Northern Michigan Regional Entity

Board Meeting

July 26, 2023

1999 Walden Drive, Gaylord

10:00AM

Agenda

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1.	Call to Order	
2.	Roll Call	
3.	Pledge of Allegiance	
4.	Acknowledgement of Conflict of Interest	
5.	Approval of Agenda	
6.	Approval of Past Minutes – July 26, 2023	Pages 2 – 8
7.	Correspondence	Pages 9 – 51
8.	Announcements	
9.	Public Comments	
10.	Reports	
	a. Executive Committee Report – Did not meet	
	c. CEO's Report – August 2023	Page 52
	d. Financial Report – June 2023	Pages 53 – 74
	c. Operations Committee Report – August 15, 2023	Pages 75 – 80
	e. NMRE SUD Oversight Board Report – The next meeting is September 11th	
11.	New Business	
	a. NMRE Alpine CRU Contract	
	b. PIHP Contract Change Notice No. 9	Pages 81 – 83
12.	Old Business	
	a. Grand Traverse County and Northern Lakes	
13.	Presentation/Discussion	
	SUD Prevention Media Campaigns – MacDonald Garber Broadcasting	
14.	Comments	
	a. Board	
	b. Staff/CMHSP CEOs	
	c. Public	
15.	Next Meeting Date –September 27, 2023 at 10:00AM	
16.	Adjourn	

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Conference ID: 497 719 399#

NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM – JULY 26, 2023
GAYLORD BOARDROOM

ATTENDEES:	**Ed Ginop, Michael Newman, Gary Nowak, Jay O'Farrell, Ruth Pilon, Richard Schmidt, Karla Sherman, Don Smeltzer, Don Tanner, Chuck Varner**
VIRTUAL ATTENDEES:	**Tom Bratton, Greg McMorrow**
ABSENT:	**Gary Klacking, Terry Larson, Eric Lawson**
NMRE/CMHSP STAFF:	**Bea Arsenov, Brian Babbitt, Jodie Balhorn, Chip Johnston, Eric Kurtz, Brian Martinus, Pamela Polom, Brandon Rhue, Denise Switzer, Teresa Tokarczyk, Deanna Yockey, Carol Balousek, Lisa Hartley**
PUBLIC:	**Chip Cieslinski, Susan Pulaski, Ellen Templeton, Sue Winter, Susan Wojtkowiak, Sharon Vreeland**

CALL TO ORDER
Let the record show that Chairman Don Tanner called the meeting to order at 10:00AM.

ROLL CALL
Let the record show that Gary Klacking, Terry Larson, and Eric Lawson, were excused from the meeting on this date; all other NMRE Board Members were in attendance either in person or virtually.

PLEDGE OF ALLEGIANCE
Let the record show that the Pledge of Allegiance was recited as a group.

ACKNOWLEDGEMENT OF CONFLICT OF INTEREST
Let the record show that no conflicts of interest to any of the meeting Agenda items were declared.

APPROVAL OF AGENDA
Let the record show that the purchase of United Training Credits and a Proposal from Rehmann were added to the meeting agenda under New Business.

MOTION BY GARY NOWAK TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS MEETING AGENDA FOR JULY 26, 2023 AS AMENDED; SUPPORT BY DON SMELTZER. MOTION CARRIED.

APPROVAL OF PAST MINUTES
Let the record show that the June minutes of the NMRE Governing Board were included in the materials for the meeting on this date.

DRAFT

MOTION BY CHUCK VARNER TO APPROVE THE MINUTES OF THE JUNE 28, 2023 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.

CORRESPONDENCE

1) Flyer announcing stakeholder listening sessions on the States Conflict-Free Access and Planning proposals on Tuesday, August 1st at 9:00AM and Wednesday, August 9th at 3:30PM.
2) Michigan Medicaid Policy Bulletin 23-39 regarding Psychiatric Residential Treatment Facilities (PRTF).
3) The Community Mental Health Association of Michigan's (CMHAM) FY24 Conference Report – Final Budget.
4) CMHAM document titled, "Focused Set of Concrete Approaches to Strengthen the Partnership Between Michigan's Child Welfare and Community Mental Health Systems" dated June 2023.
5) CMHAM document titled, "Summary of Concerns and Recommendations: MDHHS-Proposed Conflict-Free Access and Planning Options" dated June 26, 2023.
6) Email correspondence from CMHAM Executive Director, Robert Sheehan, announcing the appointment of Kristen Jordan as Bureau Director for the Bureau of Specialty Behavioral Health Services, effective July 24th.
7) The draft minutes of the July 12, 2023 regional Finance Committee meeting.

Mr. Kurtz highlighted the CMHAM Conflict Free Access & Planning flyer and the summary of concerns and recommendations regarding the MDHHS-proposed Conflict-Free Access and Planning options. This issue has been plagued with controversy. As Governmental Entities, there is no financial gain in the way PIHPs/CMHAPs authorize services. Mr. Johnston emphasized that a federal exemption releases the state of Michigan from these rules.

Mr. Kurtz next drew attention to the FY24 budget specific to mental health and substance use disorder services line items and the announcement of Kristen Jordan to the position previously held by Jeff Wieferich.

ANNOUNCEMENTS

Let the record show that there were no announcements during the meeting on this date.

PUBLIC COMMENT

Let the record show that the members of the public attending the meeting virtually were recognized.

Executive Committee Report

Let the record show that no meetings of the NMRE Executive Committee have occurred since the June Board Meeting.

CEO Report

The NMRE CEO Monthly Report for July 2023 was included in the materials for the meeting on this date. Mr. Kurtz drew attention to the meeting on July 7th with Grand Traverse County representatives and Michigan Attorney General, Dana Nessel, regarding opioid settlement dollars. Mr. Kurtz also noted that he met with the Northern Lakes CMHA Board on July 20th to discuss continuing contractual oversight efforts; a proposal from Rehmann will be presented under "New Business."

DRAFT

May 2023 Financial Report

- Net Position showed net surplus Medicaid and HMP of $5,080,994. Budget stabilization was reported as $16,369,542. The total Medicaid and HMP Current Year Surplus was reported as $21,450,536. Medicaid and HMP combined ISF was reported as $16,369,542; the total Medicaid and HMP net surplus, including carry forward and ISF was reported as $37,820,078.
- Traditional Medicaid showed $131,927,505 in revenue, and $129,094,179 in expenses, resulting in a net surplus of $2,833,326. Medicaid ISF was reported as $9,306,578 based on the current FSR. Medicaid Savings was reported as $7,742,649.
- Healthy Michigan Plan showed $23,584,367 in revenue, and $21,336,699 in expenses, resulting in a net surplus of $2,247,668. HMP ISF was reported as $7,062,964 based on the current FSR. HMP savings was reported as $8,626,893.
- Health Home showed $1,515,033 in revenue, and $1,316,788 in expenses, resulting in a net surplus of $198,245.
- SUD showed all funding source revenue of $19,757,989, and $17,332,957 in expenses, resulting in a net surplus of $2,425,032. Total PA2 funds were reported as $5,066,632.

Ms. Yockey reported that of the $1,155,829 of liquor tax funding approved for FY23, $809,417 (70%) has been billed. Anticipating FY24 revenue will be tricky; final rates have not been received yet, the geographic factor (which has not been favorable for the NMRE region) hasn't been calculated, and the proposed direct care wage increase hasn't moved through the legislature. During the July 10th Rate Setting Meeting, Milliman indicated that a 60% decrease due to Medicaid redeterminations should be anticipated. Additionally, capitated rates will be reduced by 1.5% for the PIHPs that have CCBHCs within their regions.

MOTION BY GARY NOWAK TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR MAY 2023; SUPPORT BY RICHARD SCHMIDT. MOTION CARRIED.

Operations Committee Report

The NMRE Operations Committee did not meet in July due to the CMHAM Directors Forum. The next meeting is scheduled for August 15, 2023 at 9:30AM.

NMRE SUD Oversight Committee Report

The minutes from the July 10, 2023 Substance Use Disorder Oversight Committee meeting were included in the materials for the meeting on this date. Liquor tax requests will be reviewed under "New Business."

NEW BUSINESS

FY24 Liquor Tax Requests

The NMRE Substance Use Disorder Oversight Committee reviewed twenty-eight liquor tax requests for FY24 during the meeting on July 10th; of those twenty-seven requests were recommended for approval for a total amount of **$1,922,104.03**.

MOTION BY GARY NOWAK TO APPROVE THE LIQUOR TAX REQUESTS FOR FISCAL YEAR 2024 AS RECOMMENDED BY THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT COMMITTEE ON JULY 10, 2023, FOR A TOTAL AMOUNT OF ONE MILLION NINE HUNDRED TWENTY-TWO THOUSAND ONE HUNDRED FOUR DOLLARS AND THREE CENTS ($1,922,104.03); SUPPORT BY KARLA SHERMAN. ROLL CALL VOTE.

DRAFT

"Yea" Votes: E. Ginop, M. Newman, G. Nowak, J. O'Farrell, R. Pilon, R. Schmidt, K. Sherman, D. Smeltzer, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

Prevention RFP Recommendations
The NMRE issued an RFP for prevention services for FY24 for the seven counties of Alcona, Alpena, Iosco, Montmorency, Ogemaw, Oscoda, and Presque Isle Counties on May 1, 2023. After a review of the submitted proposals, NMRE staff recommended that contracts be awarded based on the following:

County	Provider	Amount Requested
Alcona	Catholic Human Services	$16,453.00
Alpena	Catholic Human Services	$38,258.00
Iosco	Catholic Human Services	$39,435.00
Montmorency	Catholic Human Services	$14,701.00
Ogemaw	Catholic Human Services	$32,830.00
Oscoda	Catholic Human Services	$14,623.00
Presque Isle	Catholic Human Services	$18,497.00
Total		**$174,797.00**

MOTION BY KARLA SHERMAN TO AWARD PREVENTION SERVICES CONTRACTS TO CATHOLIC HUMAN SERVICES FOR THE COUNTIES OF ALCONA, ALPENA, IOSCO, MONTMORENCY, OGEMAW, OSCODA, AND PRESQUE ISLE IN THE TOTAL AMOUNT OF ONE HUNDRED SEVENTY-FOUR THOUSAND SEVEN HUNDRED NINETY-SEVEN DOLLARS ($174,797.00); SUPPORT BY GARY NOWAK. ROLL CALL VOTE.

"Yea" Votes: E. Ginop, M. Newman, G. Nowak, J. O'Farrell, R. Pilon, R. Schmidt, K. Sherman, D. Smeltzer, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

David Bartley Speaking Agreement
A request to bring David Bartley to the region to speak to staff about mental illness and suicide prevention at a cost of $11,000 was included in the meeting materials.

MOTION BY RICHARD SCHMIDT TO APPROVE THE SPEAKING AGREEMENT WITH DAVID BARTLEY IN AN AMOUNT NOT TO EXCEED ELEVEN THOUSAND DOLLARS ($11,000.00); SUPPORT BY JAY O'FARRELL. ROLL CALL VOTE.

"Yea" Votes: E. Ginop, M. Newman, G. Nowak, J. O'Farrell, R. Pilon, R. Schmidt, K. Sherman, D. Smeltzer, D. Tanner, C. Varner

"Nay" Votes: Nil

MOTION CARRIED.

DRAFT

United Training Credits
A proposal for learning credits from United Training was distributed during the meeting. NMRE Chief Information Officer/Operations Manager, Brandon Rhue, explained that the NMRE has purchased training credits to be used by staff from the NMRE and its five Member CMHSPs for the past several years. Current training funds have been expended with 17 class registrations pending, at a cost of $10,605. During promotional periods, United Training matches purchase credits dollar for dollar ($20,000 minimum). The regional CEOs spoke highly of the quality of training that staff have received though this program. Mr. Kurtz recommended that the region purchase $50,000 to cover the pending class registrations and meet the ongoing needs of the region (which will be matched for a total of $100,000 credits).

MOTION BY DON SMELTZER TO APPROVE THE PURCHASE OF UNITED TRAINING CREDITS IN THE AMOUNT OF FIFTY THOUSAND DOLLARS ($50,00.00); SUPPORT BY ED GINOP. ROLL CALL VOTE.

"Yea" Votes:	E. Ginop, M. Newman, G. Nowak, J. O'Farrell, R. Pilon, R. Schmidt, K. Sherman, D. Smeltzer, D. Tanner, C. Varner
"Nay" Votes:	Nil

MOTION CARRIED.

Rehmann Proposal
A proposal for Contractual Oversight of Northern Lakes Community Mental Health Authority from Rehmann was distributed during the meeting. The NMRE intends to contract with Rehmann for consultation services. Services will begin upon approval and extend until October 31, 2023 at a cost not to exceed $35,000. Rehmann will produce a final written report detailing the scope of the assessment, significant observations/findings, and recommendations for improvement.

MOTION BY CHUCK VARNER TO APPROVE THE PROPOSAL FROM REHMANN TO CONDUCT CONTRACTUAL OVERSIGHT OF NORTHERN LAKES COMMUNITY MENTAL HEALTH AUTHORITY AT A COST NOT TO EXCEED THIRTY-FIVE THOUSAND DOLLARS ($35,000.00); SUPPORT BY RICHARD SCHMIDT. ROLL CALL VOTE.

"Yea" Votes:	E. Ginop, M. Newman, G. Nowak, J. O'Farrell, R. Pilon, R. Schmidt, K. Sherman, D. Smeltzer, D. Tanner, C. Varner
"Nay" Votes:	Nil

MOTION CARRIED.

OLD BUSINESS
Grand Traverse County and Northern Lakes CMHA
During its Board Meeting on July 2, 2023, the Northern Lakes CMHA Board voted to name Northern Lakes CMHA as the fiduciary of the $5,000,000 in ARPA funding awarded to Grand Traverse County for the regional mental health crisis center. With the approval of the proposal by Rehmann, the NMRE's enhanced Contractual oversight will be getting underway.

DRAFT

PRESENTATION

NMRE Clinical Services Director, Branislava Arsenov, was in attendance to present the NMRE's Three-Year Strategic Plan in response to state and federal guidelines for substance use disorder prevention, treatment, and recovery services.

Based on USDA Economic Research Service Rural-Urban Continuum Codes (2013), in the NMRE's 21-county region:

- 8 counties are considered completely rural (38.10%)
- 12 counties are considered urban population 2,500 – 19,000, not adjacent to a metropolitan area (57.14%)
- 1 county is considered an urban population of 20,000 or more, not adjacent to a metropolitan area (4.75%)

The NMRE contracts with five providers in its region for prevention services. Prevention goals include:

1. Reduce underage drinking.
2. Reduce marijuana use in youth and young adults.
3. Reduce prescription drug misuse, including a reduction in the misuse of opioids for non-medical purposes.
4. Increase prevention services for adults aged 55 and older.
5. Reduce youth access to tobacco.

The NMRE contracts with ten providers in its region for treatment services. Treatment goals include:

1. Increase access to medication assisted treatment services (Methadone specific OTP services).
2. Expand behavioral health and primary care services for persons at rick for and with mental health and substance use disorder.
3. Increase access to treatment and harm reduction for individuals living with an opioid use disorder.
4. Increase access to treatment for the criminal justice involved population returning to communities.
5. Increase access to trauma responsive services.
6. Reduce the percentage of substance exposed births/infants.
7. Increase access to treatment services for adults aged 55 and older.

The NMRE currently does not contract with any providers in its region only for recovery support services. Recovery support goals include:

1. Enhance coordination of prevention, follow-up, and continuing care in the recovery process.
2. Expand treatment services to include ongoing support and multiple coordinated strategies to support recovery.
3. Increase access to recovery services that promote life enhancing recovery and wellness for individuals and families.

