

## **RESOLUTION 25-16**

### **OPPOSING THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES' (MDHHS) PLAN TO IMPLEMENT A COMPETITIVE PROCUREMENT PROCESS FOR PREPAID INPATIENT HEALTH PLANS**

**WHEREAS**, the State of Michigan currently operates a publicly managed and community-based system for the delivery of specialty behavioral health services through 10 Prepaid Inpatient Health Plans (PIHPs), which are responsible for managing Medicaid mental health, developmental disability, and substance use disorder services; and

**WHEREAS**, the current PIHP system has consistently demonstrated value, local accountability, and community engagement, while successfully managing costs and improving health outcomes for vulnerable populations; and

**WHEREAS**, the Michigan Department of Health and Human Services (MDHHS) recently announced plans to initiate a competitive procurement process for the management of PIHP functions, which may open the door to private, non-profit health plans or managed care organizations (MCOs) assuming control over behavioral health services; and

**WHEREAS**, such privatization could disrupt longstanding relationships between local mental health authorities, providers, and the communities they serve, and jeopardize the person-centered, recovery-oriented approach that has been cultivated under the public system; and

**WHEREAS**, many stakeholders, including individuals receiving services, advocates, local officials, and providers have expressed significant concerns about the potential impact of a competitive procurement process on care quality, access, local control, and transparency; and

**WHEREAS**, counties across Michigan have historically played a vital role in the governance, funding, and oversight of the public behavioral health system, and any change to that structure without meaningful county input undermines the principle of local governance; and

**WHEREAS**, maintaining a publicly accountable and locally governed behavioral health system is essential to ensuring that individuals with mental health and substance use needs receive timely, appropriate, and high-quality care.

**NOW, THEREFORE, BE IT RESOLVED**, that the St. Clair County Board of Commissioners formally opposes the Michigan Department of Health and Human Services' (MDHHS) plan to implement a competitive procurement process for Prepaid Inpatient Health Plans (PIHPs); and

**BE IT FURTHER RESOLVED**, that the Board urges Governor Whitmer, the Michigan Department of Health and Human Services (MDHHS), and the Michigan Legislature to halt any plans for privatization and instead work collaboratively with counties, PIHPs, Community Mental Health Services Programs (CMHSPs), service users, and other stakeholders to strengthen and improve the public behavioral health system, by only allowing public organizations with experience in managing Michigan's public mental health system to be part of any bid process should one occur; and

**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, Senator Dan Lauwers, Senator Kevin Hertel, Representative Joe Pavlov, Representative Jay DeBoyer, and Representative Jaime Greene.

**Dated: June 26, 2025**

ST. CLAIR COUNTY  
BOARD OF COMMISSIONERS

Reviewed and Approved by:

  
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