



**STRATEGIC PLAN
2011-2014**

Goal

Develop an agency that can prosper in the coming reform of healthcare and thrive in the political and budgetary challenges facing the State.

Although much of the federal health care reform is delayed over several years, strategies to manage the philosophical and structural changes are being developed in both public and private sector. Among the most significant issues:

- Cost saving requirements will encourage vertical structures for health care organizations- collaboratives that guarantee a level of accountability for patient care and costs.
- Emphasis on customer choice will weigh against sole source contracted and government operated health care entities.
- Likely change in State leadership and the movement of State funded care for indigent populations to federally supported.

Medicaid eligibility will reduce the political desire for a government run indigent care system.

Barriers

For the last decade, Muskegon CMH has emphasized its connection with County Government. County government provided significant political strength in the face of State privatization initiatives in 1998 and 2000. The County pursued a legal strategy based on the State's obligation to care for poor people with disabilities and filed suit to prevent the State from relinquishing its obligation in favor of private companies. In addition Muskegon developed a partnership with Ottawa County and its CMH department as preparation for resisting expected State mandates to merge CMH's into regional entities that would sever connections with County government.

The downside of this strategy is associated with government operating complex health services in a dynamic environment; the desire to treat all County Departments the same way; the speed with which decisions can be made when a large number of leaders must develop consensus on the right direction; the difficulty of instituting "pay for performance" style payroll and contracting; and other practices associated with government.

In its partnership with Ottawa County, there has been little operational benefit. No functions have been consolidated and the agencies operate essentially independently of each other. Opportunities for merging functions have been investigated but are not supported by the Boards if they reduce the autonomy of the county departments. An impasse has been reached, with compliance with regulations being the only function that the collaborative pursues.



Opportunities

In the last 5 years, several new local collaborative& have developed. Rather than being based on regional, horizontal mergers with other CMHs, these are vertically oriented to foster relationships with referral sources (especially primary care providers), payors, local mental health providers serving different populations, and social services agencies serving a similar population from a different perspective. These initiatives are still fledgling but offer the kind of alliances that could be important as a response to the strategic issues identified above.

The infrastructure for CMH Muskegon is relatively strong, with excellent facilities, good managers, strong IT investment and a balanced budget with substantial reserves. We are well positioned to withstand financial reductions in the next few years.

Options

The agency must strengthen its relationships with other sectors of the market and seek to reinforce its niche in intensive services for people with serious mental illness and developmental disabilities. The strategy is to become a valued partner and indispensable agent in the pursuit of quality health care at a lower cost. Among the tactics to be employed:

- Shared psychiatric staff with other behavior health clinics
- Co-located staff at primary care clinics
- Joint funding arrangements with FQHCs
- Easy and consistent flow of consumers between behavioral health and primary care providers
- Growth of health care awareness and services in CMH clinics
- Joint ventures to reduce health claims for people with serious mental illness and developmental disabilities

Plan

Partners are essential to the strategy. We propose to establish a Health Care Collaborative made up of major primary and behavioral health specialty care providers. To the extent that hospital and other specialty care providers can be attracted into a larger collaborative that would be pursued; more likely such ventures are likely already underway and will become part of the growth required to meet the reform challenges.

The purpose of the collaborative is to develop the joint ventures necessary to establish a seamless system of care that eliminates duplication, lowers costs, ensures quality care and achieves superior outcomes.