MOTION BY KARLA SHERMAN TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY THREE-YEAR STRATEGIC PLAN IN RESPONSE TO STATE AND FEDERAL GUIDELINES FOR SUBSTANCE USE DISORDER PREVENTION, TREATMENT, AND RECOVERY SERVICES; SUPPORT BY DON SMELTZER. MOTION CARRIED.

DRAFT

COMMENTS

Board Members

Mr. Smeltzer asked if there has been any follow-up since the rural-oriented public mental health policies and practices passed through the CMHAM Board of Directors. Mr. Kurtz responded that the proposal was presented during July 18th – 19th Directors Forum and received unanimous support. The key aims of the document were underscored as: rural voice, rural people, rural practice.

Mr. O'Farrell shared that Rep. Mike Hoadley (99th District) is doing a walkthrough of the Standish Correctional Facility on August 7th.

Staff/CMHSP CEOs

Mr. Johnston noted that beginning in 2025, at least 51% of all CCBHCs' nine core services will need to be provided in-house. Mr. Kurtz added that if CMHSPs contract with Direct Contract Organizations, the CMHSPs will be responsible for the credentials of staff and billing. CCBHC's are also at risk for the CCBHC line of business.

NEXT MEETING DATE

The next meeting of the NMRE Board of Directors was scheduled for 10:00AM on August 23, 2023.

ADJOURN

Let the record show that Mr. Tanner adjourned the meeting at 11:17AM.

DRAFT

Community Mental Health Association of Michigan
DIRECTORS FORUM
July 18-19, 2023

Summary of key discussion topics and decisions

(Note: This summary is supplemented by the handouts distributed, electronically and in hard copy, in advance of, during, and subsequent to the Directors Forum.)

Legislative and policy status report: Alan Bolter discussed a number of legislative issues:

FY 2024 budget bill:

- The large recently passed FY 2024 state budget – the largest in state history, with much of the revenue the result of ARPA/COVID relief dollars.
- The fact that the CCBHC line grew dramatically, by $297 million, reflecting more sound funding for current CCBHC Demonstration sites and the addition of over a dozen new CCBHC Demonstration sites.
- The stalling of the local match draw down (LMDD) elimination, at year 3 of a what was to have been a 5 year phase-out of the LMDD requirement. This is beyond disappointing to CMHA and its members, given that this stall out causes the loss of local dollars to meet local non-Medicaid needs.
- The elimination of the guardianship payments line in the budget, with boilerplate language to form a workgroup to determine how these funds will be distributed in the future. The guardianship funds in the FY 2023 budget will, in all likelihood, be carried over into FY 2024. It was noted that CMHSPs, which received the guardianship dollars as reimbursements for the payments to guardians in their communities, should complete the
- The creation of a DCW training and credentialing program, in the FY 2023 supplemental, which was passed along with the FY 2024 budget. It was shared that the creation and use of a training and credentialing program may be hindered without a sizeable wage increase to the DCW workforce.
- Very little for the state's behavioral health system, with a modest increase in the PIHP Medicaid rates (2.5%), a low DCW wage increase ($.85/hour) in light of the $4/hour advocacy target set by the DCW coalition of which CMHA is a member.
- Given the fact that a meaningful DCW wage increase will be a tough political battle, in the future, given what looks to be a tight budget in future years. Given this, an advocacy effort around reductions in the administrative and paperwork demands on the DCW workforce will be key – as an offset of some of the demands on these workers.
- $5 million in the accelerated social work graduate school initiative which will bring in 167 MSWs into the system.
- The work being done by CMHA and its allies, NASW-Michigan and the 13 graduate schools of social work, to replace the requirement that MSWs pass the ABSW test to become a licensed clinical social worker with a rigorous education and substantial supervised clinical experience.

- The confusion around the relationship between the CCBHC financing and base Medicaid capitation financing was discussed and the need for CMHA and its members continue to work to make this financing more distinct.

Statutory action:

- Representative Brabec has introduced a very strong set of health insurance parity bills – including the requirement that standard practices be covered, that underlying conditions be treated, and that out-of-network providers must be paid at the same rate as in-network providers. These bills are being opposed by BCBS and the Michigan Association of Health Plans.
- The Stephanie Young bills that added considerable staffing requirements of AFCs has caused concern on the part of CMHA and its members. These requirements are so exhaustive as to make it impossible for most AFCs to meet these requirements. CMHA and a coalition are meeting with the bill sponsor to underscore these concerns and urge changes in the bill.

Changes in MDHHS leadership:

- Meghan Groen, the new BHPHASA Director, has worked with CMHA, the public system, and CMHA members for the last several years.
- Kristen Jordan, the new director of BH services, will be joining CMHA Director Forums, in-person, given her desire to connect with the system's leadership.

Local Match Drawdown language in MDHHS contract with CMHs: Bryan Krogman, one of the co-lead negotiators on the CFI CMH Contract Negotiation Team, discussed the concerns that the negotiation team had with the Department language in this section. Chip Johnston, a member of the Negotiation Team indicated that the Team met with MDHHS and came to the agreement that this section will be taken out of the contract – especially in light of the statutory language that dictates how local and GF funds are allocated and used. The CFI Negotiation Team, via CMHA, will be recommending, to the state's CMH system, that the amendment, if the LMDD section is removed, be signed.

CMHA will also notify Jackie Sproat, at MDHHS, that MDHHS needs to notify the CMH system that the FY 2023 amendment, which is still out in the field, be withdrawn by MDHHS, given that it will be replaced by the new FY 2023 amendment.

The PIHPs have been arguing, similarly, that the LMDD language be removed from the PIHP contract, given that the LMDD is a contract issue that impacts the state's CMHSPs and not the PIHPs.

Additionally, the state's threat to take GF from a CMHSP which does not contribute the LMDD, may be illegal, given that federal Medicaid statutes prohibit the use of state GF for such draw down, outside of the actuarially determined rates.

Mental health-child welfare partnership: Connie Conklin, Livingston CMH CEO, and CMHA staff provided an update on work of CMHA and members to strengthen partnership between the state's public mental health system and child welfare system. She referenced the set of documents, developed by Connie and a team of children's mental health services leaders from across the state, that were used in the recent dialogues of this team and CMHA with MDHHS leadership. These meetings went well with Director Hertel requesting the development of a set of recommendations, by CMHA and its members, around next steps in fostering a stronger relationship between the state's children's foster care/child welfare and mental health systems.

The CMHA team underscored the need to not pathologize all children in foster care nor to assume the mental health treatment (often intensive) is the solution to all foster family discord. The closure of many

residential options, for children, has made the ability of the joint systems to serve children, adolescents, and their families.

The need for clarity related to the ICTS and PRTF system was underscored, especially around how CMHs can use these settings to serve children in need of short- term settings.

Additionally, it appears as if MDHHS is considering efforts to reduce the involvement of the state Children's Ombudspersons office in addressing local service delivery problems.

CMHA and a large number of staff from its member CMHs, PIHPs, and Provider Alliance members are developing a picture of how the state's public mental health system can serve children in the foster care system. It is key to underscore the need for partnerships between these two systems be developed locally as well as the resolution of any disagreements between these two systems.

It was reinforced that the amount of time and energy being diverted in pursuit "new" initiatives are drawing away from efforts to meet the increased volume of demand for mental health services by children, and to open state facility beds.

CMHA and its members involved in this dialogue are working to ensure sound and reasonable boundaries around the responsibilities and capacity of the CMH/PIHP/provider system.

It was reinformed that given the high priority of this issue, to MDHHS Director Hertel, it is key that CMHA and its members invest in this partnership and boundary development work.

During the September CMHA Directors Forum, Erin House, the lead for the Juvenile Justice reform work of the state, will join

Discussion of work of CMHA and members designed to thwart threats to the system:

SCA: CMHA and Directors Forum members discussed the work of the Association, the CFI CMH Contract Negotiation Team, and CMHA members to oppose the SCA language proposed by MDHHS for the CMH contract. The CFI Contract Negotiation Team is holding firm in opposition to the SCA section of the MDHHS proposed contract. The impact of the SCA on the CCBHCs is to require two types of financial reporting formats for CCBHCs. Additionally, the SCA requirements are imposing complex and cumbersome payment mechanics and services-buy-back requirements on the private providers in the CMH networks.

The impetus for the SCA effort appears to be the Department's interest in "uncovering the real high administrative costs" of the public system.

If and when the MDHHS/CMH contracts emerge from negotiations, the CFI Contract Negotiations Team will provide guidance to CMHA as to the message to be carried to the state's CMHs.

Conflict Free Access and Planning (CFAP): CMHA staff described the advocacy being done to halt the CFAP effort, including the set of concerns and recommendations developed by CMHA members and the soon-to-be-received legal opinion from the Washington DC firm of Feldesman Tucker regarding the Michigan's CFAP proposals.

CMHA is working to promote the involvement of persons served in the listening sessions being sponsored by MDHHS, expressing their concerns regarding the chaos and complexity that the Department's proposed CFAP models.

It was pointed out that MDHHS needs to embrace the federal exemption to the CFAP requirements by CMS. It was pointed out that this exemption could be applied to the rural communities in the state. It was also underscored that all of Michigan, as pointed out by Adam Falcone (counsel on this and related issues), fits the exemption requirements and should be pursued by MDHHS.

Overview of CMHA proposal for advocacy around rural/frontier-oriented policy and practices: The proposal, developed by a number of leaders of CMHs and PIHPs serving rural and frontier communities, and a unanimously approved by the CMHA Board of Directors, was reviewed. The key aims of the document were underscored: Rural voice, rural people, rural practice. The Directors Forum indicated strong support for the effort.

Discussion, with MDHHS leadership, of a range of policy, practice, and statutory issues

MI Kids Now initiative – *Phil Kurdunowicz, Ali Cosgrove, Kim Batsche-McKenzie, Patty Nietman:* The settlement discussions will soon wrap up with a final settlement expected by the end of the year. The current Intensive Crisis Services System (mobile crisis team) learning community continues, with 18 CMHs involved. Another cohort of 5 CMHs will kick off this fall.

MichiCANS - Soft launch is planned for January 2024, which will involve 6 sites. Based on what is learned through the soft launch, the full statewide launch will occur on October 1, 2024. MDHHS will be providing regular updates on the soft launch as well as focus groups, with key stakeholders, including children and families, as to their experiences with the soft launch. Kelly France, formerly with HealthWest, has been hired by MDHHS to consult on the MichiCANS effort, given her hands-on experience with this tool. MDHHS will be using the MichiCANS decision support tool upon which a level of care determination system will be developed. This decision support tool will, initially, be used to make determinations of mild, serious, and crisis; SED waiver and CSW waiver eligibility.

The MKN data dashboard - Will provide service utilization and outcomes data on the Mi Kids Now service array. MDHHS recently presented information on the dashboard, to the Children's Administrators Group, and is willing to make such a presentation to the Directors Forum. CMHA will schedule this Directors Forum presentation.

The Safety and Service Navigation Team (including the Ombudspersons Office) - a number of CMH partners are reaching out to this team to obtain consultation. In June, 42 requests came in with 36 of these related to child welfare cases.

Capacity Building Center - working on an RFP to purchase live and on-line recorded training for clinicians (focused on the staff of CMHs, PIHPs, and providers) across the state on MKN clinical modalities. These trainings will include both new and current offerings.

Workforce initiatives – $4.5 million expected to go out over the next year related to loan repayment and other workforce supports. Over 400 applicants have been received for the second round of MKN Loan Repayment. Internship stipend program ($1 million) for approximately 66 individuals at $15,000/year in FY 2024.

Children's Therapeutic Foster Care – is expected to grow, in the future, with funding available, from MDHHS, for 4 additional sites to add to the current 3 sites. The funding is intended to support the readiness of these local efforts.

MKN-related rate changes – The Medicaid capitation rates will be changed to reflect the MKN services upgrades with the initial rate changes expected in October 1, 2024, given that MKN services will not be expected until then.

State hospital developments - capacity reduction – *Jeff Wieferich:* Hawthorn is officially closed and is replaced by Children's Services at Reuther. MDHHS cannot resume children's admissions, with early August as the expected date for the resumption of children's admissions. 26 patients in Hawthorn at this time, with discharges tied to the ability of Hope Network, Vista Maria, and PineRest to take them. The process for referrals to the Children's Unit at Reuther remains the same as it was for Hawthorn.

Adult state hospitals - 100 patients at KPH, Reuther, and Caro. KPH has recently been expanded. During June and July, the CMH/PIHP/provider system has been able to support the transition of a significant number of persons from KPH. Caro not open yet, due to final inspections and repairs. Opening is expected soon.

New hospital on the Hawthorn site: 260 beds, 180 of which are for adults and 80 for children.

Wait lists: 300 persons waiting for IST admission at CST. Children's inpatient wait list is at 40.

Center for Forensic Psychiatry: Another unit will be opened at CFP, adding beds to take on additional IST and NGRI-related admissions. IST services in the community, for persons with non-violent misdemeanors, will be overseen by CST with the CMH system providing services and supports to persons eligible for CMH services. The person served will be responsible for reaching out to the local CMH to initiate their community-based restoration process. This will involve 63 persons, statewide, for community-based restoration. MDHHS will provide a list of these persons to the CMHs, in advance of those persons contacting their local CMHs.

CCBHC state demonstration initiative and efforts toward permanency – *Lindsey Naeyaert:* 18 provider organizations submitted full certification applications to become CCBHC State Demonstration sites. The review of these applications will be completed and contacted by September 1, relative to their applications, with those which are approved starting their participation in the Demo by October 1, 2023. MDHHS will provide technical assistance to those sites that may not be approved for participation in the Demo, to allow them to apply for involvement in the State Demo cohort on October 1, 2024.

The FY 2024 appropriation figure is based on the average of the FY 2023 costs projected for the current sites.

MDHHS recently completed its public comment period and will be issuing the comments for public review in the coming weeks.

Plans around use of Opioid Settlement dollars and Opioid Task Force efforts – *Jared Welehodsky:* Governor appointed a new Opioid Task Force.

The settlement dollars related to a number of bankruptcies of the opioid manufacturers, distributors, and pharmacies are funding the state's opioid settlement fund with some delays in these bankruptcy proceedings causing delays in the distribution of FY 2023 funds.

A housing RFP, funded by these settlement dollars, is expected soon, with the transportation RFP closed and grantees selected. The loan repayment and naloxone distribution initiatives , funded through the settlement, have been very robust. An FAQ on naloxone distribution will be available soon.

The MDHHS Opioid Settlement website outlines the governance, financing, and programming components of the settlement.

The technical assistance collaborative, involving MDHHS, UM, MSU, and WSU will be announcing a set of consultation and TA resources.

MDHHS will be conducting townhalls/listening sessions to allow the public to comment on the state's settlement-based initiatives. The comments of these sessions may be used by counties to guide their settlement-related efforts. CMHA will notify its members of these public comment opportunities.

The first round of infrastructure grants were very well received, with a second round of these grants being considered by MDHHS. Those applications submitted in the first round, and not funded, will need to resubmit applications to be considered for a second round, if held.

It was reinforced that counties do not have to accept MDHHS guidance on the use of their settlement dollars.

Update on PRTF locations and use – *Alex Kruger and Belinda Hawks:* Similarities exist between PRTF and ICTS initiatives.

Working to establish ICTS providers, for children, whom MDHHS hopes will also become PRTF, once PRTF for children, is approved as a Medicaid benefit as part of Michigan's state plan amendment.

MDHHS will be distributing information to the system and the public related to both the PRTF and ICTS initiatives.

