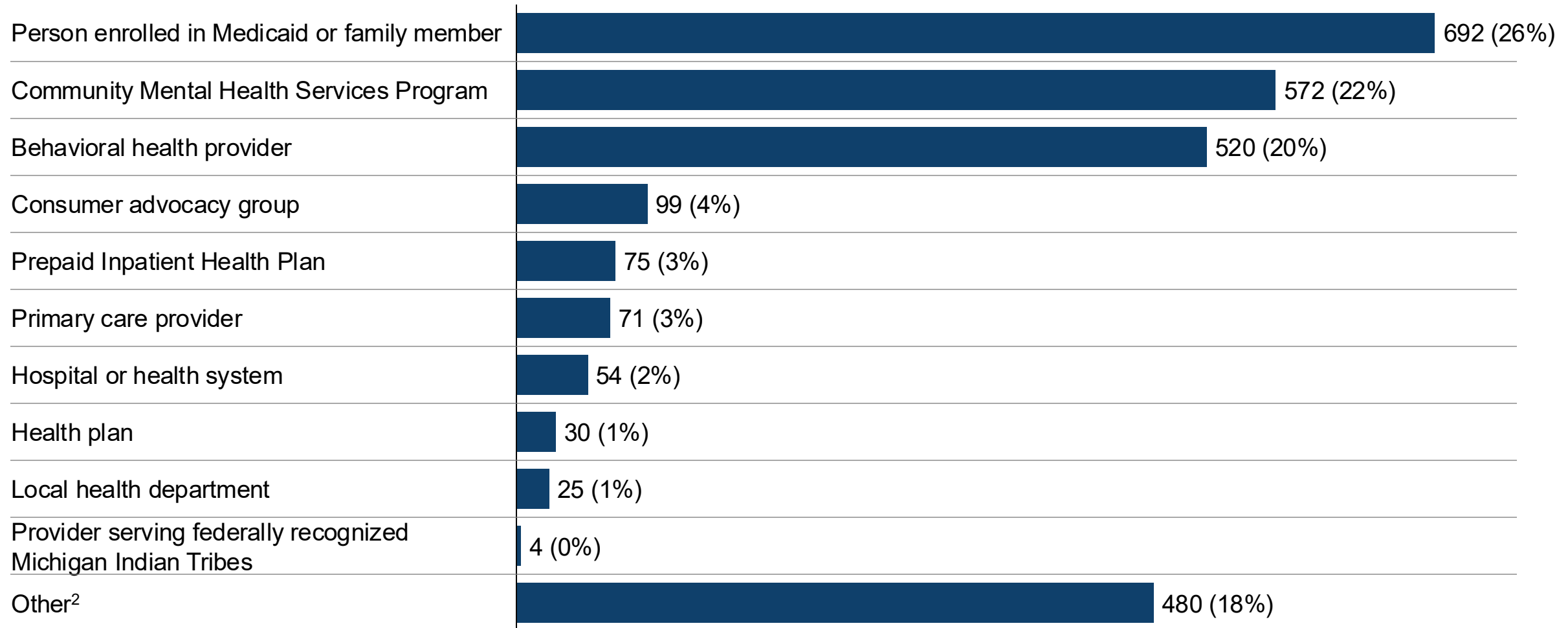
Analysis

- Analyzed survey responses.
- Assessed responses relative to strategic pillars and potential program changes.

Closer review

- Reviewed written responses to open-ended questions to better understand emerging themes.

Number of survey responses by respondent type across 2,622 electronic submissions¹



1. Survey respondents were asked to self-identify with one stakeholder from a multiple choice list of stakeholder categories, including an "Other" write-in option

2. Other includes 480 respondents that selected "Other" when answering the question "Please tell us which of the following groups best describes you?"

MDHHS strategic pillars for PIHPs, informed by survey responses

Provide high quality, timely services

Ensure timely access to services through network adequacy and provider availability.

Deliver high-quality services that address the full continuum of care.

Improve choice & consistency across regions

Improve choice in access to services across regions.

Promote consistency across regions to ensure access to services regardless of where members reside.

Ensure accountability & transparency

Increase accountability & transparency through enhanced oversight and outcomes-centered performance management.

