

SENATE BILL No. 1196

June 14, 2012, Introduced by Senator CASWELL and referred to the Committee on Appropriations.

A bill to amend 1974 PA 258, entitled
"Mental health code,"
by amending sections 204, 224, and 232a (MCL 330.1204, 330.1224,
and 330.1232a), sections 204 and 224 as amended and section 232a as
added by 1995 PA 290; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 204. (1) ~~A—EXCEPT AS PROVIDED IN SUBSECTION (4), A~~
2 community mental health services program established under this
3 chapter shall be a county community mental health agency, a
4 community mental health organization, or a community mental health
5 authority. A county community mental health agency is an official
6 county agency. A community mental health organization or a
7 community mental health authority is a public governmental entity
8 separate from the county or counties that establish it.

9 (2) Procedures and policies for a community mental health
10 organization or a community mental health authority shall be set by

1 the board of the community mental health services program.
2 Procedures and policies for a county community mental health agency
3 shall be set by the board of commissioners or boards of
4 commissioners as prescribed in this subsection. If a county
5 community mental health services agency represents a single county,
6 the county's board of commissioners shall determine the procedures
7 and policies that shall be applicable to the agency. If a county
8 community mental health services agency represents 2 or more
9 counties, the boards of commissioners of the represented counties
10 shall by agreement determine the procedures and policies that shall
11 be applicable to the agency. In a charter county with an elected
12 county executive, the county executive shall determine the
13 procedures and policies that shall be applicable to the agency.

14 (3) The procedures and policies for multicounty community
15 mental health services programs shall not take effect until at
16 least 3 public hearings on the proposed procedures and policies
17 have been held.

18 (4) BEGINNING OCTOBER 1, 2012, IN ORDER TO QUALIFY FOR STATE
19 SUPPORT UNDER SECTION 202, IF A SINGLE COUNTY THAT HAS SITUATED
20 TOTALLY WITHIN THAT COUNTY A CITY HAVING A POPULATION OF AT LEAST
21 500,000 ESTABLISHES A COMMUNITY MENTAL HEALTH SERVICES PROGRAM,
22 THAT COMMUNITY MENTAL HEALTH SERVICES PROGRAM SHALL BE ESTABLISHED
23 AS A COMMUNITY MENTAL HEALTH AUTHORITY AS SPECIFIED UNDER SECTION
24 205.

25 Sec. 224. The term of office of a board member shall be 3
26 years from April 1 of the year of appointment, except that of the
27 members first appointed, 4 shall be appointed for a term of 1 year,

1 4 for 2 years, and 4 for 3 years. A vacancy shall be filled for an
2 unexpired term in the same manner as an original appointment. A
3 board member may be removed from office by the appointing board of
4 commissioners ~~or, if the board member was appointed by the chief~~
5 ~~executive officer of a county or a city under section 216, by the~~
6 ~~chief executive officer who appointed the member~~ for neglect of
7 official duty or misconduct in office after being given a written
8 statement of reasons and an opportunity to be heard on the removal.
9 A board member shall be paid a per diem no larger than the highest
10 per diem for members of other county advisory boards set by the
11 county board of commissioners and be reimbursed for necessary
12 travel expenses for each meeting attended. The mileage expense
13 fixed by the county board of commissioners shall not exceed the
14 mileage reimbursement as determined by the state officers
15 compensation commission. A board member shall not receive more than
16 1 per diem payment per day regardless of the number of meetings
17 scheduled by the board for that day.

18 Sec. 232a. (1) Subject to section 114a, the department shall
19 promulgate rules to establish standards for certification and the
20 certification review process for community mental health services
21 programs. The standards shall include but not be limited to all of
22 the following:

23 (a) Matters of governance, resource management, quality
24 improvement, service delivery, and safety management.

25 (b) Promotion and protection of recipient rights.

26 (2) After reviewing a community mental health services
27 program, the department shall notify a program that substantially

1 complies with the standards established under this section that it
2 is certified by the department.

3 (3) The department may waive the certification review process
4 in whole or in part and consider the community mental health
5 services program to be in substantial compliance with the standards
6 established under this section if the program has received
7 accreditation from a national accrediting organization recognized
8 by the department that includes review of matters described in
9 subsection (1)(a).

10 (4) If the department certifies a community mental health
11 services program despite some items of noncompliance with the
12 standards established under this section, the notice of
13 certification shall identify the items of noncompliance and the
14 program shall correct the items of noncompliance. The department
15 shall require the community mental health board to submit a plan to
16 correct items of noncompliance before recertification or sooner at
17 the discretion of the department.

18 (5) Certification is effective for 3 years and is not
19 transferable. Requests for recertification shall be submitted to
20 the department at least 6 months before the expiration of
21 certification. Certification remains in effect after the submission
22 of a renewal request until the department conducts a review and
23 makes a redetermination.