Update on ICTS initiative (Intensive Community Transition Services) – *Alex Kruger and Belinda Hawk:* A soft start to this program, with a focus on children. Nine have been placed, to date, in these sites, with 5 persons to be placed in the near future. Providers are: Hope Network, PineRest, and Vista Maria.

Community referrals are expected to be accepted as of October 1, 2023.

Behavioral Treatment Review Committee is being developed by MDHHS to develop and approve the BTPs for children being served in ICTS sites. CMHs will not be responsible for the development nor implementation of these plans.

MDHHS indicated that questions, submitted by the CMH/PIHP/Provider system, related to ICTS services, have not been received. MDHHS provided an email link to receive these questions: MDHHS-ICTS-PRTF@michigan.gov

CMHs will be involved in and have to agree to the placement of a given child into the ICTS setting. The IPOS developed for the child will guide the treatment, services, and supports provided to the child and family. Discharge planning will be done jointly by MDHHS, CMHs, and CSA/local MDHHS child welfare office.

MDHHS asked that CMHA members provide the names of key staff who could guide the PRTF/ICTS initiative development. Those persons should be those who make referrals to these facilities and those who would oversee transitions from these sites to their communities. The names of these persons should be sent to: MDHHS-ICTS-PRTF@michigan.gov

All referrals to ICTS and PRTF sites must be made by CMHs.

MDHHS has developed a document that outlines the roles of CMHs, CSA/child welfare, and MDHHS in work related to ICTS/PRTF, including those questions and answers raised today. MDHHS will place that document on their website. Additionally, the list and a map of these sites with their addresses will be placed on the MDHHS website.

S*tatus of 988, CSU, certification standards and other crisis system efforts (MPCIP)** – ***Krista Hausermann: The crisis stabilization unit (CSU) pilot was recently kicked off, with 11 sites. A number of the sites are still getting up and running, while other sites, who were providing CSU-like services, also a part of the pilot. Draft rules have been shared with these sites for their review, as well as several advocacy groups, and persons with lived experiences. The public comment period, on these rules, is expected in the next several months, after these first-stage reviewers complete their submission of comments.

Round 1 of the rules are centered around adult CSUs. Once these rules are finalized, child and family CSU rules will be drafted and comments sought from key stakeholders.

It was reinforced that CSUs are meant to be crisis stabilization units (aka behavioral health emergency department) and not crisis residential sites.

CSUs will be financed in a way that can serve all Michiganders, not only those with Medicaid coverage. Initially, CSUs will be able to open as sites supported by Medicaid financing, some federal block grant dollars (through MDHHS), and the funding of some private payers who have or soon will add CSU services to their benefits package. As the CSU rules become firmer, other payers are more likely to sign onto paying for CSU services.

CMHs and providers interested in becoming CSU sites can contact Krista Hausermann, at MDHHS, (hausermannk@michigan.gov) to express that interest.

The CSU model and related CSU resources are available on the MDHHS Crisis services website and the Michigan CSU model document.

The MDHHS 988 "Year in Review" document, was sent to CMHA during the Directors Forum meeting. Additionally, MDHHS will soon be hosting a meeting with the leaders of Michigan's crisis services to discuss the roll out of 988 and its continued development.

Debriefing from this morning's MDHHS discussion or action around any other item on the Directors Forum agenda:

CMHA will reach out to Alex Kruger to:

- ensure that her comments around MDHHS is the payer of the PRTF services with the CMHs not taking over the payment for these services until they become a part of CMH-approved transition and community-based services plan.
- request a more in-depth co-development effort around ICTS/PRTF processes.

CMHA will contact Krista Hausermann re: CRM appears not to be used for PHI transfer. Should we tell people that it is not being used for this purpose.

CMHA will send, to Directors Forum members, the Association's proposals, made to MDHHS, regarding the need to focus on a smaller number of high leverage initiatives and other improvements needed to the Department's work.

When CMHA meets with Kristen Jordan and Meghan Groen, given their assumption of new roles, CMHA will discuss:

- The CMHA department-improvement and partnership recommendations and work to build a stronger partnership between MDHHS and the community-based system.
- The foundations of the state's CMH and PIHP system provided in the state's constitution, statute, and the Medicaid State Plan and waivers

CMHA will reach out to Belinda Hawks to determine to whom CMHA should talk regarding the lack of Home Help staff available to serve CMH/PIHP clients, due to the low wages (lower than CMH and provider DCW staff)

Structure and schedule of 2023 Directors Forums

- September 28-29, 2023 – One of these dates could be used to host an overnight trip to a resort-like site. Content possibilities:
  - Fundamentals and framework of our system (
    - Constitution
    - Mental Health Code
    - Michigan's Medicaid Waivers
    - Contents of "red book:
  - Application of these foundations and fundamentals to current issues:
    - Conflict-Free Access and Planning
    - Standard Cost Allocation
    - Issues impacting priority populations

CMHA to send out an agenda survey that also asks for CMHA members to speak to these topics.

PIHP CEO Meeting
August 3, 2023
9:30 a.m. – 12:00 p.m.
Microsoft Teams Meeting

Contents

Attendees

Pre-Paid Inpatient Health Plans (PIHPs)

Sandra Lambert (NorthCare Network)	Region 1
Eric Kurtz (Northern Michigan Regional Entity)	Region 2
Stacia Chick (Lakeshore Regional Entity)	Region 3
Mila Todd (Southwest Michigan Behavioral Health)	Region 4
Joe Sedlock (Mid-State Health Network)	Region 5
James Colaianne (CMH Partnership of Southeast Michigan)	Region 6
Eric Doeh (Detroit Wayne Integrated Health Network (DWIHN))	Region 7
Dana Lasenby (Oakland Community Health Network)	Region 8
Donard Haggins (Oakland Community Health Network)	Region 8
Dave Pankotai (Macomb County CMH)	Region 9
Kelly VanWormer (Region 10 PIHP)	Region 10

Michigan Department of Health & Human Services (MDHHS)

Debi Andrews
Michael Banks
Kim Batsche-McKenzie
Audrey Dick
Erin Emerson
Michael Glud
Meghan Groen
Krista Hausermann
Belinda Hawks
Stephanie Heywood
Nicole Hudson
Kristen Jordan
Leah Julian
Brian Keisling
Alexandra Kruger
Phil Kurdunowicz
Lindsay McLaughlin
Melissa McManis
Dana Moore
Lindsey Naeyaert
Ashley Seeley
Angie Smith-Butterwick
Brenda Stoneburner
Scott Wamsley
Crystal Williams
Amanda Zabor

Michigan Department of Technology, Management & Budget (MDTMB)

Matthew Ellsworth

Strategic Behavioral Health Integration and Coordination Initiatives

1. Medicaid Health Homes
    a. Lindsey Naeyaert provided an update on Health Homes including pay for performance. Money was distributed to participating regions in July.
    b. MDHHS expressed appreciation to all regions for working closely with health home partners and meeting metrics.
2. SAMHSA Promoting the Integration of Primary and Behavioral Healthcare (PIPBHC) Project
    a. The project is a result of a grant from SAMHSA and is focusing on integrating healthcare between FQHC and CMHs.
    b. As part of the project, work to integrate the EHR systems to allow sharing of patient data between FHQCs and CMHs continues.
    c. This is being piloted in three (3) counties
    d. A PIHP asked if there is a plan to expand the integration beyond the pilot counties, and if so, what is the timeframe?
        i. There is not a plan to expand at this point.
3. CCBHC Demonstration
    a. MDHHS staff have been reviewing CCBHC certifications, cost reports, and providing technical assistance to all sites.
    b. There are 18 providers who were eligible to submit their certification applications and cost reports by July 1.
    c. MDHHS plans to announce who will be certified by September.
    d. There will be a CCHC kickoff for new sites to welcome them on September 13.

Crisis Services Update

1. Krista Hausermann provided an update on 988.
    a. 988 went live one year ago (July 16, 2022). The focus has been building infrastructure.
    b. Over the past year, 69,000 calls were received from Michiganders in distress.
    c. 46% of callers indicated they had high or overwhelming stress, and even higher numbers of people calling had moderate stress. By the end of the call, only 16% of callers had high or overwhelming stress.
    d. Answer rates were 18.8 seconds.
    e. Most people calling are anonymous.
2. The written crisis services update is being rewritten and will be available soon.
3. The Warm Line answer rates continue to increase, with around 5,500 calls per month.
4. There are meeting occurring around CSU to talk about the development of a bundled rate and also a diverse funding plan. MDHHS has reached out to Blue Cross Blue Shield.
5. MDHHS is partnering with Wayne State University's Center for Behavioral Health and Justice around the development of a crisis worker training at the University level so students can receive college credit.
    a. It will be a standardized training and target people that are currently degreed staff and people who are providing services.

Public Health Emergency Unwind

1. Nicole Hudson provided information surrounding the Public Health Emergency Unwind.
    a. There is a delay in the procedural terminations for one month for all cohorts.
        i. In June, terminations were delayed because enrollees did not submit their paperwork.
        ii. By allowing another month, 15,000 people did submit.
        iii. Target outreach continues.

b. A PIHP asked if the passive renewal metrics have improved.
    i. The rate has significantly increase from 13-15% to nearly 35%. There isn't a way currently to determine how many people or the percentage of people who will renew, especially since MDHHS doesn't have income updated for folks over a 3-year period.
c. More information can be found on the MDHHS website 2023 Benefit Changes (michigan.gov)
d. Specific renewal timelines are also located on the MDHHS website Eligibility Notification Timeline (michigan.gov)
e. The stakeholder toolkit can be found on the website Stakeholder Toolkit (michigan.gov).
f. The Michigan Medicaid Renewals Data can be found on the website Michigan Medicaid Renewals Data
g. Nicole's email is hudsonn2@michigan.gov

2. MDHHS has developed a data dashboard to see updates with the PHE unwind.
    a. The data has all the information needed to update CMS on a monthly basis, which will soon be made available to the public.

HCBS Update

1. Belinda Hawks provided HCBS updates.
    a. She indicated the SAMHSA block grant application for FY2024-2025 is being completed.
    b. Waiver renewals are also underway. Staff is working with the Children's Bureau to renew 1915(c) waivers (HSW), the Children's Waiver, and the SED Waiver. There will be opportunities for feedback.
    c. There is a flyer related to upcoming listening sessions/feedback sessions.
    d. The Conflict Free Access and Planning project is developing an evidence packet related to feedback from both the workgroup testing as well as the listening sessions that are ongoing.
        i. MDHHS acknowledges that there might be some limitations in parts of the state related to technology. A phone option has been offered for folks who can't get access via the Zoom call.
        ii. A PIHP expressed concerns about the ability of people to engage in the listening sessions at a CMH/Conference Room with the assistance of staff who were subsequently excluded.
        iii. MDHHS is developing a letter related to instructions this week. MDHHS is looking at other options to make sure it's available to everyone.
    e. A PIHP asked about the CMH communication to MDHHS about heightened scrutiny taking an extremely long time and what is the implication for the system?
        i. MDHHS indicated a letter is coming also to update the PIHPs. MDHHS has not heard from CMS.

Children's Bureau Update

1. Lindsay McLaughlin, Kim Batsche-McKenzie, and Phil Kurdunowicz presented updates from the Children's Bureau.
    a. Children's Therapeutic Foster Care
        i. For the foster care pilot, the contracts will begin November 1, 2024.
        ii. This is an identified service in the MICAS service array.
        iii. MDHHS recognizes that there is a heavy lift administratively to get the services up and running.
    b. Data Dashboard

i. There is an internal dashboard and there is work continuing on an external/public facing dashboard. The dashboard will be very user-friendly and a way for MDHHS to be transparent about data and to assist in improving quality.
ii. MDHHS is interested in hearing from external stakeholders and will be reaching out to gain the perspective of others.

c. Autism Policy Proposals
    i. Proposed permissive Medicaid policy to implement ABA services in advance of a comprehensive diagnostic assessment.
        a. There are many documents, policies, etc. that have not been updated in quite some time. There is a need to update the Medicaid Provider Manual in the Autism section to address programmatic issues.
        b. BCCHPS was looking at a new process with three (3) parts.
            i. The first part is the idea of three (3) pillars.
            ii. Second is providing a detailed outline.
            iii. Lastly is distributing for comments and feedback.
    ii. Pillar #1 is to remove all the requirements for a medical evaluation prior to an ASD evaluation as a medical evaluation is not required for other therapeutic services. Additionally, is presents as a barrier for children to gain access to care.
    iii. Pillar #2 is the removal of the re-evaluation requirement. It is required under state law, but also to break down delays in the evaluation process.
    iv. Pillar #3 is the allowance of ABA services to start prior to the comprehensive diagnosis. While it seems unique, it has been implemented on the commercial side and is called a "Bridge Authorization." However, MDHHS has decided not to proceed with this third pillar at this time.
    v. MDHHS is moving forward with outline concepts to promote transparency around the scope of the policy bulletin and moving forward with the removal for the medical evaluation and removal of the reevaluations requirement for the ASD Diagnosis. An outline is being created and will be shared with ABA PIHP leads to request feedback.
        a. Two PIHPs asked for confirmation that MDHHS is NOT moving forward with an allowance of ABA services to start prior to the comprehensive diagnosis.
            i. MDHHS confirmed that they are not moving forward with the allowance of ABA services to start prior to the comprehensive diagnosis.
        b. Two PIHPs asked for clarification if the requirement for a medical physician to certify an ABA diagnosis was going to be removed but that a comprehensive diagnosis/assessment by a qualified clinician is still required prior to ABA services starting?
            i. MDHHS confirmed that this is correct. There was discussion surrounding the requirement that for all services, PIHPs need to establish medical necessity prior to the delivery of services and supports.
            ii. The PIHPs asked that MDHHS be exceptionally clear with expectations for the conduct of professional activity that is required before a treatment is prescribed and implemented. MDHHS agreed to the request.
    vi. BCCHPS has been working on language proposals for the contract boilerplate surrounding ABA services. The thought currently is that there would be a sample gathering of closed clinical records for review by MDHHS staff, but rather from a compliance lens, the information would be reviewed from a quality improvement lens. The reviews would be conducted and compared to

best practice standards to provide information back to the PIHPs to support technical assistance on the evaluation process. It is not a retrospective review for all evaluations – it is a sample to support quality improvement activities.

a. A PIHP commented that this would be a lot of work for MDHHS and the PIHPs and asked what the standards are or will be?
    i. BCCHPS has a preliminary framework of which diagnostic criteria and standards would be used. It is a combination of national best practice plus some statewide guidance that has been published in Michigan.
    ii. A PIHP commented that it would be a better use of time to look at enrollees who are open to services to look at quality improvement opportunities rather than cases that have already been closed as it could result in improvements for persons currently being served.
b. The other item related to boilerplate requires MDHHS to develop specific written guidance for standardization of ASD administrative services, including reporting, coding, reciprocity of credentialling, and training. MDHHS is in the beginning stages of developing information.
    i. A PIHP asked that MDHHS be very clear whether this is going to be contract boilerplate, a technical requirement or an advisory. MDHHS indicated it is very early in development so has not been finalized yet.

d. Centralizing Credentialing at the State Level
    i. A PIHP asked BCCHPS to speak to centralizing credentialing at the state level.
        1. There is a "sunset" in policy for the QHP Provider classification in 2025. MDHHS, to support current QHPs and becoming fully certified as BCBAs, the intent is to gather how many QHPs are practicing currently and providing opportunities and support to those folks with transitioning to certification.
        2. It appears that only two (2) of the 10 PIHPs have comprehensive information on QHPs, but when we reviewed data from those two (2) PIHPs based on claims and CPT codes, it appears that there are more QHPs than what the PIHPs estimated.
        3. PIHPs are responsible for credentialing providers.
    ii. A PIHP asked for clarification that MDHHS will not be engaging in credentialing type activities that are currently the responsibility of the PIHPs and CMHs, but that MDHHS is collecting information to create a report that is used by the PIHPs to determine how many QHPs are in each region for submission to MDHHS.
        1. MDHHS confirmed that is correct, and there is flexibility on the process and how the data collection is structured. The goal is to support QHPs and assist them in attaining full certification.

