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The Michigan Association of Community Mental Health Boards and the Michigan Association of Health Plans sent letters to the House and Senate Subcommittees on Community Health arguing against the privatization of community health systems. Instead, they believe the groups should be forwarding the goals of “improved coordination of care and a stronger focus on the needs of an individual patient”, and that privatization of the system works against these goals.


Rob VerHeulen, chair of the Michigan House’s health and human services appropriation committees, assured that there would be no boilerplate language related to for-profit, Medicaid HMOs in the mental health budget. This decision has been praised by mental health authorities throughout the state. Lt. Governor Calley will continue to lead task forces on mental health to develop a consensus proposal to send to the Legislature.


Lt. Governor Calley was called in to resolve disputes over the current state of a proposal related to Michigan’s mental health funding. As of right now, Michigan’s mental health care system has over 2.4 billion dollars in funding, which is disbursed by 10 regional/nonprofit prepaid inpatient health plans. They are currently being challenged for-profit, Medicaid HMOs, which would supposedly allow for better integration of mental and physical health. Mental health advocates believe that the current, nonprofit system can be improved in this regard. Calley has been in the talks with multiple task forces and advocacy groups to preserve the Section 298 taskforce’s earlier work (which heavily advocates for public mental health care) throughout the proposal development process, contrary to some initial misunderstandings over the taskforce’s plan with the Department of Health and Human Services.
Snyder’s tendency to run government agencies like businesses has come under fire. With his latest project, the mental health care system, he wants to turn the public mental health care system primarily over to Medicaid HMOs, which are private. The possible savings under this plan aren’t exactly clear. Mental health advocates argue that the public mental health care system tends to run towards risk by caring for the most vulnerable individuals, and under a private system they may fall through the cracks. While Medicaid HMOs are nonprofit, it “opens the door” to possible future privatization.

Saginaw County’s Board of Commissioners publicly denounced Snyder’s proposed budget revisions and privatization of the state’s mental health system. This is due to the fact that it would result in less money for the mental health care system, as well as increased difficulties in receiving care. There would also be flexibility and transparency lost, as private companies would not need to report as much data as Medicaid.