



# MICHIGAN SENATE

## Appropriations Requests for Legislatively Directed Spending Items

Date Submitted: 02/10/2026

**1. Sponsoring legislator's full name:**

Senator Sylvia Santana

**2. Cosponsoring legislators' names (if applicable):**

N/A

**3. Intended legislatively directed spending item recipient:**

Hegira Health, Inc.

**4. Physical address of legislatively directed spending item recipient and the intended location of the project or activity:**

37450 Schoolcraft Road, Suite 110, Livonia, MI 48150

**5. The recipient's employer identification number:**

382172765

**6. Requested amount of the legislatively directed spending item:**

\$4,000,000.00

**7. What is the purpose and how does the legislatively directed spending item provide a public benefit that is an appropriate use of taxpayer money?**

Hegira Health, Inc. (HHI) is a Michigan-based 501(c) (3) nonprofit based in Wayne County, Michigan. Earning Certified Community Behavioral Health Clinic (CCBHC) designation in 2024, Hegira Health has been recognized as a leader in community-based behavioral healthcare in the western and downriver regions of Wayne County, Michigan, since 1971. Built on its adult substance use treatment foundation in the early 1970's, HHI developed a comprehensive network of care, offering treatment, prevention, and support services to people of all ages that address a broad spectrum of mental health conditions, substance use problems, and intellectual and developmental disabilities, regardless of residence or ability to pay. HHI employs over 500 and will generate revenue of more than \$50 million in FY2026. In 2024, as part of an overall Hegira expansion and support initiative, the Michigan Department

of Health and Human Services (MDHHS) requested HHI develop PRTF beds to meet an urgent demand to appropriately place youth with complex mental health needs outside of hospital settings and into the community. A 10-bed need was identified and contracted. To meet the interim urgency, HHI invested funds to convert an existing vacant HHI residential facility into a temporary 4-bed CCI licensed and PRTF certified program for youth ages 9-12. To fulfill MDHHS'10- contracted beds and need, HHI will relocate and expand its current temporary 4-bed Tree House PRTF to a 10-bed facility. In addition, to fulfill further demand, the Department has asked Hegira to expand the age group to include those between 13 and 17 years old, driving additional requirements be met within the facility to meet the expanded age needs. This population includes children and youth who are more effectively treated with 90 through 180 days of structured and medically monitored residential care. Without PRTFs this population is typically admitted for medically unnecessary care for extended periods in a more restrictive inpatient level of care. This disservice not only unnecessarily drives systemic costs, but it also deprives those who would most benefit from a community transition setting. Furthermore, it creates waiting lists for youth requiring the safety and intensive care provided by our hospital providers. To reemphasize, studies have shown that PRTF services, particularly stays greater than 90-days, improves outcomes for consumers and their families, are protective against future hospital readmissions, and lower systemic cost for the healthcare delivery system. Part II REQUEST - \$4 Million Constructing a Psychiatric Residential Treatment Facility (PRTF) for children and youth requires focusing on safety, trauma-informed design, therapeutic environments, and compliance with federal CMS and state regulations. Key priorities include creating a home-like, non-institutional setting, ensuring 24/7 psychiatric/nursing care, incorporating on-site education, space for recreation, family meeting space, and prioritizing security through environmental design rather than restrictive measures. Safety and privacy measures include for example suicide/ligature resistance fixtures and furniture, and individual bedrooms and bathrooms for each child. Hegira Health, Inc. has engaged architects to design a facility to meet the varied and complex needs of the youth served and their families. Construction costs, equipment, and launch expenses are expected to reach over \$6 million. Estimated Facility Size: 12,000 sq ft Estimated Construction Cost: \$4.8 million Estimated Land Cost: \$0\* - in-kind Estimated Furnishings; \$250,000 Total Project Estimated Cost: \$5,050,000 \*Based on the proposed floor plan, land requirement is estimated at 2 acres or more. The cost of purchasing in western Wayne County, based on available comps, is estimated at \$500,000 - \$800,000. Hegira Health intends to part of unused land that it owns and is on the Oakdale Recovery Center campus in Canton.

- 8. Has the legislatively directed spending item previously received or been awarded any of the following types of funding in the past 5 years? If so, how much? Check all that apply:**

State

**Amount**

\$2,394,000.00

- 9. Estimated time frame for completion of the legislatively directed spending item project:**

1-2 years

- 10. Is the recipient a nonprofit corporation?**

Yes

*Additional Information for Nonprofit Corporations (if applicable)*

*The answer to questions 1 to 3 must be "Yes" for the nonprofit corporation to qualify for a legislatively directed spending item.*

- 1. Has the nonprofit corporation continuously operated in this state for the preceding 36 months?**

Yes

- 2. Has the nonprofit corporation had a physical office in this state for not less than the preceding 12 consecutive months?**

Yes

- 3. Does the organization have a board of directors?**

Yes

- 4. List all of the officers and active members on the board of directors:**

Pat O'Neil Ed Forry Phillip Cavanagh Kim Zazula Lynn Khadra Charles Chase Joan Kovacs Mary Jane Fallot Ronald Hinrichs

*Certification By Sponsoring Legislator*

*"I certify that my immediate family members, legislative staff members, and I have no direct or indirect pecuniary interest in the requested legislatively directed spending item."*

*"I certify that the intended recipient of this legislatively directed spending item is not a for-profit entity."*

*"I certify that the information in this form is true to the best of my knowledge."*

*Senator Sylvia Santana*