Remove structural conflict of dual payor/provider responsibilities.

Simplify the system with reduced bureaucracy

Decrease bureaucracy and administrative burden, improving efficiency for providers as well as members accessing care.

Example stakeholder input by PIHP strategic pillar

Provide high-quality, timely services

- “ ” PIHPs have been quite successful in providing quality service for individuals who would otherwise be left behind in the world of recovery. [...] folks are able to gain access to qualified help regardless of what phase they are in and the level of assistance they need.
— Behavioral health provider
-
- “ ” We have been told repeatedly that there is a waiting list of 8 1/2 months to 1 year and still nothing. I would suggest you hire more qualified professionals who will be available to contact clients for more than 25 minutes 1 time per month.
— Person enrolled in Medicaid or family member
-
- “ ” Accessing essential mental health services through CMHs [...] is a significant challenge, with individuals often needing to be in crisis before receiving help.
— Person enrolled in Medicaid or family member

Improve choice & consistency across regions

- “ ” CCBHCs have been a huge improvement for access and increased provider network. No longer limited to one CMH for basic care and can choose to be served by another county.
— PIHP
-
- “ ” PIHP's [...] lack of policy and procedure consistency between the regions is maddening. Depending on which region you get services from, the delivery model is totally different and disparate.
— Behavioral health provider
-
- “ ” Eliminate the hurdles put in place by having PIHPs with different requirements, payment rates, staffing, and conflict of interests to access treatment.
— Other (SUD treatment center)

Example stakeholder input by PIHP strategic pillar

Ensure transparency & accountability

- “ ” The system lacks transparency, accountability, and effective oversight. There is a direct conflict of interest to have CMHSPs sit on the board of directors of a PIHP. [...] There is [...] a complete inability to enforce contract compliance. There is no accountability from the PIHPs to the CMHSPs for service delivery.
— *Person enrolled in Medicaid or family member*
- “ ” Direct conflicts with the PIHP also being a service provider. The funder who contracts with a provider network should not also be allowed to compete against its provider network and control all referrals. Simplify the system and build on the momentum of managed care by allowing the health plans to manage this program.
— *Behavioral health provider*
- “ ” There has been very little transparency and accountability in terms of quality of care and consumer satisfaction.
— *Person enrolled in Medicaid or family member*

Simplify the system with reduced administrative burden

- “ ” It would be good to see a reduction in bureaucracy [...] there are so many rules, regulation, audits, etc. that really are meaningless to patient care, but a lot is spent on those functions. Each PIHP and CMH is a little different, and it would be good to see consistency.
— *Hospital or health system*
- “ ” MDHHS would be better served looking at how they can help make things easier to serve Michigan's residents [...] The unnecessary and duplicative paperwork takes time away from the real work of helping residents.
— *Behavioral health provider*
- “ ” I don't sense that they are adding value to the CMHs. They seem to be a layer of bureaucracy that operates with mixed effectiveness (both fiscal and practical)
— *Consumer advocacy group*



Background

Recently, MDHHS issued a [press release](#) and posted on its [Specialty Behavioral Services webpage](#) information regarding the proposed PIHP procurement process. The webpage includes:

[A recorded webinar providing an overview of the procurement process.](#)

And information about the PIHP procurement please see resources below:

1. [Anticipated PIHP contract requirements.](#)
2. [PIHP public survey summary](#) (Based on public survey solicitation in February 2025).
3. [PIHP regions map.](#)
4. [PIHP regions detail table.](#)
5. [PIHP network adequacy standards.](#)

CMHA analysis of MDHHS proposed PIHP procurement to private health plans

The details provided in the materials on the MDHHS [Specialty Behavioral Services webpage](#) (webinar and links) serve to **underscore the negative impact of the Department’s proposed PIHP procurement process on Michigan’s public mental health system and those who rely on that system for their mental health services.** Below is an analysis of the content of these materials. Throughout this analysis, the term “Michigan’s public mental health system” will be used to mean the state’s CMHSPs, PIHPs, and the providers in the networks of the CMHSPs and PIHPs.

