

RESOLUTION OF THE [COUNTY NAME] BOARD OF COMMISSIONERS

URGING ACTION TO ADDRESS THE PUBLIC MENTAL HEALTH FUNDING SHORTFALL

WHEREAS, the [County Name] Board of Commissioners recognizes that Michigan’s public mental health system is facing a serious and escalating funding crisis, driven by several compounding factors, including the loss of Medicaid-covered lives, inflationary pressures, increasing demand for services, and expanding regulatory burdens; and

WHEREAS, the Michigan Department of Health and Human Services (MDHHS) is required under state law (MCL 330.1116 and MCL 330.1202) to promote and financially support an adequate and appropriate system of community mental health services programs (CMHSPs); and

WHEREAS, the State of Michigan has lost nearly 700,000 Medicaid beneficiaries since the end of the Public Health Emergency (PHE), resulting in reduced capitation payments to CMHSPs despite continued or increasing demand for mental health services; and

WHEREAS, funding increases for core behavioral health and intellectual/developmental disability services have not kept pace with medical inflation or the broader state budget growth, with only a 6% increase in the past five fiscal years compared to a 43% increase in the overall state budget and 25% in Medicaid expenditures; and

WHEREAS, the MDHHS has repeatedly underspent appropriated Medicaid funds, with a projected \$232 million in underspending in FY25 alone, and these unspent dollars are not being redirected to meet urgent service needs across Michigan's CMHSP system; and

WHEREAS, additional factors exacerbating this crisis include skyrocketing inpatient psychiatric and residential costs, significant underfunding of autism services, misclassification of Medicaid eligibility groups resulting in lost revenue, and a growing administrative burden that diverts staff time and resources away from direct care; and

WHEREAS, failure to adequately fund and streamline the public behavioral health system undermines the ability of CMHSPs to meet the needs of the most vulnerable residents—including children, adults with serious mental illness, individuals with intellectual and developmental disabilities, and those with substance use disorders;

NOW, THEREFORE, BE IT RESOLVED, that the [County Name] Board of Commissioners urgently calls on the Michigan Department of Health and Human Services, the Michigan Legislature, and the Governor to:

1. **Fully allocate appropriated Medicaid behavioral health funds to CMHSPs** in fiscal year 2025 and beyond.
2. **Ensure capitation rates are actuarially sound at the regional and local levels**, and reflect the actual cost of service delivery, including inpatient care, specialized residential treatment, and

autism services.

3. **Rectify the misclassification of Medicaid beneficiaries**, ensuring individuals are enrolled in appropriate coverage categories with mental health benefits.
4. **Account for new cost drivers**, including legislative changes such as paid sick leave and minimum wage increases.
5. **Significantly reduce unnecessary administrative requirements** that increase overhead without improving outcomes.

BE IT FURTHER RESOLVED, that copies of this resolution be transmitted to Governor Gretchen Whitmer, the Michigan Department of Health and Human Services, the leadership of the Michigan Senate and House of Representatives, the Michigan Association of Counties, and [insert local representatives and stakeholders].

Adopted this [Day] day of [Month], [Year].

[Name], Chairperson
[County Name] Board of Commissioners

[Name], Clerk
[County Name] Board of Commissioners