



NETWORK Notification

Notice Date: June 23, 2025
To: Michigan Medicaid Providers
From: HAP CareSource
Subject: Mental Health Framework Notice

Summary

The Michigan Department of Health and Human Services (MDHHS) is shifting to a more person-centered approach to serve Michiganders with mental health needs. As part of MIHealthyLife, an initiative that began in 2022 to strengthen the Comprehensive Health Care Program (CHCP), MDHHS is partnering with Medicaid Health Plans (MHPs), Prepaid Inpatient Health Plans (PIHPs), and providers to improve access to and coordination of mental health care across the Medicaid program.

Under the Mental Health Framework, an enrollee's level of mental health need, as determined through a State-identified standardized assessment tool, will more clearly determine which payer is responsible for their mental health coverage and care. Also, MHPs will begin covering additional mental health services for enrollees with lower levels of mental health need, so MHPs are accountable for more of these enrollees' continuum of care. Beginning in October 2026:

- MHPs will cover most mental health services for CHCP enrollees with lower levels of mental health need, and
- PIHPs will cover all mental health services for CHCP enrollees with higher levels of mental health need.

Referrals for mental health care, including those across MHP and PIHP systems, will be standardized to facilitate enrollee access to needed care.

Impact

Beginning October 2025, all qualified mental health providers participating in Michigan's Medicaid program and contracted with an MHP and/or PIHP will need to incorporate into their practice:

- Use of standardized tools for assessing the level of mental health need of CHCP enrollees seeking mental health. The State's designated assessment tools are the Michigan Child and Adolescent Needs and Strengths (MichiCANS) Screener for children and youth (under 21) and the Level of Care Utilization System (LOCUS) for adults (21 and older). MDHHS will provide more information and access to trainings on these tools in the coming months.
- **Adoption of a standardized referral process for mental health services**, including use of a new referral platform accessible to mental health providers, primary care providers, Community Mental Health Services Programs (CMHSPs), MHPs and PIHPs.

Beginning in October 2026, MHPs will begin covering additional mental health services—including inpatient psychiatric care, crisis residential services, partial hospitalization services, and targeted case management—for enrollees with lower levels of mental health need. **Providers of these services** should prepare to contract with MHPs, as well as PIHPs, for coverage effective October 1, 2026. In the coming months, MDHHS will provide more detailed guidance to facilitate these efforts.

MDHHS encourages all mental health providers to send any questions or comments to MDHHS-MentalHlthFramework@michigan.gov. A website and Mental Health Framework listserv are currently being developed and will be communicated once live.

If you are a mental health provider designated in the Medicaid Provider Manual as a Qualified Mental Health Professional, Child Mental Health Professional or Qualified Intellectual Disability Professional, **please click the link below and complete the form, which includes providing your information to receive further details regarding standardized assessment training.** Standardized assessment training will be free for providers and eligible for CME/CEU credit (details vary between each training). Please complete the [form](#) as soon as possible.

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