

COMMUNITY MENTAL HEALTH ASSOCIATION OF MICHIGAN PRAISES LAWSUIT FILED TO STOP PIHP BID PROCESS

LANSING, Mich., August 28, 2025— The Community Mental Health Association of Michigan (CMHA) released the following statement today from its CEO Robert Sheehan to applaud the public behavioral health entities who filed suit to stop the bid out of the management of Michigan’s public mental health system to private insurance companies.

“This lawsuit is being filed because of the gravity of the threat, posed by this bid out, to persons served and the system upon which they have relied for over sixty years. Michiganders have expressed their opposition to similar plans in the past, with those plans being shelved in the face of this growing opposition in communities across the state. This plan must also be shelved and replaced with a redesigned system that involves all people served by the system, their families, advocacy groups, the Michigan Department of Health and Human Services (MDHHS), and the providers and payers of the public system.

“At CMHA, we share our gratitude with the dozens of Michigan counties who have passed resolutions in opposition to the bid out of the management of the state’s public mental health system and thank the large and growing coalition of organizations who have spoken out against this privatization bid out.

Sheehan added that the MDHHS bid process seeks to eliminate the public management of the state’s public mental health system and replace it with a system managed by private health insurance companies.

“Our system, founded in Michigan law and in partnership with the federal Centers for Medicare and Medicaid, is the envy of states across the country who have suffered because of similar moves from a publicly managed to privately managed mental health system. The Michigan Legislature was intentional in assigning the responsibility for mental health treatment to the state’s counties, their elected officials and the public community mental health (CMH) centers. Those counties, CMHs and public managed behavioral health plans, are best able to assess and serve the unique mental health needs of their community members.”

“This plan illegally eliminates the public managed care organization that have been entrusted with managing the care for some of the most vulnerable and resilient members of our communities. We are hopeful that the courts will see the wisdom of the concerns raised by our members, in this suit, and act to halt this bid-out process.”

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