A. COMPONENTS OF MDHHS PLAN OF GREATEST CONCERN

The components of the MDHHS PIHP procurement plan that pose the greatest concern plan include:

1. Prioritizing bids from private non-profit health plans/health insurance companies. Some of Michigan’s largest private health plans/health insurance companies are private non-profit organizations: Blue Cross/Blue Shield, Priority Health, McLaren Health Plan, and HAP.

2. The current public PIHPs would be prohibited from bidding on this opportunity. Because the current PIHPs were formed and governed by appointees from the state’s CMHSPs (who are providers, as required by law, of mental health services)– a structure selected by MDHHS as the structure through which Michigan would fulfill its statutory requirement to fund the state’s CMHSPs (see endnote) – these PIHPs are prohibited from applying.

3. Eliminating longstanding roles of CMHSPs in managing care: The CMHSPs have been managing their local provider networks (as required by state law; see endnote) including: provider network development, paying claims, authorizing care, carrying out utilization management, credentialing staff, and related functions for over 60 years. The MDHHS PIHP procurement would prohibit them from carrying out these functions, instead moving them to the private health plans who may be awarded the managed care contracts.

4. Implies that CMHSPs would be one of a number of providers with whom the newly selected managed care organizations could contract for services.

B. PLAN FAILS TO ACHIEVE STATED AIMS OF EFFORT: The design of the procurement requirements actually work against the stated aims of this effort. Those aims include and the disconnect between the procurement and those aims are highlighted below:

Aim: Provide high-quality, timely services:

1. Michigan's public mental health system currently provides more evidence-based and promising practices than any other system in the state and has consistently met MDHHS-established timeliness standards. Timeliness and access issues have occurred, as they have for all behavioral health care providers, since the pandemic, created by the deep and prolonged behavioral health workforce shortage. This workforce shortage and financing insufficiency are two most significant causes of access timeliness issues. This procurement process addresses neither of these.
2. The lack of timely access to the Medicaid behavioral healthcare services that have been managed by the state's private health plans for the past 28 years - office based psychotherapy and psychiatry - has been a glaring gap of that privately managed system since 1997 - a gap unaddressed by MDHHS over these 28 years.
3. The dramatically higher managed care overhead of the private Medicaid health plans, an overhead rate of 15%, far above that of the state's PIHPs with an overhead rate of 2%, will result in a dramatic loss of dollars available for Medicaid behavioral health services to Michiganders - hindering and not improving access nor timeliness.

Aim: Improve choice and consistency across regions:

1. Currently, Michigan's Medicaid beneficiaries have access to a large number of high-quality behavioral health providers in communities across the state. The right to request a qualified provider is a fundamental principle of the system. Given the inability of the private health plans to provide choice of providers for the Medicaid behavioral health services currently managed by the private health plans - due to low rates paid those providers - the choice of high-quality providers will not be increased through the movement to a privately managed system.
2. If the choice among more than one plan per region is an aim of this procurement (unclear at this reading) consistency will be hampered by this procurement, with two sets of standards, rates, and requirements per region rather than the current single set of standards, rates, and requirements.

Aim: Ensure accountability and transparency:

1. The current public PIHP structure is directly accountable to the elected county commissioners elected in each county served by the PIHP. The MDHHS proposal would remove the involvement of these county officials in managing the Medicaid dollars intended to serve their communities' residents.

2. Corrective action plans and performance incentive payments have proven key tools in promoting the accountability of the public PIHP system. Additionally, throughout the year, the requirements placed on the public PIHPs are revised and refined, ensuring accountability of the system to these higher standards.

3. The accountability of the private health plans to contractual standards is enforced only upon the department's decision as to continuing the contract with a given private health plan upon completion of the contract period. Given that the private health plans have contracts ranging from 3 to 5 years, the accountability issues under a privatized managed care structure can remain unresolved for years.

4. The transparency of the public mental health system is assured via their compliance, as public bodies, with the Michigan Open Meetings Act and the Freedom of Information Act. No such transparency requirements exist for private health plans.

Simplify the system with reduced bureaucracy:

1. This procurement increases rather than reducing the complexity and bureaucracy of the system by moving from the current subcapitated payment system used to fund the state's CMHSPs, through the PIHPs, to a fee-for-service system requiring distant authorizations. This complexity and bureaucracy of privately managed care firms are concerns frequently voiced by providers and persons served/clients.