Service Delivery Transformation Section

August 2023 Update

CONTENTS

Service Delivery Transformation Section Overview

The Service Delivery Transformation Section is responsible for overarching strategic program policy development, implementation, and oversight for integrated health projects within Michigan's public behavioral health system. This includes behavioral health integration initiatives, Medicaid Health Homes, Certified Community Behavioral Health Clinics, SAMHSA integration cooperative agreements, and health integration technology initiatives to facilitate optimal care coordination and integration. Staff in this section collaborate with internal and external partners and provide training and technical support to the public behavioral health system and participants of integrated health projects. Lastly, this section focuses on quality-based payment for providers involved in behavioral health integration initiatives and oversees CCBHC Demonstration certification.

Our Team

Lindsey Naeyaert – Section Manager
Naeyaertl@michigan.gov

- Leads programmatic, policy, and implementation of integrated health projects within section

Opioid Health Home

Opioid Health Home Overview

- Medicaid Health Homes are an optional State Plan Amendment under Section 1945 of the Social Security Act.
- Michigan's OHH is comprised of primary care and specialty behavioral health providers, thereby bridging the historically two distinct delivery systems for optimal care integration.
- Michigan's OHH is predicated on multi-disciplinary team-based care comprised of behavioral health professionals, addiction specialists, primary care providers, nurse care managers, and peer recovery coaches/community health workers.
- As of October 1, 2022, OHH services are available to eligible beneficiaries in 76 Michigan counties. Service areas include PIHP regions 1, 2, 4, 5, 6, 7, 8, 9, and 10.

Current Activities

- As of August 2, 2023, 3,580 beneficiaries are enrolled in OHH services.
- Resources including the OHH policy, directory, and handbook, are available on the Michigan Opioid Health Home website Opioid Health Home (michigan.gov)
- There are currently 38 Health Home Partners (HHP) contracted to provide services to OHH beneficiaries.
- MDHHS continues to collaborate with many state agencies to ensure OHH beneficiaries have comprehensive support services to aid in their recovery journey.

Substance Use Disorder Health Home

Substance Use Disorder Health Home Overview

- The Substance Use Disorder Health Homes is an optional opportunity under the SUD Block Grant Supplemental.
- The Substance Use Disorder Health Homes is designed as a look a-like health home comprised of primary care and specialty behavioral health providers, with a similar structure to the current operational Opioid Health Home (OHH).
- With the same structure as the OHH, the Substance Use Disorder Health Home is predicated on multi-disciplinary team-based care comprised of behavioral health professionals, addiction specialists, primary care providers, nurse care managers, and peer recovery coaches/community health workers.

Current Activities

- Three PIHP regions (2, 7, and 8) are using available funds to operate the Substance Use Disorder Health Home.
- Two PIHP regions (4 and 6) will use Substance Use Disorder Health Home funds as a staffing grant to assist providers in meeting capacity to become an OHH partner within the next fiscal year.

Behavioral Health Home

Behavioral Health Home Overview

- Medicaid Health Homes are an optional State Plan Benefit authorized under section 1945 of the US Social Security Act.
- Behavioral Health Homes provide comprehensive care management and coordination services to Medicaid beneficiaries with select serious mental illness or serious emotional disturbance by attending to a beneficiary's complete health and social needs.
- Providers are required to utilize a multidisciplinary care team comprised of physical and behavioral health expertise to holistically serve enrolled beneficiaries.
- Behavioral Health Home services are available to beneficiaries in 42 Michigan counties including PIHP regions 1 (upper peninsula), 2 (northern lower Michigan), 5 (Mid-State), 6 (Southeast Michigan), 7 (Wayne County), and 8 (Oakland County).

Current Activities

- As of August 2, 2023, there are 2,771 people enrolled:
    - Age range: 4-86 years old
    - Race: 24% African American, 70% Caucasian, 2% or less American Indian, Hispanic, Native Hawaiian and Other Pacific Islander
- Resources, including the BHH policy, directory, and handbook, are available on the Michigan Behavioral Health Home website. Behavioral Health Home (michigan.gov)

Promoting Integration of Physical and Behavioral Health Care Grant

Promoting Integration of Physical and Behavioral Health Care (PIPBHC) Overview

- PIPBHC is a five-year Substance Abuse and Mental Health Services (SAMHSA) grant that seeks to improve the overall wellness and physical health status for adults with SMI or children with an SED. Integrated services must be provided between a community mental health center (CMH) and a federally qualified health center (FQHC).
- Grantees must promote and offer integrated care services related to screening, diagnosis, prevention, and treatment of mental health and substance use disorders along with co-occurring physical health conditions and chronic diseases.
- MDHHS partnered with providers in three counties:
    - Barry County: Cherry Health and Barry County Community Mental Health to increase BH services
    - Saginaw County: Saginaw County Community Mental Health and Great Lakes Bay Health Centers
    - Shiawassee County: Shiawassee County Community Mental Health and Great Lakes Bay Health Centers to increase primary care

Current Activities

- Grantees are currently working toward integrating their EHR system to Azara DRVS to share patient data between the CMH and FQHC.
- PIPBHC sites are focused on sustainability and the ways in which integrated care can continue after the end of the grant.

Certified Community Behavioral Health Clinic Demonstration

Certified Community Behavioral Health Clinic Demonstration Overview

- MI has been approved as a Certified Community Behavioral Health Clinic (CCBHC) Demonstration state by CMS. The demonstration launched in October 2021 with a planned implementation period of two years. The Safer Communities Act was signed with provisions for CCBHC Demonstration expansion, extending MI's demonstration until October 2027. 13 sites, including 10 CMHSPs and 3 non-profit behavioral health providers, are participating in the demonstration. The CCBHC model increases access to a comprehensive array of behavioral health services by serving all individuals with a behavioral health diagnosis, regardless of insurance or ability to pay.
- CCBHCs are required to provide nine core services: crisis mental health services, including 24/7 mobile crisis response; screening, assessment, and diagnosis, including risk assessment; patient-centered treatment planning; outpatient mental health and substance use services; outpatient clinic primary care screening and monitoring of key health indicators and health risk; targeted case management; psychiatric rehabilitation services; peer support and counselor services and family supports; and intensive, community-based mental health care for members of the armed forces and veterans.
- CCBHCs must adhere to a rigorous set of certification standards and meet requirements for staffing, governance, care coordination practice, integration of physical and behavioral health care, health technology, and quality metric reporting.
- The CCBHC funding structure, which utilizes a prospective payment system, reflects the actual anticipated costs of expanding service lines and serving a broader population. Individual PPS rates are set for each CCBHC clinic and will address historical financial barriers, supporting sustainability of the model. MDHHS will operationalize the payment via the current PIHP network.

Current Activities

- As of August 2, 2023, 62,419 Medicaid beneficiaries and 13,418 non-Medicaid individuals are assigned in the WSA to the 13 demonstration CCBHC sites.
- MDHHS continues to partner with evaluators at the Center for Healthcare Research Transformation at the University of Michigan on formal evaluation activities. CHRT is beginning data collection for the evaluation by conducting interviews with CCBHCs and PIHPs.
- MDHHS has announced the new SAMSHA criteria will be required to be implemented for demonstration sites by October 1, 2024. The CCBHC team is reviewing the changes and will support existing and expansion CCBHCs in incorporating the new criteria throughout FY24.
- Midyear updates to PPS-1 rates have been communicated to CCBHCs. Final quality bonus payment announcements were shared with PIHPs.
- 18 providers eligible to apply to join the CCBHC demonstration submitted certification applications and cost reports by July 1. The CCBHC team is reviewing and scoring submitted applications with an expected completion date of September 1.
- MDHHS is working through the expansion site's certification applications and will announce certified sites by September 2023.
- The MDHHS CCBHC kickoff event has been scheduled for September 13, 2023, and will act as a CCBHC overview and welcome for sites joining the demonstration.

Questions or Comments

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The MI Kids Now Dashboard

MDHHS Michigan Department of Health & Human Services | Bureau of Children's Coordinated Health Policy & Supports

Purpose:

The MI Kids Now (MKN) Dashboard compiles and analyzes qualitative and quantitative behavioral health service data to best inform changes and improvements. The MKN Dashboard will provide relevant data and quality measure information for shared understanding and increased transparency in an effort to improve the lives of children, youth and families.

Approach:

The Bureau of Children's Coordinated Health Policy & Supports (BCCHPS) is taking an intentional phased approach to developing the dashboard, with four key connected tasks:

1 Measure Development

Translate data elements identified into specific measures. The first set of measures tracks access, service use, and demographics of the children.

2 Data Transformation

Combine available and relevant datasets for use in measure development and reporting.

3 Analysis of Available Data

Work with stakeholders and subject-matter experts to gather and map known, and unknown data elements outlined.

4 Dashboard Design

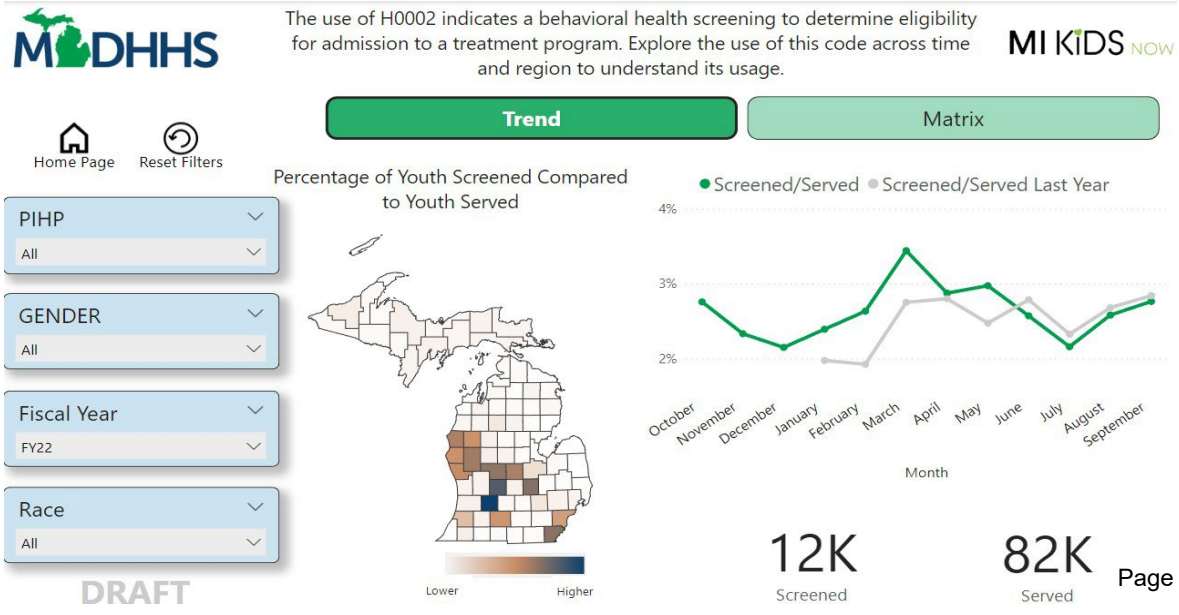
Build and deploy interactive data visualizations for transparent measure reporting to the public and internal tracking and monitoring for MDHHS. This process will be informed throughout the development and refinement by stakeholders which include youth and families with lived experience.

Benefits:

The MKN Dashboard will empower and shape system improvement through informed public transparency and internal accountability and quality monitoring. Data will be presented in a user-friendly format available to key decision-makers and the public.

Implementation:

Preliminary development of measures and definitions → Measure and public data sets finalized by MDHHS → Internal Dashboard 1.0 Finalized and Opened → Launch of Public Dashboard 1.0 → Add System partner data for Dashboard 2.0 → Integrate CSA Data for Dashboard 3.0



Behavioral Health 1915(c) HCBS Waivers Renewal Feedback Sessions

The Behavioral Health 1915(c) HCBS Waivers - which includes the Habilitation Supports Waiver (HSW), Children's Waiver (CWP) and Serious Emotional Disturbance Waiver (SEDW) - expires on September 30, 2024, and is up for renewal. With this renewal, Michigan Department of Health and Human Services (MDHHS) is looking for feedback from Medicaid Beneficiaries on these waivers, their families, staff who provide waiver services, providers, and community partners.

MDHHS is hosting several sessions to receive input on what we can do to improve Michigan's Behavioral Health 1915(c) Waivers. Feedback from these sessions will be used to help inform areas of need and where improvements can be made.

Please click on the link to register for one of the upcoming sessions:

Session One:

Thursday, August 17, 2023

1 - 2:30 p.m.

https://msu.zoom.us/webinar/register/WN_FkbZB6EPSEeqPDvgsxJcyA

Session Two:

Tuesday, August 22, 2023

2 - 3:30 p.m.

https://msu.zoom.us/webinar/register/WN_7Vb4nG2zRYqhBGKPoTTMpw

Session Three:

Wednesday, September 6, 2023

10 - 11:30 a.m.

https://msu.zoom.us/webinar/register/WN_Mp5Arf2iSU-Bw4Tti_wAUw

Session Four:

Thursday, September 7, 2023

2 - 3:30 p.m.

https://msu.zoom.us/webinar/register/WN_E2HxXM_2Q125jp_2qj9r7g

Session Five:

Tuesday, September 19, 2023

3 - 4:30 p.m.

https://us02web.zoom.us/webinar/register/WN_ZbCndlpoRVqvUL_6Z7_RPg

Session Six:

Wednesday, September 27, 2023

10 - 11:30 a.m.

https://msu.zoom.us/webinar/register/WN_7lRgaMlfRbejMJb1QWQ-5Q

STATE OF MICHIGAN
DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

GRETCHEN WHITMER
GOVERNOR

ELIZABETH HERTEL
DIRECTOR

DATE: August 9, 2023

TO: Executive Directors of Prepaid Inpatient Health Plans and
Community Mental Health Services Programs

FROM: Kristen Jordan, Director KJ
Bureau of Specialty Behavioral Health Services
Behavioral and Physical Health and Aging Services Administration

RE: Conflict-Free Access and Planning Listening Sessions

Thank you for sharing concerns and providing feedback around the listening session that took place on August 1st. While we made significant efforts to encourage participation of persons served in the listening session, we do understand that there were instances where access was denied. To ensure we're capturing their valuable feedback, MDHHS is working to add additional opportunities to provide feedback, including but not limited to a third listening session in the coming weeks with additional details to follow.

Since January 2022, the MDHHS Behavioral and Physical Health and Aging Services Administration (BPHASA) has hosted a Conflict-Free Access and Planning (CFAP) Workgroup to align with requirements outlined in the Home- and Community-Based Services Final Rule (HCBS Final Rule).

The HCBS Final Rule requires that MDHHS design and implement a system of service planning and delivery that decreases incentives for providers to self-refer for their services and limits financial conflict of interest. Over the course of the last year, MDHHS has discussed potential options that are compliant with the HCBS Final Rule and that address important factors the statewide workgroup has identified.

To obtain feedback on the proposed options and the overall CFAP strategy, MDHHS has hosted listening sessions for people served in the Michigan Medicaid Behavioral Health Specialty Services System and their families. The purpose of these sessions is to collect insights from beneficiaries, which will accompany feedback collected from system stakeholders participating in the CFAP workgroup. Two listening sessions were held in the Fall of 2022 and two more were scheduled in August 2023.

