

MSH UPDATES FROM THE CAPITAL

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Advocacy & Public Affairs

MICHIGAN ATTORNEY GENERAL ISSUES LAWSUIT AGAINST BLUE CROSS BLUE SHIELD OF MICHIGAN

Michigan Attorney General Dana Nessel recently announced a federal lawsuit against insurer Blue Cross Blue Shield of Michigan (BCBSM). The suit accuses BCBSM of violating antitrust laws in order to monopolize as Michigan's largest health insurance carrier.

According to Nessel, BCBSM controls 65% of the Michigan health insurance market and 79% of the Preferred Provider Organization market. Nessel argued that Blue Cross's dominance was caused by anti-competitive agreements that restricted competition and allowed the insurer to drive provider reimbursement rates down, forcing some providers to cut services, close facilities, or leave Michigan. She also claimed that the practices used by BCBSM has resulted in millions of consumers paying inflated prices for their health insurance and medical coverage.

The lawsuit will be filed in the U.S. District Court for the Eastern District of Michigan. Nessel will leave office in January, meaning her yet-to-be-elected successor, Democrat Eli Savit or Republican Doug Lloyd, will choose to either continue or drop the lawsuit.

MDHHS ANNOUNCES NEXT PRESCRIPTION DRUG COMMON FORMULARY

The Michigan Department of Health and Human Services recently announced the annual Michigan Medicaid Health Plan Common Formulary stakeholder meeting will be held virtually over Zoom from 9:30 am to 12:00 pm on Tuesday, October 27.

The meeting offers an opportunity for community partners, the public, and any interested parties to comment on the list of prescription drugs that Michigan's Medicaid health plans cover.

To receive the Zoom link and RSVP, please email KrepsD@michigan.gov. Alternatively, you can join the meeting via phone by dialing 408-961-3929 and entering access code 257756. More information is available [here](#).

CONSUMERS ENERGY APPROVED FOR RATE INCREASE

Last week, the Michigan Public Service Commission (MPSC) authorized Consumers Energy to raise rates on natural gas by 4.3%. The latest increase will let Consumers Energy raise \$139.2 million from the company's customers. Consumer's Energy requested the rate hike in October of last year, just one month after being approved for a natural gas rate increase of \$157.5 million. In the latest increase, MPSC also approved a 9.8% return on equity, which determines how much profit the utility can earn on its capital investments.

Attorney General Dana Nessel's office argued in a statement that Consumers Energy's rate hike request included inflated spending projections and unreasonable profit margins. The office urged the MPSC to reject the higher service charges as well as the proposal that would allow the utility to recover lost revenue from customers during warmer months and periods of lower sales.

Currently, both DTE Energy and the Upper Peninsula Power Company (UPPCO) have electric rate increases yet to be approved or denied by the MPSC. DTE operates in the southeast part of the state and serves 2.3 million electric customers, and 1.4 million for natural gas. UPPCO provides electricity to over 52,000 Upper Peninsula residents. Consumers Energy provides electricity to approximately 1.9 million Michigan residents and natural gas to 1.8 million.

NEW PSYCHIATRIC HOSPITAL COMPLETED IN SOUTHEAST MICHIGAN

State leaders and local officials recently commemorated the completion of a new 264-bed Southeast Michigan Psychiatric Hospital. The \$383.4 million facility will provide inpatient behavioral health care for up to 192 adults and 72 youth, increasing Michigan's capacity by 54 beds. The hospital is set to open and start treating patients sometime this fall.

The more than 400,000-square-foot facility includes separate treatment and living areas for adults and youth, 198 single-bed suites, recreational and sensory spaces, and 12 secure outdoor courtyards. The hospital is expected to add 150 health care jobs while also replacing both the Hawthorn Center and Walter Reuther Psychiatric Hospital. Patients currently being treated at Walter Reuther will be relocated to the new facility once it opens.

The project was overseen by the Michigan Department of Technology, Management & Budget (DTMB), with funding from budget investments approved by Governor Whitmer and the Michigan Legislature.

LATEST GUBERNATORIAL APPOINTMENTS ANNOUNCED

Governor Whitmer has announced new appointments to the following state boards and commissions:

Child Lead Exposure Elimination Commission

Michael Vollick – Succeeds Gary Heidel

Autism Council

Renee Campbell – Succeeds Emily DeLaGarza

Michigan Public School Employees Retirement System Board

Leslie Bailey-Leonard – Succeeds Elizabeth Eastway

Public Health Advisory Council

Rebecca Bean – Succeeds Nancy Barr

Michigan Council for Rehabilitation Services

James Willis – Reappointed

Karen Wang – Reappointed

Jonathan Bischoff – Reappointed

Marisa Spain – Reappointed

Michigan Task Force on Physician Assistants

Charlotte Bradley – Succeeds Melissa Uslak