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## **Mental Health Association Sounds Alarm On Funding Gap**

The state's mental health providers are facing significant financial shortfalls that mean difficult budget-balancing decisions will need to be made in the weeks and months to come without state action, the Community Mental Health Association of Michigan said Thursday.

A statement from the group said the public mental health system is funded based on the number of people covered by Medicaid each month, not the actual number of people receiving public mental health services.

As the state has redetermined Medicaid eligibility, the number of people served by Medicaid has decreased. The association said public mental health providers are facing a \$52 million deficit, which is an improvement from the \$93 million shortfall they were facing before the Department of Health and Human Services provided more funding.

"We are at a critical juncture where, without immediate Medicaid funding increases, the fiscal stability of mental health providers across Michigan will be severely compromised," Robert Sheehan, CEO of the Community Mental Health Association of Michigan, said in a statement. "With dwindling financial reserves and limited relief on the horizon, the ability of providers to ensure access to mental health care for thousands of Michiganders and their families is at serious risk. Without prompt action to adjust Medicaid funding to the levels originally determined for this fiscal year, many organizations will be forced to lay off staff, reduce the intensity of care, and limit services, placing our most vulnerable community members at further risk."

Sheehan called on the Legislature and [Governor Gretchen Whitmer](#) to take swift action, saying rate adjustments are needed now.

"Without these adjustments, the ability of mental health providers across Michigan to continue delivering essential services will be severely compromised," he said. "This is about more than finances – it's about ensuring that residents in communities statewide can access the mental health care they rely on."

[Sen. Jeff Irwin](#) (D-Ann Arbor) said the funding gap is something the Legislature needs to pay close attention to and make every effort to address.

"I think this has been a long standing problem and ... not only do we need to make sure that the resources are there for our mental health system to provide the services necessary in the community," Irwin said. "But I think there's also probably some work that we could do to ... fix some of the bureaucratic elements that are leading to some of these gaps."

Irwin, who chairs the [Senate Housing and Human Services Committee](#) and serves on the Senate Health and Human Services Appropriations Subcommittee in the Senate, noted there can be problems with the computer coding of individuals receiving care that categorizes them as needing less care and therefore less funding, when they actually have higher care needs.

– By Alethia Kasben; Lily Guiney contributed

[Back to top](#)