To ensure beneficiaries have ample opportunity to openly share their experiences, it was important that these listening sessions be open to them and their families only. To support this, listening session hosts conducted a registration process prior to the listening sessions and a registration-confirmation process at the start of the listening sessions.

Listening session registrations were requested by 7/24. Applicants were accepted if they met the following criteria:

- Identified as a current beneficiary or family member of a current beneficiary
- Did not identify as a Community Mental Health Services Program/Prepaid Inpatient Health Plan (CMHSP/PIHP), other than peers

The denial process impacted some beneficiaries whose registrations were completed by CMHSP staff on their behalf, since hosts believed that the CMHSP staff was the intended participant. Applicants who were denied were notified of their denial in advance of the listening session. In response, several CMHSPs worked with listening session hosts to get beneficiaries registered on their own.

MDHHS and listening session hosts recognize accessibility is crucial to gathering feedback. Accordingly, they offered accommodations such as closed captioning, American Sign Language (ASL) translation, and options to access the session via internet link or phone. However, there have been concerns shared with MDHHS that beneficiaries who do not have access to phone or internet are not being heard. If CMHSPs and PIHPs are aware of individuals who want to participate in listening sessions however are unable due to lack of access to phone and internet, we request that they provide this information to the CFAP email box at mdhhs-conflictfreeaccess@michigan.gov. MDHHS will develop a plan to collect feedback from these beneficiaries.

In addition to expanding opportunities for feedback from persons served, we are also working on ways to gather feedback from provider organizations. Additional details on those efforts are forthcoming as well.

We appreciate your collaboration, and your dedication to ensuring that beneficiaries have a voice in the CFAP project.

Date: August 10, 2023

To: Executive Directors of Prepaid Inpatient Health Plans (PIHPs)

From: Jackie Sproat, MSW, Director
Division of Contacts and Quality Management

Subject: Corrective Action Plan Incentive Effective FY24

Michigan Department of Health and Human Services (MDHHS) will implement a new Corrective Action Plan (CAP) Incentive effective October 1, 2023. This CAP incentive was developed with PIHP input through the contract negotiation process. It is a means MDHHS will utilize to assure PIHP compliance with MDHHS conducted 1915(c) Waiver (CWP, HSW, and SEDW) site reviews of PIHP operations, by incentivizing timely and accurate completion of CAPs via the .2% contract withhold. The MDHHS/PIHP Contract beginning FY24 will include the new CAP incentive language.

MDHHS-PIHP Contract

Language changes to be included in the FY24 MDHHS-PIHP contract are indicated below in red text:

MDHHS-PIHP Contract, Schedule A. Statement of Work, 1. General Requirements D. Contract Remedies and Sanctions:

The State may do any of the following:

a. Require a plan of correction and specified status reports that becomes a Contract performance objective.
b. Retain a portion of the .002% contract withhold to be earned through timely and accurate completion and resolution of corrective action plans associated with the MDHHS conducted 1915(c) Waivers (CWP, HSW, and SEDW) site reviews of PIHP operations as specified in the CAP Incentive Scoring Metric, which is located on the MDHHS Reporting Requirements website at https://www.michigan.gov/mdhhs/keep-mi-healthy/mentalhealth/reporting
c. Impose a direct dollar penalty and make it a non-matchable Contractor administrative expense and reduce earned savings from that fiscal year by the same dollar amount.
d. Delay up to 25% of scheduled payment amount to the Contractor until compliance is achieved.

i. The State may apply this sanction in a subsequent payment cycle and will give prior written notice to the Contractor.

e. Initiate Contract termination.

MDHHS-PIHP Contract, Schedule A Statement of Work, 8. Payment Terms, Contractor Performance Bonus:

Contract withholds and the Performance Bonus Incentive Program (PBIP) have been established to support program initiatives as specified in the MDHHS Medicaid Quality Strategy. Awards will be made to Contractors according to criteria established by the State. Criteria for Performance Bonus awards will include, but is not limited to, assessment of performance in quality of care, access to care and administrative functions. Each year, the State will establish and communicate to the Contractor the criteria and standards to be used for the performance bonus awards.

1. Withhold Arrangements
    a. The State will withhold 0.2% of BHMA, BHMA-MHP, capitation payments to the Contractor. The withheld funds will be issued to the Contractor in the following amounts within 60 days of when the required report is received by the State:
        i. 0.03% for timely submission of the Projection Financial Status Report – Medicaid
        ii. 0.03% for timely submission of the Interim Financial Status Report – Medicaid
        iii. 0.04% for timely submission of the Final Medicaid Contract Reconciliation and Cash Settlement
        iv. 0.04% for timely submission of the Encounter Quality Initiative
        v. 0.03% for timely submission of encounters (defined in Schedule E)
        vi. 0.03% for timely resolution of corrective action plans. Scoring metric will be available on the MDHHS reporting requirements website located at https://www.michigan.gov/mdhhs/keep-mi-healthy/mentalhealth/reporting.

CAP Incentive Scoring Process

A site review that has a plan of correction approved during the fiscal year is eligible for the incentive during the same fiscal year. The CAP incentive will be distributed as follows:

- Timeliness: 5%

A total of 50 points can be earned annually for timely CAP submission (within thirty (30) calendar days of the date on the cover letter sent with the issuance of Site Review Reports). The total points will be the same regardless of the number of CAPs due to MDHHS.

- Accuracy: 5%

A total of 50 points can be earned annually for accurate CAP submission. The total points will be the same regardless of the number of CAPs due to MDHHS.

- CAP Resolution: 90%

A total of 1000 points will be allocated annually for resolution of CAPs. The points will be awarded based on PIHP resolution of any plan of correction remedial action items that result from a CWP, SEDW, and HSW site review by 90-day follow up period end date. The total potential points will be the same regardless of the number of plans of correction remedial action items needing to be addressed. The total number of dimensions/indicators on the CWP, SEDW, and HSW Site Review Report will vary by PIHP region. Points will be awarded for each indicator determined to be met during the MDHHS 90-day review. The total dimensions/indicators will determine the points per dimension/indicator.

Preliminary scores and the award amount will be communicated to PIHPs in January of each year. Final scores and award amounts will be provided to PIHPs by end of February. Award payments are expected to be made in tandem with other .2% withhold award payments. A reference document outlining the CAP incentive scoring process is available on the MDHHS website at https://www.michigan.gov/mdhhs/keep-mi-healthy/mentalhealth/reporting under Other Resources. Please see this document for additional information.

cc: Kristen Jordan
Belinda Hawks
Lindsay McLaughlin

email correspondence

From: Monique Francis <MFrancis@cmham.org>
Sent: Monday, July 31, 2023 3:14 PM
To: Monique Francis
Cc: Robert Sheehan; Alan Bolter
Subject: [EXTERNAL]Urging persons served to express their concerns about being rejected from participating in CFAP listening sessions

Importance: High

To: CEOs of CMHs, PIHPs, and Provider Alliance members
CC: CMHA Officers; Members of the CMHA Board of Directors and Steering Committee; CMH & PIHP Board Chairpersons
From: Robert Sheehan, CEO, CMH Association of Michigan
Re: Growing concerns by persons served as they are rejected from participating in CFAP listening sessions

As you know, persons served, throughout Michigan, have voiced concerns regarding the MDHHS proposed Conflict Free Access and Planning system. You also may remember that, as a result of the expression of these concerns, MDHHS agreed to hold two listening sessions (August 1 and 9) to obtain the views of persons served regarding these proposals.

We have been receiving notice that **many persons served who have tried to register for the listening sessions are being turned away, by MDHHS, from participating.**

REQUEST: The Community Mental Health Association of Michigan is asking (strongly urging) that, if you are in contact with persons served who have been prohibited from participating in the MDHHS Conflict Free Access and Planning Listening Sessions, you let those persons know that they should express their concerns about being halted from participating in these listening sessions. Please let them know that they can voice their concerns by writing or calling:

Meghan Groen (groenm2@michigan.gov)
and
Belinda Hawks (hawksb@michigan.gov)

Thank you.

Robert Sheehan
Chief Executive Officer
Community Mental Health Association of Michigan
507 South Grand Avenue
Lansing, MI 48933
(Note new address)
517.374.6848 main
517.237.3142 direct
www.cmham.org

Community Mental Health Association of Michigan

Focused set of concrete approaches to strengthening the partnership between Michigan's child welfare and community mental health systems

June 2023

The following concrete action steps, designed to strengthen the partnership between Michigan's child welfare and community mental health systems – to better serve Michigan's children in the state's child welfare system – emerged from a discussion, in May 2023, involving MDHHS leadership, children's mental health services leaders from across the state, and the Community Mental Health Association of Michigan (CMHA).

This focused set of approaches was selected from a longer list of approaches. The full list of approaches is provided as Attachment A.

Clarity of roles of key parties and coordination of care and problem resolution

1. Ensure that all parties, at the local and state level, including children, youth, families and staff, understand the roles of each of the key parties involved in serving children, youth, and families served in Michigan's child welfare system.
2. Foster problem resolution at the local level, among local partners, to address service delivery and coordination issues/problems when they occur. State level intervention would be used only when repeated attempts at local problem resolution are unsuccessful.

Support to foster parents

1. Training models that address attachment and reacting to placement behaviors for all foster parents. Framing of function of behaviors is key here to avoid pathology approach and instead educate parents on typical behaviors.

Access to mental health care and behavioral health assessments of children in foster care system

1. Determine a coordinated and collaborative approach to providing bio/psycho/social assessments of and services to children, youth, and families in Michigan's child welfare system
2. Broaden role and funding of CMH system to provide behavioral health assessments of children and youth in the state's foster care system.
3. Add or expand, where they exist, Navigators (persons with lived experience) to the teams of CMHSPs and local MDHHS CSA offices – to serve, in many cases, as the first contact with children in foster care and other out-of-home settings
4. Create and support workforce recruitment and retention strategies that address the causes of behavioral health providers leaving the field – the high risk and complex work with families and the significant demand on them for compliance -focused tasks.

Consistent and stable home with sufficient supports

1. Design and expand resources to support children in the least restrictive settings whenever possible while ensuring access to psychiatric inpatient, specialized residential, foster/kinship care, family home, and other safe and stable settings when needed.

Foundational principles

1. Collaborative partnerships are the best way to support children and families across all child serving systems at the child, family, community and state level.
2. Blending and Braiding funding can be an effective vehicle to serving children seamlessly across systems.
3. Legal mandates of the child serving systems are important to each system and roles should be specifically defined based on those mandates. A system of care recognizing those legal mandates are important but mandates should remain system specific as an effective way to approach needs and risks., e.g. child welfare=child protection; juvenile justice=community safety, mental health= voluntary treatment; etc.
4. Stability of foster care placements are essential to increase access and effectiveness of services.
5. A strong system of care utilizes a partnership approach between local and state partners where the state takes leadership in busting barriers at policy, program and funding to support local initiatives.
6. There is a need to have a sense of urgency to address the current crisis of lack of placement options, workforce shortages and the impact on improving outcomes.

Concrete approaches

Clarity of roles of key parties and coordination of care and problem resolution

1. Ensure that all parties, at the local and state level, including children, youth, families and staff, understand the roles of each of the key parties involved in serving children, youth, and families served in Michigan's child welfare system.
2. Foster problem resolution at the local level, among local partners, to address service delivery and coordination issues/problems when they occur. State level intervention would be used only when repeated attempts at local problem resolution are unsuccessful.

State-Level System Design, Practice, and Workforce Strengthening

1. Co-development of system refinements and new initiatives to serve children involving local and state CSA and CMH/CMH provider representatives.
2. Focus on partnership development/fostering, outcomes, and innovation rather than a process-compliance-oriented philosophy – the latter leading to parties drawing away from working with complex issues and children and families with complex needs.
3. Create and support workforce recruitment and retention strategies that address the causes of behavioral health providers leaving the field – the high risk and complex work with families and the significant demand on them for compliance -focused tasks.
4. Reduce clinical documentation for CMH and providers in CMH networks serving children and families - via a joint MDHHS/CMH workgroup to identify and retain only clinically-relevant documentation requirements with a "treat-first" approach
5. Pursue funding under the Family Preservation Act to support the system-level design and implementation of family-focused evidence-based treatment specifically targeting family preservation outcomes. Note: Family Preservation Act funds require an application from MDHHS and are implemented through CMHSPs and their providers.

Mandated and Funded Collaboration

1. Quarterly meetings between DHHS and CMH Directors and high-level supervisors in each area to discuss successes, gaps, clarifications and problem solving.
2. Joint Staff meetings between Child Welfare and CMH that are led by Director and Supervisor level Management to include: frame collaboration as an expectation amongst PARTNERS for shared outcomes, shared vision and values, role/responsibilities, successes, clarifications, etc.
3. Ensure a strong locally driven problem-solving process to address service delivery and coordination issues/problems when they occur.
4. Participation in Wraparound meetings for involved parties. Including the ability to finance the implications of this.
5. Pilot EBP implementation similar to Breakthrough Series
6. Create Liaison roles in each entity.
7. Flesh out needed clinical recommendations and expectations.
8. Communication structures, regarding topics like, Moves to new homes, etc.
9. Implement Child Welfare Coordinating Council. Quarterly meetings between all system partners to give updates to Director level staff.
10. Consider specific training that help teams tolerate risk, which would include how hospitals are and are not best utilized.
11. Communication between team members when placement changes, etc.

Support to Foster Parents

1. Training models that address attachment and reacting to placement behaviors for all foster parents. Framing of function of behaviors is key here to avoid pathology approach and instead educate parents on typical behaviors.
2. Respite homes/therapeutic group homes)
    - Options via CMH's and options via foster care network
    - Allow for emergency physical intervention in respite homes/therapeutic group homes (often confused with Seclusion and Restraint policies).
    - Support development of regional respite homes/therapeutic group homes.
3. Evidence Based Structures
    - Refer to TFC models that include: 24/7 trained on call that includes more than behavioral health, monthly "regular" respite homes that are trained foster homes.
4. Co-deployed mobile crisis teams – DHHS worker paired with a CMH worker.
5. Daily rate increases for all Foster Care Parents outside the Level of Difficulty Scale.
6. Financial support to CMH system to support this level of on-going family education and family strengthening.
7. Michigan to apply for federal family preservation dollars to support evidence-based family treatment and supports.

Access to Mental Health Care and Bio-Psycho-Social Assessment of Children in Child Welfare System:

1. Determine a coordinated and collaborative approach to providing bio/psycho/social assessments of and services to children, youth, and families in Michigan's child welfare system
2. Add or expand, where they exist, Navigators (persons with lived experience) to the teams of CMHSPs and local MDHHS CSA offices – to serve, in many cases, as the first contact with children in foster care and other out-of-home settings

3. Pilot models that locally examine/map referral process and revise the referral process based on this examination/mapping.
4. Broaden mandate and funding of CMH system to provide these initial assessments.
5. Incentivize behavioral health workforce in the areas of Trauma and Parenting Skills (we have practices and codes that set the stage for this).
6. Create and support workforce recruitment and retention strategies that address the causes of behavioral health providers leaving the field – the high risk and complex work with families and the significant demand on them for compliance -focused tasks.
7. Ensure that all parties understand the behavioral health benefit currently managed by the Medicaid Health Plans to the CMHSP/PIHP system. Benefit boundary is described on page 2 of the Behavioral Health section of the Michigan Medicaid Manual.

