

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
NORTHERN DIVISION**

**D.D., et al.**

Plaintiffs,  
v.

No. 18-cv-11795-TLL-PTM  
Hon. Thomas L. Ludington  
Mag. Patricia T. Morris

**MICHIGAN DEPARTMENT  
OF HEALTH AND HUMAN  
SERVICES, et al.**

Defendants.

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**NOTICE OF CLASS ACTION SETTLEMENT AGREEMENT  
REGARDING MENTAL HEALTH SERVICES FOR MEDICAID  
BENEFICIARIES UNDER AGE 21  
AND FINAL COURT APPROVAL HEARING**

A Settlement Agreement (“Agreement”) has been reached in a class action lawsuit against the Michigan Department of Health and Human Services (“MDHHS”) and its Director (“Defendants”). The Court has preliminarily approved the Agreement and will hold a hearing on August 27, 2025 at 2:00 PM EDT before deciding whether to grant final approval of the Agreement.

**Class Members and Parents/Guardians of Class Members: Since you have received this notice, please read it carefully, as this information may impact you.**

**What is this lawsuit about?** The name of the lawsuit was originally *K.B., et al. v. MDHHS, et al.* and is now *D.D., et al. v. MDHHS, et al.* The lawsuit alleges Defendants failed to provide or arrange for medically necessary mental health services to Medicaid beneficiaries under the age of 21 and asks the Court to order Defendants to provide or arrange for those services. The Defendants do not agree with or

admit to these claims, and the Court has not decided in favor of either party. Instead, the Class Representatives and Defendants reached an Agreement.

Class counsel believe that the Agreement will benefit Class Members because Defendants have agreed to make changes, as described below, to the provision of medically necessary mental health services to Medicaid beneficiaries under the age of 21.

**To whom does the Agreement apply?** The Agreement applies to the following group of people (the “Class Members”):

All Medicaid-eligible beneficiaries under the age of 21 in the State of Michigan for whom a licensed practitioner of the healing arts acting within the scope of practice under state law has determined, through an assessment, that intensive home and community-based services are needed to correct or ameliorate their emotional, behavioral, or psychiatric condition.

**What is the Agreement?** Pursuant to the terms of the Agreement, for the benefit of the Class Members, MDHHS will:

1. Create the Michigan Intensive Child and Adolescent Services (“MICAS”) array<sup>1</sup>, which includes intensive crisis stabilization services, intensive home-based services, intensive care coordination with wraparound, respite care, parent support partner services, and youth peer support services;
2. Demonstrate the capacity to provide medically necessary MICAS services to Class Members;
3. Provide information regarding the availability of and eligibility for MICAS services to Class Members, their families, providers, and the public;
4. Implement a standardized, statewide functional behavioral health tool to assist in the determination of eligibility for MICAS services and serve as a decision support tool for providers to determine

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<sup>1</sup> A description of the MICAS array of services can be found in Appendix A of the Agreement.

individualized services and intensity of care coordination for class members; and

5. Develop due process protocols, as necessary, for adverse benefit determinations, denial of services, and grievances and appeals.

The Agreement does not provide any monetary payments to Class Members. The Agreement requires Defendants to pay \$3,500,000.00 (Three Million and Five Hundred Thousand Dollars) to Plaintiffs' counsel for any attorney fees and costs incurred through December 31, 2027. No Class Members have paid any fees or litigation costs, nor will they be required to do so.

The information in this notice is only a summary of the Agreement. The full Agreement and related information can be found at <https://www.michigan.gov/mdhhs>. If there are any discrepancies between the content of this notice and the terms of the Agreement, the terms of the Agreement are controlling.

**What are the next steps for class members, their parents, and guardians?**

- *If you agree with the terms of the Agreement*, you do not need to do anything.
- *If you do not agree with the terms of the Agreement, but do not wish to file a formal objection with the Court*, you do not need to do anything.
- *If you do not agree with the terms of the Agreement and you wish to file a formal objection with the Court*, you must, on or before June 17, 2025, mail your objection to:

The Honorable Thomas L. Ludington  
Re: 18-11795 KB v. MI Dept HH – Settlement Objections  
1000 Washington Ave.  
P.O. Box 216  
Bay City, MI 48708

On August 27, 2025 at 2:00 PM EDT, the Court will hold an in-person hearing (called a “Fairness Hearing”) in the Courtroom of the Honorable Thomas Ludington of the United States District Court for the Eastern District of Michigan, 1000 Washington Avenue, Room 214, Bay City, Michigan 48708, to determine whether the Agreement is fair, reasonable, and adequate as to the Class Members. This includes consideration of the attorney fees and costs Defendants have agreed to pay.

You may attend this Fairness Hearing. If you filed a formal objection with the Court as described above, the Court may allow you to speak at this Fairness Hearing. If your objection is not postmarked by June 17, 2025, the Court is not required to consider your objection and can bar you from speaking at the Fairness Hearing.

If the Court grants final approval of the Agreement after this Fairness Hearing, the relief contained in the Agreement will be available to all Class Members and the Agreement will be binding on the Class Members.

**Is there additional information?** As mentioned above, the Agreement is located at <https://www.michigan.gov/mdhhs>.

If you have questions about the settlement or the objection process, contact Plaintiffs’ Counsel at: [KBSettlement@drmich.org](mailto:KBSettlement@drmich.org). Plaintiffs are represented by Mantese Honigman, Disability Rights Michigan, the National Health Law Program, and John J. Conway, PC.

**By Order of the Court  
United States District Court  
Eastern District of Michigan**

**April 3, 2025**