

**ST. CLAIR COUNTY BOARD OF COMMISSIONERS**

**RESOLUTION 19-10**

**Opposition to the Termination of the State Contract  
With Lakeshore Regional Entity**

**WHEREAS**, on June 28, 2019 the Michigan Department of Health and Human Services (MDHHS) notified Lakeshore Regional Entity (LRE), its member Community Mental Health organizations, and the general public regarding MDHHS's intent to terminate the specialty Prepaid Inpatient Health Plan contract with LRE effective September 30, 2019.

**WHEREAS**, this proposal, by the Michigan Department of Health and Human Services (MDHHS), causes a great deal of unnecessary chaos and conflict for the over 250,000 Medicaid recipients within the seven (7) counties in Lakeshore Regional Entity.

**WHEREAS**, this proposal eliminates local public governance of the public behavioral health system – one of the foundations of Michigan's nationally recognized behavioral health system for the past 50 years – and replaces it with a state-appointed advisory group.

**WHEREAS**, this proposal does not get to the root cause of the fiscal distress of Lakeshore Regional Entity nor of the other Prepaid Inpatient Health Plans (PIHPs) facing such distress – inadequate funding over a sustained period. Without adequate funding, as required by the Michigan Mental Health Code and Michigan's Medicaid Plan, the Lakeshore system and others who have been underfunded – regardless of the greater involvement of the state in the operation of the local public system - will be unable to pay providers and provide behavioral healthcare services to persons entitled to such services.

**WHEREAS**, a better plan could be achieved sooner, simpler, and more directly without eliminating the local public control of the public behavioral healthcare system in this region. This plan would include, MDHHS joining Lakeshore and Beacon in a three-way contract co-managing the benefit in the region.

**WHEREAS**, a three-way contract maintains the momentum already achieved by the Lakeshore / Beacon partnership; maintains the local public governance of the public behavioral health system; and prevents the unnecessary chaos that the MDHHS proposal would create.

**WHEREAS**, this proposal creates a dangerous precedent allowing MDHHS to contract with a private provider, achieving administratively what proponents of privatization have been unable to accomplish legislatively.

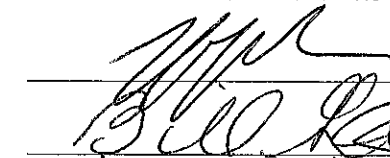
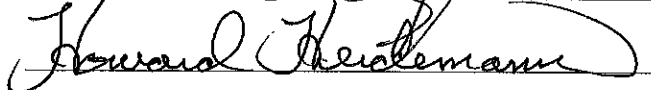
**NOW THEREFORE BE IT RESOLVED**, the St. Clair County Board of Commissioners requests that the Michigan Department of Health and Human Services (MDHHS) to not terminate its contract with Lakeshore Regional Entity, thereby ensuring respect for the law and the rich history of Michigan's mental health system, which is clear in its intent to maintain a publicly governed mental health system.

**DATED: August 15, 2019**

Reviewed and Approves as to Form by:

  
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ST. CLAIR COUNTY  
BOARD OF COMMISSIONERS

  
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Howard Heisteman