Consistent and Stable Home

1. Involve biological parents, at the onset of treatment.
2. Train and support foster parents to keep kids in their home as opposed to disrupted placement. See recommendations above.
3. Design and expand resources to support children in the least restrictive settings whenever possible while ensuring access to psychiatric inpatient, specialized residential, foster/kinship care, family home, and other safe and stable settings when needed.
4. Allow for emergency physical intervention in respite homes/therapeutic group homes to ensure that those settings are available to children, youth, and family as needed (often confused with Seclusion and Restraint policies).

Community Mental Health Association of Michigan

Recommendations for a coordinated and collaborative approach to providing screening and assessments of and mental health services to children, youth, and families in foster care settings [1]

August 2023

Background

In the spring of 2023, MDHHS leadership proposed that CMHA work with the Department's Childrens Services Administration (CSA, which oversees the state's child welfare system) and the recently created Bureau of Children's Coordinated Health Policy and Supports to address issues that had arisen related to the relationship between the state's child welfare and CMHSP system.

In responding to that invitation, CMHA pulled together a group of children's mental health services leaders from within the state's CMHSPs and providers. That group and MDHHS leadership met to identify the issues that were hindering a productive working relationship between these two systems and the steps that could be taken to strengthen the partnership between these two systems.

This effort has resulted in a substantial list of recommendations for improving the partnership between Michigan's community mental health and child welfare systems. From that list, a **focused set of concrete steps** have been identified by this workgroup for action in the short/immediate term. That focused set of concrete steps and the complete list of recommendations is attached. **This document focuses on one of these concrete steps.**

Recommendations for a coordinated and collaborative approach to providing bio/psycho/social assessments of and mental health services to children, youth, and families in foster care settings

One of the focused action steps in the document cited above is the development of the expectations for how the state's child welfare system and the CMH/PIHP/Provider system could ensure a coordinated and collaborative approach to providing bio/psycho/social assessments of and mental health services to children and youth in foster care settings.

CMHA conducted a focus group to ensure a broad representation of Michigan's children's mental health leaders representing the community-based children's mental health system. Below are the **recommendations agreed upon for a framework of a coordinated and collaborative approach to providing bio/psycho/social assessments to and services to children, youth, families in foster care settings.**

A. Who would make the initial contact with or referral to CMH or CMH provider.

The foster parents, foster care worker, or child placing agency can make that contact if they have the authority to consent to treatment for the child and youth Additionally, where they exist Mental Health Navigators can provide this liaison/connecting role, cutting through inter-system complexity.

[1] Early in 2023, MDHHS worked with several CMHs to develop an approach to serving children and youth in the state's child welfare system. The results of that work should be used to guide this effort, in addition to the recommendations contained in this document.

B. What children and youth would receive an initial mental health screening or bio/psycho/social assessment by CMH or CMH provider. [2]

Options and analysis of options:

Option 1. CMH or CMH provider screens and, when needed, provides bio/psycho/social assessment and services, of all children in Michigan's foster care system.

Benefits:
a. Ensures access to high quality screening and assessment, by Masters trained clinicians, with knowledge of comprehensive set of community-based resources.
b. Eliminates the seam between the systems that serve children/youth with serious mental health needs (CMH and CMH providers) and those with mild/moderate mental health needs (Medicaid Health Plan providers)
c. Improves access to mental health services, for children and adolescents with mild to moderate mental health needs in communities in which access to these services, through the benefit managed by the private health plans, is non-existent.

Detriments:
a. Without the closing or narrowing of the deep and prolonged behavioral health workforce gap and funding for additional children's mental health clinicians, the system does not have the clinical staff to provide screening nor assessment for all of the children and youth in Michigan's foster care system while continuing to meet the needs pf children, youth, and families with needs of greater severity who are not in foster care settings.
b. Removes responsibility to serve children/youth with mild/moderate mental health needs from Medicaid Health Plans – responsibility for which Michigan pays the Plans and requires the movement of this responsibility and related capitation from the MHPs to the PIHPs.

Option 2. CMH or CMH provider screens and/or assesses (as needed) children and youth who fit criteria for referral for any level of Medicaid mental health services (mild to serious). The foster families, foster care workers, and child placing agencies would be trained in the use of these criteria. (The development of CANS-based referral criteria, potentially with the results of the MDHHS trauma screening tool (Form 5720), may be a sound cross-system approach.) The foster families, foster care workers, and child placing agencies would be trained in the use of these criteria.

Benefits:
a. Focuses scarce resources on meeting needs of children and youth with identified need
b. Ensures that system with access to the broadest array of children's mental health services makes initial contact.

Detriments:
a. May cause some children or youth, who are not identified by foster care system, to have mental health needs unmet.

[2] Once the option for determination as to which children and youth in foster care settings should be screened and, as needed, assessed by the CMH, CMH provider, or provider in the Medicaid Health Plan network, the appropriate timing and location of these screenings can be determined and reflected in these recommendations.

b. Removes responsibility to serve children/youth with mild/moderate mental health needs from Medicaid Health Plans – responsibility for which Michigan pays the Plans and requires the movement of this responsibility and related capitation from the MHPs to the PIHPs.

Option 3. CMH or CMH provider screens and/or assesses (as needed) children and youth who fit criteria for Medicaid benefit provided by the CMH and CMH provider system (moderate to severe). The development of CANS-based referral criteria, potentially with the results of the MDHHS trauma screening tool (Form 5720), may be a sound cross-system approach.

Providers in Medicaid Health Plan provider network screen and/or assess (as needed) children and youth who fit criteria for Medicaid benefit managed by Medicaid Health Plans (mild to moderate). (The development of CANS-based referral criteria, potentially with the results of the MDHHS trauma screening tool (Form 5720), may be a sound cross-system approach.)

The foster families, foster care workers, and child placing agencies would be trained in the use of these criteria.

Benefits:

a. Focuses scarce resources on meeting needs of children and youth according to severity of need
b. Ensures that the systems with the responsibility for serving children and youth with varying levels of mental health needs retain that responsibility.

Detriments:

a. Retains the seam between the systems that serve children/youth with serious mental health needs (CMH and CMH providers) and those with mild/moderate mental health needs (Medicaid Health Plan providers)
b. May be delayed due to need for clinicians, in the CMH, PIHP, and provider systems, time to develop expertise in the use of CANS to differentiate between mild/moderate and serious emotional disturbance.

C. What would be the focus of the screenings.

Screening, when done by CMH, CMH provider, or provider in the Medicaid Health Plan network, should distinguish between the need for mental health services to the child/youth and the supports needed by foster parents. This determination should be done in partnership with foster parents, foster care workers, and child placing agency.

D. What services would be provided by the CMH, CMH provider, or providers in the Medicaid Health Plan networks.

Based on the assessment, family-centered planning, and the determination of the responsible Medicaid provider system (CMH and CMH provider or provider in the Medicaid Health Plan network), the appropriate Medicaid services would be provided.

Needed is a method to determine if and how federal Title IVE dollars are being used to provide behavioral health services to children in Michigan's foster care system – to ensure that Medicaid funded services, provided by the CMH, CMH provider, or Medicaid Health Plan network providers are used in collaboration with and not supplanting those dollars.

Needed is clarity around the role of CMHs, PIHPs, and providers in the networks of CMHs, PIHPs, and Medicaid Health Plans in making mental health services and supports decisions, as the mental health providers to Michigan's children, youth, and families enrolled in Medicaid.

Needed is clarity around the centrality of family-centered planning and medical necessity in decision making relative to the provision of Medicaid mental health services.

E. What support for and training of foster parents would be in place and who should provide them.

The CMHs, PIHPs, and providers in their networks can be partners in the development of training to foster families and partners in providing support to foster families, with the foster care workers, child placing agencies, and CSA as the lead of foster care parent training and support.

A training curriculum and set of resources (live, recorded, written materials) and regular meetings involving the CMH and CMH providers with foster parents, foster care workers and child placing agencies addressing:

- Behaviors of the child or youth should trigger a mental health referral, including non-urgent; urgent; or crisis.
- Child and youth development and parenting skills (especially around challenging behaviors), trauma-informed care, grief and loss, breadth of behaviors to be expected, parent management training, compassion fatigue.
- Safety planning, including options for securing respite and needed breaks.

This training can build on the current requirement of foster parents to receive training, adding the areas identified above to the foster family training curriculum. This training and on-going support and training would be part of the core curriculum for all foster parents so that it not seen as needed by "troubled" parents. Draw from local training already being done, build it out relative to content and modality, to build a statewide training curriculum and set of resources.

It is key that this training is not seen as a sign that the foster parents have a deficit in their parenting skills. Rather, this training and on-going dialogue should be seen as essential resource to foster families.

F. What regular dialogue and joint planning would occur between the child welfare and CMH in each community.

Build on the processes developed in many communities between the child welfare and CMH system as well as those used in primary care/behavioral health care integration efforts. These approaches include regular dialogue around processes, collaborative efforts, and child/youth/family-specific issues with the aim of developing and maintaining a collaborative partnership. These discussions could include a range of topics (many of which are akin to the training provided to foster parents):

- The roles, policies, practices of the child welfare and CMH/CMH provider/PIHP systems.
- Behaviors of the child or youth should trigger a mental health referral, including non-urgent; urgent; or crisis.
- Case-specific joint problem solving and action planning around complex or urgent situations
- Child and youth development and parenting skills needed by foster parents (especially around challenging behaviors), trauma-informed care, grief and loss, breadth of behaviors to be expected, parent management training, compassion fatigue and the role CSA, child placing agencies, and CMH/PIHP/Providers in the provision of this skill development.

- Underscoring the role of CMH and CMH provider and providers in the networks of the Medicaid Health Plan in making mental health services and supports decisions and the centrality of family-centered planning and medical necessity in those decisions.
- Reinforcing clarity around when foster family supports are needed and when mental health treatment of the child/youth is needed.

G. How would youth with mental health needs, who are approaching adulthood, be supported in transitioning to the adult mental health system, if needed.

Early transition planning, initiated by the foster care worker or child placing agency, with the CMH, CMH provider, or Medicaid Health Plan provider, to adult mental health services or extended youth services (i.e., wraparound), for youth in foster care who are approaching the age to be aging-out of the foster care system.

Day of Education

BETTER TOGETHER: DON'T JUDGE ME, UNDERSTAND ME

September 8, 2023

Treetops Resort

3962 Wilkinson Road, Gaylord

AGENDA

9:30AM - 10:30AM: Registration & Light Breakfast
10:30AM - 10:45AM; Welcome
10:45AM - 11:45AM: Discussion Panel
11:45AM - 12:00PM: Door Prizes
12:00PM - 1:00PM: Lunch and Entertainment
1:00PM - 1:50PM: Breakout Sessions
2:00PM - 3:00PM: Keynote Speaker, **Joseph Reid**
3:00PM - 3:30PM: Evaluation and Dismissal

Throughout the Day: Health Checks with Vicki Holloway, RN

Please register before August 31, 2023 by scanning the QR code, or contacting the NMRE at 833.285.0050

NORTHERN MICHIGAN REGIONAL ENTITY
FINANCE COMMITTEE MEETING
10:00AM – AUGUST 9, 2023
VIA TEAMS

ATTENDEES:	**Brian Babbitt, Connie Cadarette, Lauri Fischer, Ann Friend, Chip Johnston, Nancy Kearly, Eric Kurtz, Donna Nieman, Larry Patterson, Brandon Rhue, Nena Sork, Jennifer Warner, Tricia Wurn, Deanna Yockey, Carol Balousek**

REVIEW AGENDA & ADDITIONS
No additions to the meeting agenda were requested.

REVIEW PREVIOUS MEETING MINUTES
The July minutes were included in the materials packet for the meeting.

MOTION BY CONNIE CADARETTE TO APPROVE THE MINUTES OF THE JULY 12, 2023 NORTHERN MICHIGAN REGIONAL ENTITY REGIONAL FINANCE COMMITTEE MEETING; SUPPORT BY ANN FRIEND. MOTION APPROVED.

MONTHLY FINANCIALS
June 2023

- Net Position showed net surplus Medicaid and HMP of $3,953,501. Budget stabilization was reported as $16,369,542. The total Medicaid and HMP Current Year Surplus was reported as $20,323,043. Medicaid and HMP combined ISF was reported as $16,369,542; the total Medicaid and HMP net surplus, including carry forward and ISF was reported as $36,692,585.
- Traditional Medicaid showed $148,604,892 in revenue, and $147,284,975 in expenses, resulting in a net surplus of $1,319,917. Medicaid ISF was reported as $9,306,578 based on the current FSR. Medicaid Savings was reported as $7,742,649.
- Healthy Michigan Plan showed $26,426,138 in revenue, and $23,792,554 in expenses, resulting in a net surplus of $2,633,584. HMP ISF was reported as $7,062,964 based on the current FSR. HMP savings was reported as $8,626,893.
- Health Home showed $1,738,486 in revenue, and $1,510,609 in expenses, resulting in a net surplus of $227,877.
- SUD showed all funding source revenue of $23,407,402, and $19,612,791 in expenses, resulting in a net surplus of $3,794,611. Total PA2 funds were reported as $4,836,119.

It was noted that Centra Wellness, Northeast Michigan, and Northern Lakes are spending into their benefit stabilization funds. Ann shared that North Country is redoing provider rates, which will lower its surplus. For FY23, $2.7M in PA2 funds were approved; of that, $1.3M has been spent, The remaining PA2 funds will roll into FY24.

MOTION BY DONNA NIEMAN TO RECOMMEND APPROVAL OF THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR JUNE 2023; SUPPORT BY CONNIE CADARETTE. MOTION APPROVED.

EDIT UPDATE

The minutes from July 20th were included in the meeting materials. Agenda topics included:

1) H0018 & H0019 codes were discussed. Room & Board costs are not allowed by Medicaid.
2) The committee discussed the possibility of including encounters for each phase of the planning process for Independent Facilitation: 1) Pre-planning, 2) Planned Facilitation, and 3) follow-up Facilitation. The decision was made to take the matter to the IF workgroup for further discussion.
3) It was noted that the code chart allows 93372 Medication Administration by a Certified Medical Assistant. The Medicaid Provider Manual, however, states that "Medicaid covers services delegated to unlicensed/certified persons only when the delegating physician or licensed non-physician practitioner is physically present and providing direct supervision." The Medicaid Provider Manual will be updated to align with the code chart.
4) Period 2 EQI templates have been distributed. The group is working on 1st and 3rd party interactions. Chip referenced section 330.1226a of the Mental Health code, which details the requirements for special fund accounts for third party reimbursements. Chip stressed that general funds may not be used for Medicaid copays. The GF line item in the fiscal appropriations is for "NON-MEDICAID" individuals only. It was noted that the H0005 group modifiers will be retroactive to October 1, 2022.
5) MDHHS, in consultation with the COB workgroup, has decided to forgo a FY24 implementation requiring capitated funds for COB encounters to be broken out by fund source. MDHH is in the process of updating technical documents to reflect these changes.
6) The Appendix Subgroup is in the final stages of reviewing the proposed changes.
7) A request has been made to add H0002 SUD Screenings as a service code for SUD.
8) The Y5 modifier for H2023 is an individual service only and should not be included in the group modifiers.
9) For nursing home monitoring (T1017) by telehealth, the place of service code 32 should be used.

Donna noted that the meeting also included a lot of discussion about CCBHC but that wasn't presented as the NMRE does not participate.

Eric shared that he heard from NMRE Clinical Services Director, Bea Arsenov, that a QJ modifier has been added for jail services. Donna indicated that that wasn't discussed during the meeting but she will bring it up during but she will raise the question during the next one.

Lauri asked if any of the Boards have enrolled in the jail services Fee-for-Service. Donna responded that she believes that the topic is still out for comment.

The next EDIT meeting is scheduled for October 19th at 10:00AM.