Ensure the strength of the state's CMH system:

1. Unless the state's CMHs, in compliance with state law, are the sole party charged with meeting the mental health needs of Michiganders – a guarantee that MDHHS, private health plans, nor this procurement plan have made - this procurement process violates the statutory obligations of the state will erode the financing for and ability of the local CMHs and Michigan counties to meet their longstanding statutory obligations to provide mental health care to Michiganders. This plan, without the guarantee of the support for the longstanding role and financing of the CMH system:

- violates the statutory obligation of the State to promote, maintain, and fund the CMHSP system (See endnote for statutory and regulatory description of role and responsibilities of Michigan's CMHSPs) ⁱ
- violates the state's obligation to fund CMHSP system as the party responsible for meeting the State's mental health services obligation
- removes public local control over the use of these dollars with these funds going to the private health plans without oversight by the local CMHSP thereby eliminating public oversight and accountability for those dollars

C. PLAN IGNORES WARNINGS FROM SIMILAR APPROACHES IN OTHER STATES: As noted above,, turning the management of Medicaid mental health benefit over to private health plans does not achieve the stated aims of this procurement process.

In fact, the procurement process and its standards move the state's mental health system backwards to a system with the weaknesses found in the privately managed Medicaid behavioral health systems in other states.

A set of studies, conducted over the past several years, underscores the negative impact that the management of a state's Medicaid behavioral health system by private health plan has on persons served and the provider network serving them. Those studies include:

- [Impact of the Movement to Private Managed Care System for Publicly Sponsored Mental Health Care: Perspectives from Other States](#) (2022)
- [Medicaid funding consolidation: Key themes identified in an examination of the experience of other states](#) (2016)
- [Beyond Appearances: Behavioral Health Financing Models and the Point of Care](#) (2016)

D. PLAN IS NOT TRANSPARENT IN SHARING VIEWS OF RESPONDENTS TO SURVEY AND FAILS TO GET A FULL PICTURE OF THE VIEWS OF STAKEHOLDERS: In spite of the MDHHS interpretation of public comment (an interpretation without revealing actual responses), there is significant opposition, among Michiganders, to the private management of Michigan's public mental health system.

Earlier proposals to privatize this system were met by vocal and widespread opposition from Michiganders from across the state. This anti-privatization sentiment remains strong among the large and vocal stakeholders of Michigan's public mental health system. See the [summary of the results of the statewide poll](#), conducted by the respected Michigan-based polling group, EPIC-MRA.

ⁱ The Michigan Mental Health Code is clear in describing the uniquely singular nature and required state funding of Michigan's CMHSPs. The relevant code citations are provided below.

Unique role: The State of Michigan must promote and maintain the state's CMHSP system, with Michigan's CMHSPs designated as the only bodies to which the responsibility for the direct delivery of public mental health services has been shifted from the state.

Excerpts from the Code:

*Section 116 (b) (The State of Michigan must) Administer the provisions of chapter 2 so as to **promote and maintain an adequate and appropriate system of community mental health services programs throughout the state.***

*In the administration of chapter 2, it shall be the **objective of the department to shift primary responsibility for the direct delivery of public mental health services from the state to a community mental health services program** whenever the community mental health services program has demonstrated a willingness and capacity to provide an adequate and appropriate system of mental health services for the citizens of that service area.*

State obligation to fund CMHSP system: The State of Michigan must fund the CMHSP system to carry out its responsibilities and its core functions.

Excerpts from the Code:

*Section 116 (b) (The State of Michigan must) (Administer the provisions of chapter 2 so as to **promote and maintain an adequate and appropriate system of community mental health services programs throughout the state.***

*Section 202 (1) **The state shall financially support, in accordance with chapter 3, community mental health services programs** that have been established and that are administered according to the provisions of this chapter.*

Obligation to provide a broad range of services to the entire community: The Michigan Mental Health Code, Administrative Rules, and PIHP contractual obligations are clear in describing the responsibility of the state's CMHSPs/PIHPs in **meeting the needs of their entire community and Medicaid beneficiary pool (an obligation that goes beyond those of the CCBHCs to serve only those who present themselves to the CCBHC.**

