

The Regionalization of Mental Health and Substance Abuse



Presented to:

Washtenaw County Board
of Commissioners

Why Regionalize?

- HCFA (Health Care Financing Administration) Waiver
- AFP (Application for Participation)
 - 20,000 Medicaid Lives
 - Administrative Efficiencies
 - Clinical Efficiencies and Opportunities

Implications for Washtenaw County

- Increased budget in FY 2003 for WCI
- The dollar value of the 7.5% risk corridor increases
- Opportunities for efficiencies
- Increased political influence

Management of Increased Risks

- Firewall established to prevent expanded risks from passing to the University and County
 - Urban Cooperation Agreement
 - Medicaid Subcontract between WCHO and Affiliates
- Purchasing Risk Re-insurance for expanded risks of WCHO – “Gap Insurance”
- Risk pushed downstream via contract
- All Affiliates insured for their risk

Roles of WCHO and WCCMH

- WCHO – Manager of resources, risk and network of services
- WCCMH – Primary Service Provider Washtenaw County; Intergovernmental Contract between WCHO/CMH provides flow of dollars as part of application