FSR

The Projected FSR is due on August 15th. Deanna is gathering the parts; she will be reaching out to a couple Boards for clarification. The Interim FSR is due November 1st. Reports will be due to the NMRE by the morning of October 23rd. Lauri noted that the CMHSP General Fund contract states that the Interim FSR is due on November 10th. Deanna agreed to seek clarification on the due date and report back to the group.

DRAFT

EQI UPDATE

Donna agreed to send guidance regarding the required tabs via email (same as Period 2 of FY22). The Report is due on October 2nd. Reports from the Boards will be due to the NMRE September 20th. Encounter corrections are due September 1st. Milliman is pulling data on September 3rd. The NMRE will pull data on September 5th.

HSW OPEN SLOTS

Deanna reported that there are 35 open slots in the region. Each slot is equivalent to $5,000 in monthly revenue ($175,000 per month). HSW revenue for FY23 has dipped from FY22.

GASB 96

GASB Statement No. 96, Subscription-based Information Technology Arrangements, was issued by the GASB in May 2020 and will be effective for the Entity's fiscal year ending September 30, 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

Connie noted that this process has been more difficult than anticipated. Northeast Michigan plans to include one journal entry at the end of the year. Donna indicated that most SPITAs for Centra Wellness won't qualify, but she acknowledged that she hasn't done a deep dive into it. Connie requested that any tips from the CFOs as they go through the process be shared. Ann agreed to share a workbook she received with the committee.

FY24 BUDGET

FY24 revenue is currently unknown. A Rate Setting meeting is scheduled for August 23rd at 4:00PM. Deanna agreed to reach out to other regions to see how they're handling revenue projections; she will get numbers to the Boards as quickly as possible. Donna noted that Centra Wellness has a budget hearing on August 23rd. Lauri is presenting Northern Lakes' budget to its Board on August 17th; she will issue amendments if needed. Donna indicated that for Centra Wellness, she took the difference in eligibility and the most recent average rates and divided it in half and included a 6% increase in rates; this resulted in a PM/PM decrease of approximately 5%. Brian suggested that some regional assumptions be considered. Eric agreed to add this topic to the August Operations Committee meeting agenda.

Eric indicates that the biggest unknown is the HMP redeterminations (rate was reduced by $10), the rest should be similar to the current year. The FY23 carry forward may be utilized if Boards overspend PM/PM. Eric would hope to not dip into the ISF in FY24. Although big financial swings are occurring in CCBHC regions, MDHHS has indicated that the NMRE should not be affected by the impact of the CCBHC on rates.

Deanna noted that FY22 HMP revenue was $30,640,000; FY23 HMP revenue was $35,000,000. Deanna clarified that the increase was mostly due to SUD.

Donna drew attention to the increase in HSW rates for FY24.

Eric expressed that the bottom line is that there has been a composite factor increase of 2.5%; the NMRE's geographic has a negative impact of (2.5%). Therefore, budgeting should remain flat, but acknowledged the unknown impact of HMP redeterminations.

It was noted that local contributions did not decrease this year.

NORTH HOPE CRU BILLING

This topic was placed on the meeting Agenda as a follow-up from the August 3rd BIT meeting. Northern Lakes holds a capacity contract with Hope Network. Admissions will be paid with remaining SAMHSA grant funds, until they are exhausted. The process of billing under this arrangement has been discussed. Ann noted that she is meeting with North Country's PCE representative soon and plans to raise the issue. At this time, North Country plans to submit encounters through claims, using "North Hope" as the Provider and "Northern Lakes Grant" as the funding source with zero-dollar amounts. Lauri met with Northern Lakes' PCE representative on August 7th. The suggestion was made for both PCE reps to collaborate on the process.

NEXT MEETING

The next meeting was scheduled for September 13th at 10:00AM.

DRAFT

Chief Executive Officer Report

August 2023

This report is intended to brief the NMRE Board on the CEO's activities since the last Board meeting. The activities outlined are not all inclusive of the CEO's functions and are intended to outline key events attended or accomplished by the CEO.

Aug 1: Attended and participated in PIHP CEO Meeting.

Aug 2: Attended and participated in Rural Frontier Advisory Group.

Aug 3: Attended and participated in MDHHS PIHP CEO Meeting.

Aug 7: Attended and participated in Standish Prison Tour.

Aug 8: Attended and participated in MOIG Contract Meeting.

Aug 9: Attended and participated in Regional Finance Committee Meeting.

Aug 9: Attended and participated in MDHHS PIHP Contract Negotiations Meeting.

Aug 10: Attended and presented at CWN Board Planning session.

Aug 14: Met with MDHHS Contract Manager.

Aug 15: Met with Rehman regarding NLCMHA Management Audit.

Aug 15: Chaired NMRE Operations Committee Meeting.

Aug 16: Attended and participated in NLCMHA Munson Crisis Team Meeting.

Northern Michigan Regional Entity

June 2023

Finance Report

June 2023 Financial Summary

Funding Source	YTD Net Surplus (Deficit)	Carry Forward	ISF
Medicaid	1,319,917	7,742,649	9,306,578
Healthy Michigan	2,633,584	8,626,893	7,062,964
	$ 3,953,501	$ 16,369,542	$ 16,369,542

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Net Surplus (Deficit) MA/HMP	1,172,419	2,485,595	(1,639,571)	2,204,719	(1,704,971)	1,885,303	(449,994)	$ 3,953,501
Budget Stabilization Full Year		1,878,908	4,919,342	4,095,691	2,272,462	1,955,236	1,247,903	16,369,542
Total Med/HMP Current Year Surplus	1,172,419	4,364,503	3,279,771	6,300,410	567,491	3,840,539	797,909	$ 20,323,043
Medicaid & HMP Internal Service Fund								16,369,542
Total Medicaid & HMP Net Surplus								$ 36,692,585

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health

October 1, 2022 through June 30, 2023

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Traditional Medicaid (inc Autism)								
Revenue								
Revenue Capitation (PEPM)	$ 143,847,773	$ 4,757,119						$ 148,604,892
CMHSP Distributions	(138,598,784)		45,447,974	38,086,796	23,451,613	19,484,845	12,127,555	-
1st/3rd Party receipts			-	-	-	-	-	-
Net revenue	5,248,989	4,757,119	45,447,974	38,086,796	23,451,613	19,484,845	12,127,555	148,604,892
Expense								
PIHP Admin	1,792,267	46,864						1,839,131
PIHP SUD Admin		46,308						46,308
SUD Access Center		29,643						29,643
Insurance Provider Assessment	1,288,914	30,039						1,318,953
Hospital Rate Adjuster	1,078,000							1,078,000
Services		3,643,171	46,453,433	36,844,021	25,594,257	17,909,833	12,528,225	142,972,940
Total expense	4,159,181	3,796,025	46,453,433	36,844,021	25,594,257	17,909,833	12,528,225	147,284,975
Net Actual Surplus (Deficit)	$ 1,089,808	$ 961,094	$ (1,005,459)	$ 1,242,775	$ (2,142,644)	$ 1,575,012	$ (400,670)	$ 1,319,917

Notes

Medicaid ISF - $9,306,578 - based on current FSR

Medicaid Savings - $7,742,649

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health
October 1, 2022 through June 30, 2023

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Healthy Michigan								
Revenue								
Revenue Capitation (PEPM)	$ 16,592,692	$ 9,833,446						$ 26,426,138
CMHSP Distributions	(15,265,616)		5,554,834	4,624,293	1,895,331	1,917,755	1,273,404	0
1st/3rd Party receipts			-	-	-	-	-	-
Net revenue	1,327,076	9,833,446	5,554,834	4,624,293	1,895,331	1,917,755	1,273,404	26,426,138
Expense								
PIHP Admin	183,165	102,541						285,706
PIHP SUD Admin		101,325						101,325
SUD Access Center		64,861						64,861
Insurance Provider Assessment	120,667	68,731						189,398
Hospital Rate Adjuster	940,632							940,632
Services		7,971,487	6,188,946	3,662,349	1,457,658	1,607,464	1,322,728	22,210,632
Total expense	1,244,464	8,308,945	6,188,946	3,662,349	1,457,658	1,607,464	1,322,728	23,792,554
Net Surplus (Deficit)	$ 82,612	$ 1,524,501	$ (634,112)	$ 961,944	$ 437,673	$ 310,291	$ (49,324)	$ 2,633,584

Notes
HMP ISF - $7,062,964 - based on current FSR
HMP Savings - $8,626,893

Net Surplus (Deficit) MA/HMP	**$ 1,172,419**	**$ 2,485,595**	**$ (1,639,571)**	**$ 2,204,719**	**$ (1,704,971)**	**$ 1,885,303**	**$ (449,994)**	**$ 3,953,501**
Medicaid Carry Forward								**16,369,542**
Total Med/HMP Current Year Surplus								$ 20,323,043
Medicaid & HMP ISF - based on current FSR								**16,369,542**
Total Medicaid & HMP Net Surplus (Deficit) including Carry Forward and ISF								**$ 36,692,585**

Northern Michigan Regional Entity

Funding Source Report - PIHP

Mental Health
October 1, 2022 through June 30, 2023

	NMRE MH	NMRE SUD	Northern Lakes	North Country	Northeast	AuSable Valley	Centra Wellness	PIHP Total
Health Home								
Revenue								
Revenue Capitation (PEPM)	$ 367,948		491,709	241,116	101,430	134,422	401,861	$ 1,738,486
CMHSP Distributions	-							-
1st/3rd Party receipts								-
Net revenue	367,948	-	491,709	241,116	101,430	134,422	401,861	1,738,486
Expense								
PIHP Admin	18,790							18,790
BHH Admin	31,082							31,082
Insurance Provider Assessment	-							-
Hospital Rate Adjuster								
Services	90,199		491,709	241,116	101,430	134,422	401,861	1,460,737
Total expense	140,071	-	491,709	241,116	101,430	134,422	401,861	1,510,609
Net Surplus (Deficit)	$ 227,877	$ -	$ -	$ -	$ -	$ -	$ -	$ 227,877

Northern Michigan Regional Entity

Funding Source Report - SUD

Mental Health
October 1, 2022 through June 30, 2023

	Medicaid	Healthy Michigan	Opioid Health Home	SAPT Block Grant	PA2 Liquor Tax	Total SUD
Substance Abuse Prevention & Treatment						
Revenue	$ 4,757,119	$ 9,833,446	$ 3,196,125	$ 4,234,372	$ 1,386,340	$ 23,407,402
Expense						
Administration	93,172	203,866	44,864	297,074		638,975
OHH Admin			87,990	-		87,990
Access Center	29,643	64,861	-	24,172		118,676
Insurance Provider Assessment	30,039	68,731	-			98,770
Services:						
Treatment	3,643,171	7,971,487	1,754,256	2,970,735	1,386,340	17,725,989
Prevention	-	-	-	848,651	-	848,651
ARPA Grant	-	-	-	93,740	-	93,740
Total expense	3,796,025	8,308,945	1,887,110	4,234,372	1,386,340	19,612,791
PA2 Redirect			-	-	-	-
Net Surplus (Deficit)	$ 961,094	$ 1,524,501	$ 1,309,015	$ -	$ -	$ 3,794,611

Northern Michigan Regional Entity

Statement of Activities and Proprietary Funds Statement of

Revenues, Expenses, and Unspent Funds
October 1, 2022 through June 30, 2023

	PIHP MH	PIHP SUD	PIHP ISF	Total PIHP
Operating revenue				
Medicaid	$ 143,847,773	$ 4,757,119	$ -	$ 148,604,892
Medicaid Savings	7,742,649	-	-	7,742,649
Healthy Michigan	16,592,692	9,833,446	-	26,426,138
Healthy Michigan Savings	8,626,893	-	-	8,626,893
Health Home	1,738,486	-	-	1,738,486
Opioid Health Home	-	3,196,125	-	3,196,125
Substance Use Disorder Block Grant	-	4,234,372	-	4,234,372
Public Act 2 (Liquor tax)	-	1,386,339	-	1,386,339
Affiliate local drawdown	446,112	-	-	446,112
Performance Incentive Bonus	626,931	-	-	626,931
Miscellanous Grant Revenue	-	4,000	-	4,000
Veteran Navigator Grant	72,436	-	-	72,436
SOR Grant Revenue	-	1,242,123	-	1,242,123
Gambling Grant Revenue	-	77,592	-	77,592
Other Revenue	960	-	5,701	6,661
Total operating revenue	179,694,932	24,731,116	5,701	204,431,749
Operating expenses				
General Administration	2,233,468	518,405	-	2,751,873
Prevention Administration	-	89,485	-	89,485
OHH Administration	-	87,990	-	87,990
BHH Administration	31,082	-	-	31,082
Insurance Provider Assessment	1,409,581	98,770	-	1,508,351
Hospital Rate Adjuster	2,018,632	-	-	2,018,632
Payments to Affiliates:				
Medicaid Services	139,297,008	3,643,171	-	142,940,179
Healthy Michigan Services	14,249,410	7,971,487	-	22,220,897
Health Home Services	1,460,737	-	-	1,460,737
Opioid Health Home Services	-	1,754,256	-	1,754,256
Community Grant	-	2,970,735	-	2,970,735
Prevention	-	759,166	-	759,166
State Disability Assistance	-	-	-	-
ARPA Grant	-	93,740	-	93,740
Public Act 2 (Liquor tax)	-	1,386,340	-	1,386,340
Local PBIP	2,184,506	-	-	2,184,506
Local Match Drawdown	446,112	-	-	446,112
Miscellanous Grant	-	4,000	-	4,000
Veteran Navigator Grant	72,436	-	-	72,436
SOR Grant Expenses	-	1,242,123	-	1,242,123
Gambling Grant Expenses	-	77,592	-	77,592
Total operating expenses	163,402,972	20,697,260	-	184,100,232
CY Unspent funds	16,291,960	4,033,856	5,701	20,331,517
Transfers In	-	-	-	-
Transfers out	-	-	-	-
Unspent funds - beginning	2,636,590	5,408,166	16,369,542	24,414,298
Unspent funds - ending	$ 18,928,550	$ 9,442,022	$ 16,375,243	$ 44,745,815

Northern Michigan Regional Entity

Statement of Net Position

June 30, 2023

	PIHP MH	PIHP SUD	PIHP ISF	Total PIHP
Assets				
Current Assets				
Cash Position	$ 46,268,285	$ 6,829,714	$ 16,375,243	$ 69,473,242
Accounts Receivable	15,235,296	3,652,144	-	18,887,440
Prepaids	65,928	-	-	65,928
Total current assets	61,569,509	10,481,858	16,375,243	88,426,610
Noncurrent Assets				
Capital assets	125,002	-	-	125,002
Total Assets	61,694,511	10,481,858	16,375,243	88,551,612
Liabilities				
Current liabilities				
Accounts payable	42,522,892	1,039,836	-	43,562,728
Accrued liabilities	243,069	-	-	243,069
Unearned revenue	-	-	-	-
Total current liabilities	42,765,961	1,039,836	-	43,805,797
Unspent funds	$ 18,928,550	$ 9,442,022	$ 16,375,243	$ 44,745,815