Excerpts from the Michigan Administrative Rules

*Rule 330.2005. **A community mental health board shall ensure that the following minimum types and scopes of mental health services are provided to all age groups directly by the board, by contract, or by formal agreement with public or private agencies or individuals contingent on legislative appropriation of matching funds for provision of these services:***

- (a) Emergency intervention services.*
- (b) Prevention services.*
- (c) Outpatient services.*
- (d) Aftercare services.*
- (e) Day program and activity services.*
- (f) Public information services.*
- (g) Inpatient services.*
- (h) Community/caregiver services*

(CMHA note: The detailed descriptions of each of these services are outlined in the remainder of this section of the Michigan Administrative Rules)

Responsibility of the CMHSPs to determine the providers in its provider network and ensure that these providers comply with Medicaid regulations.

Excerpts from the Michigan Administrative Rules

Rule 330.2005. A community mental health board shall ensure that the following minimum types and scopes of mental health services are provided to all age groups **directly by the board, by contract, or by formal agreement with public or private agencies or individuals**

Protecting People Over Profit

Public Management of Michigan's Behavioral Health System



On February 28, 2025 the Michigan Department of Health and Human Services (MDHHS) announced that they are seeking public input through an online survey as the department moves to a competitive procurement process for the state's Pre-Paid Inpatient Health Plan (PIHP) contracts. **Our concern is that such bid-out plans, in the past, have opened the door to the privatization of Michigan's public mental health system.**

Unmandated Competitive Procurement: A Risky Proposal That Adds Chaos to Care



Potential funding cuts on the horizon



Disrupts care and creates confusion for those relying on critical services



Procurement process is NOT being driven by Federal rules or requirements

Rather Than a Chaotic Competitive Procurement Process, Take Real Steps to Collectively Solving Core Issues

HOW BEST TO IMPROVE ACCESS TO CARE & SERVICES FOR PEOPLE IN NEED

Sufficient Funding



Ensure & Enhance Local Voice



Reduce Administrative Overhead



Increase Workforce & Network Capacity

• Sufficient Funding

Funding for the core mental health and I/DD services has remained FLAT over the past 5 fiscal years (including \$0 general fund increase) while medical inflation has increased by over 10%* and Medicaid expenses have increased by nearly 25%. **Inadequate funding leads to shortages in available services, long wait times, and a lack of quality mental health providers.**

• Ensure & Enhance Local Voice

Only a publicly managed system protects local input. **Privatization removes people's power, shifting care decisions to out-of-state boards with no direct ties to Michigan communities.**

• Reduce Administrative Overhead

Collectively PIHPs have a MLR (Medical Loss Ratio) of 96.3%. The ONLY way to reduce layers and ensure more money goes directly into services is by reducing administrative overhead, which has dramatically increased over the past 5 years. **More bureaucracy means longer wait times, more hoops to jump through, and fewer resources for essential care.**

• Increase Workforce & Network Capacity

3/4 of Michigan's public mental health organizations are experiencing workforce gaps despite salary increases or retention bonuses. Top reasons people leave the public mental health field: (1) too much paperwork / administrative hoops to jump through, and (2) better pay and work life balance. **A shortage of mental health workers means longer wait times, fewer available services—leaving Michigan's most vulnerable without the support they need.**

*According to the U.S. Bureau of Labor Statistics



Southwest Michigan Behavioral Health (SWMBH)

2025 Substance Use Disorder Oversight Policy Board (SUDOPB) Attendance

Name	January	March	May	July	September	November
Marsha Bassett (Barry)						
Alex R. Ott (Berrien)						
Rayonte Bell (Berrien)						
Randall Hazelbaker (Branch)						
Dominic Oo (Calhoun)						
Matt Saxton (Calhoun)						
RJ Lee (Cass)						
Jonathan Current (Kalamazoo)						
Allyn Witchell (Kalamazoo)						
Jared Hoffmaster (St.Joe)						
Paul Schincariol (Van Buren)						
Richard Godfrey (Van Buren)						

v. 5/19/25

Green = present

Red= absent

Black=not a member at that time

Grey=Meeting cancelled