24 (6) The department shall conduct an annual review of each
25 community mental health services program's recipient rights system
26 to ensure compliance with standards established under subsection
27 (1)(b). An on-site review shall be conducted once every 3 years.

1 (7) The community mental health services program shall
2 promptly notify the department of any changes that may affect
3 continued certification.

4 (8) The department may deny certification if the community
5 mental health services program cannot demonstrate substantial
6 compliance with the standards established under this section.

7 (9) In lieu of denying certification, the department may issue
8 a provisional certification for a period of up to 6 months upon
9 receiving a plan of correction submitted by the community mental
10 health services board. The department shall provide a copy of the
11 review and the approved plan of correction to the board of
12 commissioners of each county that established the county community
13 mental health agency or created the community mental health
14 organization or community mental health authority. A provisional
15 certification may be extended, but the entire provisional period
16 shall not exceed 1 year. The department shall conduct an on-site
17 review to determine the community mental health services program's
18 compliance with the plan of correction at least 30 days before the
19 expiration of the provisional certification. A provisional
20 certification automatically expires either on its original
21 expiration date or the expiration date of the extension granted.

22 (10) If a community mental health services program is denied
23 certification, fails to comply with an approved plan of correction
24 before the expiration of a provisional certification, or fails to
25 comply substantially with the standards established under this
26 section, the department shall notify the community mental health
27 services board and the board of commissioners of each county that

1 established the agency or created the organization or authority of
2 the department's intention to suspend, deny, or revoke
3 certification. The notice shall be sent by certified mail and shall
4 set forth the particular reasons for the proposed action and offer
5 an opportunity for a hearing with the director of the department's
6 division that manages contracts with community mental health
7 services programs. If it desires a hearing, the community mental
8 health services board shall request it in writing within 60 days
9 after receipt of the notice. The department shall hold the hearing
10 not less than 30 days or more than 60 days from the date it
11 receives the request for a hearing.

12 (11) The director of the department's division that manages
13 contracts with community mental health services programs shall make
14 a decision regarding suspension, denial, or revocation of
15 certification based on evidence presented at the hearing or on the
16 default of the community mental health services board. A copy of
17 the decision shall be sent by certified mail within 45 days after
18 the close of the hearing to the community mental health services
19 board and to the board of commissioners of each county that
20 established the agency or created the organization or authority.

21 (12) A community mental health services board may appeal a
22 decision made under subsection (11) as provided in chapter 4 of the
23 administrative procedures act of 1969, ~~Act No. 306 of the Public~~
24 ~~Acts of 1969, being sections 24.271 to 24.287 of the Michigan~~
25 ~~Compiled Laws. 1969 PA 306, MCL 24.271 TO 24.287.~~

26 (13) During the period of certification, the department may
27 conduct an unannounced review of a certified community mental

1 health services program. The department shall conduct an
2 unannounced review of a certified community mental health services
3 program in response to information that raises questions regarding
4 recipient health or safety. If the department finds based on its
5 review that the community mental health services program does not
6 substantially comply with the standards established under this
7 section, the department shall provide notice and a hearing under
8 subsections (10) and (11).

9 (14) If a community mental health services program fails to
10 obtain or retain certification as a result of the department's
11 review, has exhausted the time period for provisional
12 certification, is not engaged in the process of appeal or appeal
13 has been unsuccessful, and if no agreement has been reached by the
14 department with the community mental health services program to
15 assure certification compliance within a specified time period, the
16 department shall within 90 days do both of the following:

17 (a) Cancel the state funding commitment to the community
18 mental health services board.

19 (b) Utilize the funds previously provided to the community
20 mental health services board to do 1 or more of the following:

21 (i) Secure services from other providers of mental health
22 services that the department has determined can operate in
23 substantial compliance with the standards established under this
24 section and continue the delivery of services within the county or
25 counties.

26 (ii) Provide the service.

27 (15) If state funding is canceled under subsection (14) and

1 the community mental health services program is an authority
2 created under section 205, the county or counties that created the
3 authority are financially liable only for the local match formula
4 established for the authority under chapter 3. If state funding is
5 canceled under subsection (14) and the community mental health
6 services program is a county community mental health agency or a
7 community mental health organization, the county or counties that
8 established the agency are financially liable for local match for
9 all services contractually or directly provided by the department
10 to residents of the county or counties in accordance with chapter
11 3.

12 (16) The department shall not utilize the certification
13 process under this section to require a community mental health
14 services program to become a community mental health authority.
15 ~~Community~~ **EXCEPT AS PROVIDED IN SECTION 204(4), COMMUNITY** mental
16 health authority status is voluntary as provided in section 205.

17 ~~—— (17) Subject to section 114a, the department shall submit~~
18 ~~proposed rules for certification to public hearing within 6 months~~
19 ~~after the effective date of the amendatory act that added this~~
20 ~~section.~~

21 Enacting section 1. Section 216 of the mental health code,
22 1974 PA 258, MCL 330.1216, is repealed.