

April 22, 2020

Mr. Allen Jansen, Senior Deputy Director
Behavioral Health and Developmental Disabilities Administration
Michigan Department of Health and Human Services
P.O. Box 30195
Lansing, Michigan 48909

SUBJECT: Appendix K

Dear Director Jansen:

I am writing to express appreciation for MDHHS' submission of its waiver application to CMS earlier this week, known as Appendix K, granting temporary flexibility to make changes to a range of HCBS policies and practices. Unfortunately, this flexibility will apply only to those organizations and settings providing 1915(c) services, and not apply to the bulk of the providers of Medicaid behavioral health services - which occur via 1915(i), 1915(b), and state plan services. It is imperative to recognize that a significant number of staff and providers in our system serve clients receiving these 1915(i) and 1915(b) and State Plan services.

Incompass Michigan and its member organizations urge the Department to apply all of the flexibility requested in the MDHHS Appendix K application - including retainer payments, direct care worker wage increases, access to personal protective equipment, and other latitude surrounding Home and Community Based Services - to the entire system. We believe this is consistent with the intent of the application, and urgently request that it be addressed imminently.

We therefore formally request swift and decisive action by the Department to correct this inequity, lest business continuity and mission sustainability of Michigan's provider network be damaged beyond repair. Without requested fiscal protection through retainer payments, providers are being forced to suspend services, and furlough or lay off staff for an indefinite and potentially sustained period - even though the funds to pay them are in the possession of the PIHPs and CMHs as prepaid capitation revenues.

The flexibility embedded in the Appendix K application must be extended to the full system through both a Medicaid State Plan Amendment (SPA) and a Section 1115 amendment in the very near future.

We fervently support these applications, and stand ready to assist the Department with whatever resources we can collectively muster to further the application and approval process.

Thank you for your consideration - please let us know if you have questions, or would like additional information.

Respectfully submitted,



Chief Executive Officer

cc: Ms. Belinda Hawks, BHDDA