



## **TESTIMONY FOR THE HOUSE POLICY COMMITTEE ON HB 4862(H-1) AND 4863(H-1)**

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**January 26, 2012**

Madame Chairperson and Members of the Committee:

My name is Karen Youngs Hartley, and I am here for the Lakeshore Coordinating Council, which is a regional substance abuse services coordinating agency, serving four counties in West Michigan. I appreciate this opportunity to testify on HB 4862 and 4863 substitute bills. Our agency is an independent CA – not currently housed within a PIHP or CMHSP. We have three Medicaid PIHPs and four CMHSPs serving our region at present. Aligning the funding regions, and some parts of the service delivery networks is of value, I believe.

The revised bills now under consideration have brought in some of the sections of the Public Health Code- Article 6 that provide important protection for public safety and service quality in the delivery of substance use disorder prevention and treatment services. The additions so far are appreciated.

I would like to reinforce the MASACA commentary in noting that, despite these additions, the bills seem to presume that the substance use disorder services system can simply be blended into the community mental health system without other major managerial considerations. I believe that the authors do recognize that substance use disorders are distinct physiological disorders, with their own patterns of development and symptoms. Their effective treatment protocols are not the same as those used for mental illness. The effective prevention strategies are specific to drug and alcohol use disorders. Addiction treatment professionals carry their own specialized clinical skills and training. While there are some overlaps, having experience in treating serious mental illness does not enable success in treating addiction. Where there is co-occurring mental illness among the substance abuse services clientele, it is usually in the form of mild or moderate depression or anxiety disorder, which the public community mental health system does not have a requirement or priority to serve, and in many areas of the state does not extend services for. Any changes in service arrangements that could result in persons in need being turned away, delayed, or given low priority for access would be extremely harmful to our citizens.

As you continue to work on improvements and further details of this legislation, it is essential that the many community partnerships and linkages beyond and outside of the CAs and CMHs be recognized and preserved, without adding new impediments or layers of bureaucracy. Coordinating agencies have a long history of sensitivity to local needs, flexibility in planning and problem solving, and an ability and mandate to bring together and coordinate the many sources of available funding to enable public purchasing of the most effective and efficient services.

Another key feature of local Coordinating Agencies has been local voice, and the role of counties, or city, in the governance of the agencies. This is something that was an inherent part of the Public Health Code

– Article 6, but is absent from the bills now under consideration. I can tell you that Berrien County strongly opposes any loss of local governance voice, and I believe our other 3 counties hold similar positions on this. Having an active presence of locally responsible people in governing and advisory roles, Coordinating Agencies are deliberately structured to be responsive to broad local needs. They have been formed by county choice. While being based in a PIHP or CMHSP may work well for some communities, it may not work so well in others, due to the variances in local systems, and the many variations in PIHP and CMHSP structures. The “patchwork” geographic coverage of some PIHPs and the small population size of others is also of concern, as these factors can complicate client access and make funding management and contracting more difficult, as well as increase administrative costs.

It is somewhat confusing in the current drafts as to which entity is to be responsible, the PIHP or local CMHSPs. Additional layers of management should not be the result. No standards or evidence of ability to fulfill the continued functions now assigned to Coordinating Agencies have been included in the legislation, and this deserves attention. In some cases the local CMHSPs or PIHPs have very limited experience in fully managing substance abuse services benefits and funds, and it should not be assumed that this work can simply be absorbed into their existing operations without considerable preparation and expense. It should be noted that the Coordinating Agencies as a rule have, out of necessity, operated with low administrative costs, and with a high degree of transparency and accountability for every dollar they manage – qualities worth insisting upon. In addition, fully updated funding distribution statewide will need to be implemented with any reconfiguration or subdivisions of existing CA regions, rather than continuing the current MDCH 5-year phase in plan.

Whatever restructuring this legislation ultimately recommends, I give support to the need for further amendments as detailed by MASACA, to include:

1. Include a clear and distinct commitment to persons with substance use disorders and the treatment and prevention of those disorders, to be reflected in the necessary governance structures, mission statements; bylaws; representation on boards and committees of persons from the substance abuse field, including recovering persons, and dedicated staffing within the CMHSP and/or PIHP.
2. Retain the Public Health Code sections and subsequent state regulations and mandates that protect service recipients and local communities by establishing standards for continued local stakeholder involvement, including customers and providers, and local government. Retain the prohibitions against the designated management body being a funded provider itself, to avoid financial conflict of interest in contracting decisions, and to promote best-value purchasing.
3. Establish a dedicated and more adequate state funding stream for substance use disorder services, which cannot be diluted or redirected.
4. Protect and retain the existing specialty substance use disorder provider network, for both treatment and prevention services. Much of this network is not now part of nor contracted with the community mental health services system, and serves different clients. Assurances of continued funding, and more uniform (statewide) contracting, data reporting, and monitoring practices are very important for the health of this system. For larger, multi-region providers, the option of statewide master contracting, direct with MDCH, may need to be considered if the number of sub-state management entities is to be increased.
5. Preserve the existing special population priorities and local service initiatives already in existence or development – too much has been invested in these efforts to have them lost within a re-organization process.

6. Extend the action for system efficiencies to the Department of Corrections and Department of Human Services programming involving substance abuse services; long overdue.
7. I also ask that the legislation provide recognition of the value and experience the regional Coordinating Agency system has to offer the people of the State of Michigan, and provide incentives for existing personnel, technical systems, local committee and collaborative bodies, and other CA-developed resources to be carried over into any newly designated structures wherever feasible, so that there is not time and money spent re-inventing or duplicating many of the necessary management elements.

Last but not least, it is important to seek and hear input from those most affected overall – the consumers and providers, from prevention, treatment, and recovery support vantage points. If this system is to be reshaped with the purpose of improved client services, it is essential to hear from as many of those clients and stakeholders as possible, and to respect their opinions and experiences. If the reorganized system does not work for them, we will not have a working system no matter how efficient it may appear on paper.

Thank you for your time and consideration.

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