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Mental Health
October 1, 2022 through June 30, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Medicaid					
* Capitation	$ 187,752,708	$ 140,814,531	$ 143,847,773	$ 3,033,242	2.15%
Carryover	11,400,000	11,400,000	7,742,649	(3,657,351)	(0)
Healthy Michigan					
Capitation	19,683,372	14,762,529	16,592,692	1,830,163	12.40%
Carryover	5,100,000	5,100,000	8,626,893	3,526,893	69.15%
Health Home	1,451,268	1,088,451	1,738,486	650,035	59.72%
Affiliate local drawdown	594,816	446,112	446,112	-	0.00%
Performance Bonus Incentive	1,334,531	1,334,531	626,931	(707,600)	(53.02%)
Miscellanous Grants	-	-	-	-	0.00%
Veteran Navigator Grant	110,000	82,503	72,436	(10,067)	(12.20%)
Other Revenue	-	-	960	960	0.00%
Total operating revenue	227,426,695	175,028,657	179,694,932	4,666,275	2.67%
Operating expenses					
General Administration	3,591,836	2,672,942	2,233,468	439,474	16.44%
BHH Administration	-	-	31,082	(31,082)	0.00%
Insurance Provider Assessment	1,897,524	1,423,143	1,409,581	13,562	0.95%
Hospital Rate Adjuster	4,571,328	3,428,496	2,018,632	1,409,864	41.12%
Local PBIP	1,737,753	-	2,184,506	(2,184,506)	0.00%
Local Match Drawdown	594,816	446,112	446,112	-	0.00%
Miscellanous Grants	-	-	-	-	0.00%
Veteran Navigator Grant	110,004	68,787	72,436	(3,649)	(5.30%)
Payments to Affiliates:					
Medicaid Services	176,618,616	132,463,962	139,297,008	(6,833,046)	(5.16%)
Healthy Michigan Services	17,639,940	13,229,955	14,249,410	(1,019,455)	(7.71%)
Health Home Services	1,415,196	1,061,397	1,460,737	(399,340)	(37.62%)
Total operating expenses	208,177,013	154,794,794	163,402,972	(8,608,178)	(5.56%)
CY Unspent funds	$ 19,249,682	$ 20,233,863	16,291,960	$ (3,941,903)	
Transfers in			-		
Transfers out			-	163,402,972	
Unspent funds - beginning			2,636,590		
Unspent funds - ending			$ 18,928,550	16,291,960	

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Substance Abuse
October 1, 2022 through June 30, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Medicaid	$ 4,678,632	$ 3,508,974	$ 4,757,119	$ 1,248,145	35.57%
Healthy Michigan	11,196,408	8,397,306	9,833,446	1,436,140	17.10%
Substance Use Disorder Block Grant	6,467,905	4,850,928	4,234,372	(616,556)	(12.71%)
Opioid Health Home	3,419,928	2,564,946	3,196,125	631,179	24.61%
Public Act 2 (Liquor tax)	1,533,979	511,326	1,386,339	875,013	171.13%
Miscellanous Grants	4,000	3,000	4,000	1,000	33.33%
SOR Grant	2,043,984	1,532,988	1,242,123	(290,865)	(18.97%)
Gambling Prevention Grant	200,000	150,000	77,592	(72,408)	(48.27%)
Other Revenue	-	-	-	-	0.00%
Total operating revenue	29,544,836	21,519,468	24,731,116	3,211,648	14.92%
Operating expenses					
Substance Use Disorder:					
SUD Administration	1,082,576	766,935	518,405	248,530	32.41%
Prevention Administration	118,428	88,821	89,485	(664)	(0.75%)
Insurance Provider Assessment	113,604	85,203	98,770	(13,567)	(15.92%)
Medicaid Services	3,931,560	2,948,670	3,643,171	(694,501)	(23.55%)
Healthy Michigan Services	10,226,004	7,669,503	7,971,487	(301,984)	(3.94%)
Community Grant	2,074,248	1,555,686	2,970,735	(1,415,049)	(90.96%)
Prevention	634,056	475,542	759,166	(283,624)	(59.64%)
State Disability Assistance	95,215	71,413	-	71,413	100.00%
ARPA Grant	-	-	93,740	(93,740)	0.00%
Opioid Health Home Admin	-	-	87,990	(87,990)	0.00%
Opioid Health Home Services	3,165,000	2,373,750	1,754,256	619,494	26.10%
Miscellanous Grants	4,000	3,000	4,000	(1,000)	(33.33%)
SOR Grant	2,043,984	1,532,988	1,242,123	290,865	18.97%
Gambling Prevention	200,000	150,000	77,592	72,408	48.27%
PA2	1,533,978	511,326	1,386,340	(875,014)	(171.13%)
Total operating expenses	25,222,653	18,232,837	20,697,260	(2,464,423)	(13.52%)
CY Unspent funds	$ 4,322,183	$ 3,286,631	4,033,856	$ 747,225	
Transfers in			-		
Transfers out			-		
Unspent funds - beginning			5,408,166		
Unspent funds - ending			$ 9,442,022		

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Mental Health Administration

October 1, 2022 through June 30, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
General Admin					
Salaries	$ 1,921,812	$ 1,441,359	$ 1,260,338	$ 181,021	12.56%
Fringes	666,212	475,218	429,809	45,409	9.56%
Contractual	683,308	512,487	320,115	192,372	37.54%
Board expenses	18,000	13,500	12,677	823	6.10%
Day of recovery	14,000	14,000	1,192	12,808	91.49%
Facilities	152,700	114,525	104,288	10,237	8.94%
Other	135,804	101,853	105,049	(3,196)	(3.14%)
Total General Admin	$ 3,591,836	$ 2,672,942	$ 2,233,468	$ 439,474	16.44%

Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - Substance Abuse Administration

October 1, 2022 through June 30, 2023

	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
SUD Administration					
Salaries	$ 502,752	$ 377,064	$ 210,817	$ 166,247	44.09%
Fringes	145,464	109,098	53,563	55,535	50.90%
Access Salaries	220,620	165,465	85,087	80,378	48.58%
Access Fringes	67,140	50,355	33,589	16,766	33.30%
Access Contractual	-	-	-	-	0.00%
Contractual	129,000	56,250	110,944	(54,694)	(97.23%)
Board expenses	5,000	3,753	3,110	643	17.13%
Day of Recover	-	-	11,040	(11,040)	0.00%
Facilities	-	-	-	-	0.00%
Other	12,600	4,950	10,255	(5,305)	(107.17%)
Total operating expenses	$ 1,082,576	$ 766,935	$ 518,405	$ 248,530	32.41%

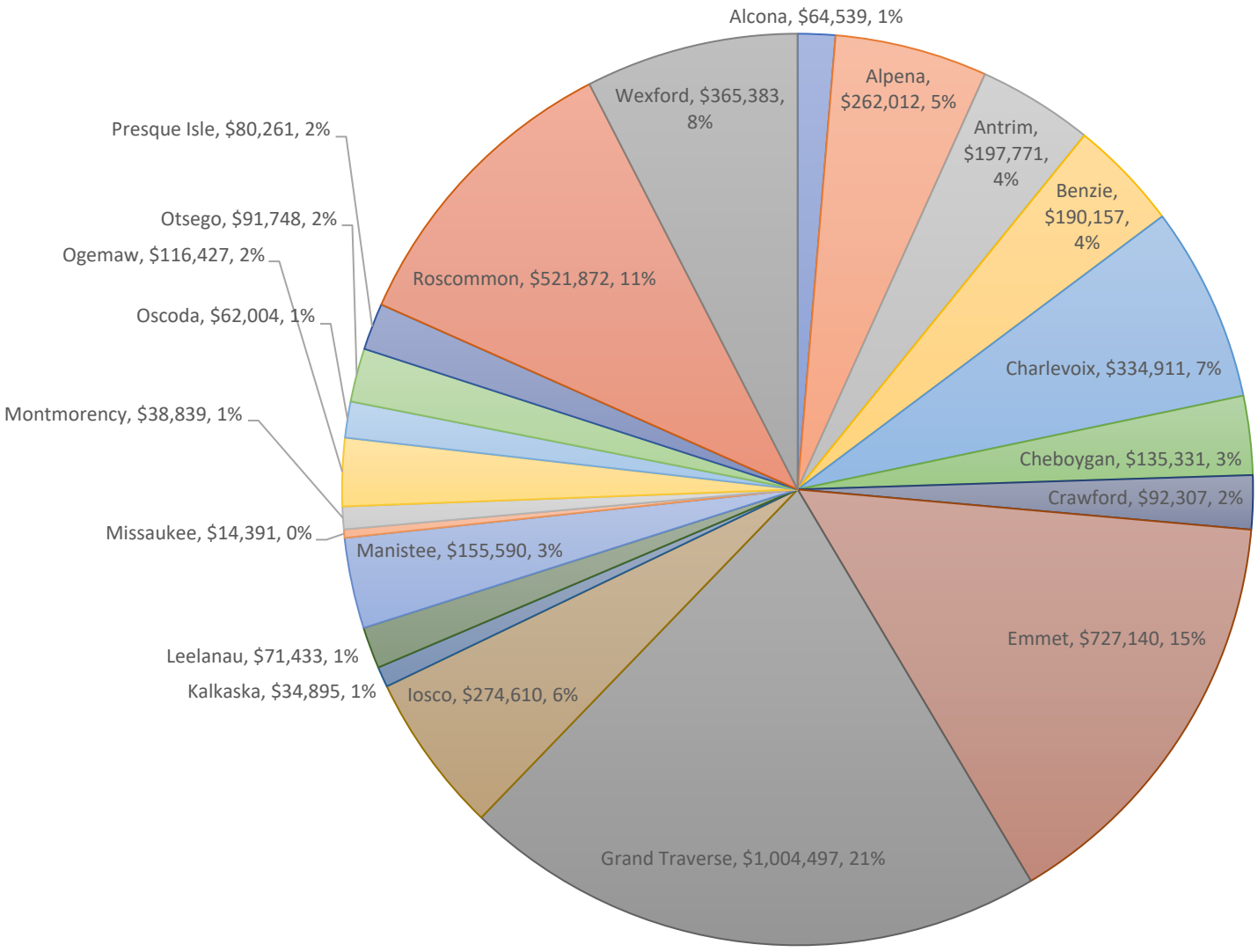
Northern Michigan Regional Entity

Schedule of PA2 by County

October 1, 2022 through June 30, 2023

	Projected FY23 Activity				Actual FY23 Activity			
	Beginning Balance	FY23 Projected Revenue	FY23 Approved Projects	Projected Ending Balance	Current Receipts	County Specific Projects	Region Wide Projects by Population	Ending Balance
County						Actual Expenditures by County		
Alcona	$ 59,376	$ 20,389	$ 4,410	$ 75,355	$ 10,242	5,079	$ -	$ 64,539
Alpena	263,254	69,040	45,317	286,976	35,963	37,204	-	262,012
Antrim	219,249	59,729	80,820	198,158	30,499	51,978	-	197,771
Benzie	173,705	52,923	14,857	211,771	27,616	11,165	-	190,157
Charlevoix	359,548	89,334	110,699	338,183	45,993	70,631	-	334,911
Cheboygan	191,247	74,954	138,728	127,472	38,386	94,302	-	135,331
Crawford	92,406	31,228	17,903	105,731	16,476	16,575	-	92,307
Emmet	716,610	155,245	115,175	756,679	84,017	73,487	-	727,140
Grand Traverse	1,282,987	406,430	1,248,209	441,208	205,034	483,524	-	1,004,497
Iosco	329,202	70,865	180,735	219,332	36,897	91,489	-	274,610
Kalkaska	74,226	31,700	83,823	22,103	17,878	57,209	-	34,895
Leelanau	102,658	56,613	117,817	41,454	28,594	59,819	-	71,433
Manistee	131,924	68,873	10,407	190,390	35,651	11,985	-	155,590
Missaukee	37,771	18,044	48,883	6,931	9,401	32,781	-	14,391
Montmorency	54,974	27,338	42,322	39,990	13,175	29,311	-	38,839
Ogemaw	154,130	50,286	142,919	61,497	28,758	66,461	-	116,427
Oscoda	65,061	20,039	36,568	48,532	9,077	12,134	-	62,004
Otsego	108,477	88,483	94,620	102,340	45,150	61,879	-	91,748
Presque Isle	75,221	22,256	5,450	92,027	11,315	6,276	-	80,261
Roscommon	524,550	74,697	72,090	527,157	37,648	40,326	-	521,872
Wexford	396,468	79,925	108,457	367,936	41,646	72,731	-	365,383
	5,413,044	1,568,386	2,720,209	4,261,221	809,417	1,386,342	-	4,836,119
PA2 Redirect								-
								4,836,119

PA2 FUND BALANCES BY COUNTY



Northern Michigan Regional Entity

Proprietary Funds Statement of Revenues, Expenses, and Unspent Funds

Budget to Actual - ISF

October 1, 2022 through June 30, 2023

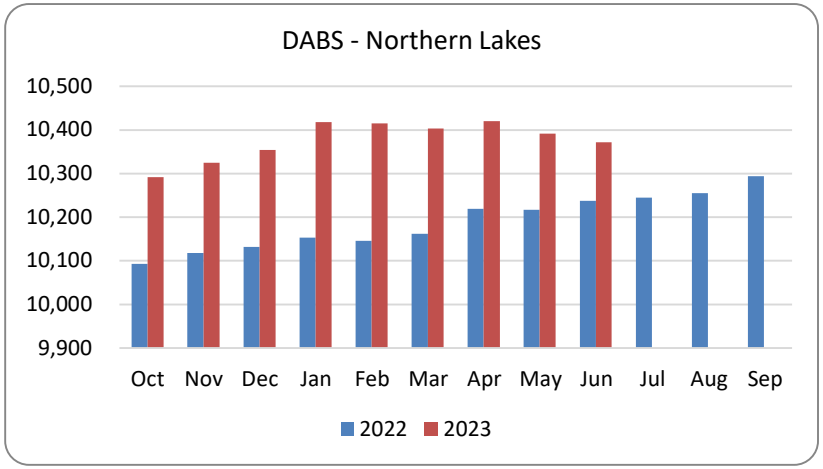
	Total Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent Favorable (Unfavorable)
Operating revenue					
Charges for services	$ -	$ -	$ -	$ -	0.00%
Interest and Dividends	7,500	5,625	5,701	76	1.35%
Total operating revenue	7,500	5,625	5,701	76	1.35%
Operating expenses					
Medicaid Services	-	-	-	-	0.00%
Healthy Michigan Services	-	-	-	-	0.00%
Total operating expenses	-	-	-	-	0.00%
CY Unspent funds	$ 7,500	$ 5,625	5,701	$ 76	
Transfers in			-		
Transfers out			-	-	
Unspent funds - beginning			16,369,542		
Unspent funds - ending			$ 16,375,243		

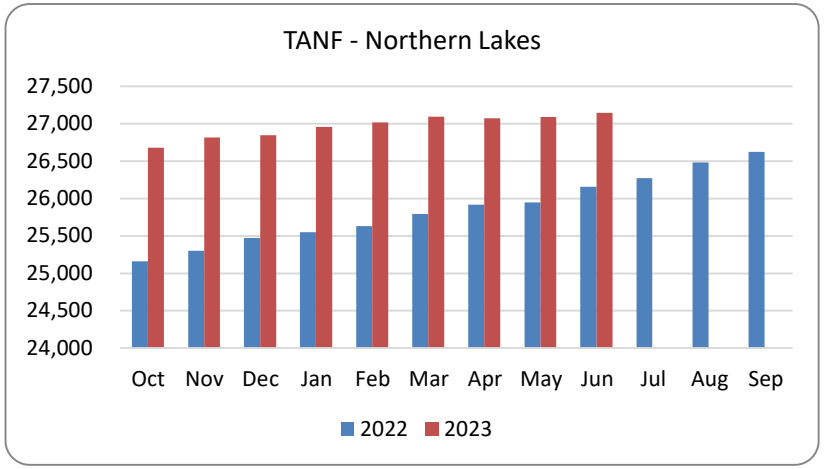
Northern Michigan Regional Entity

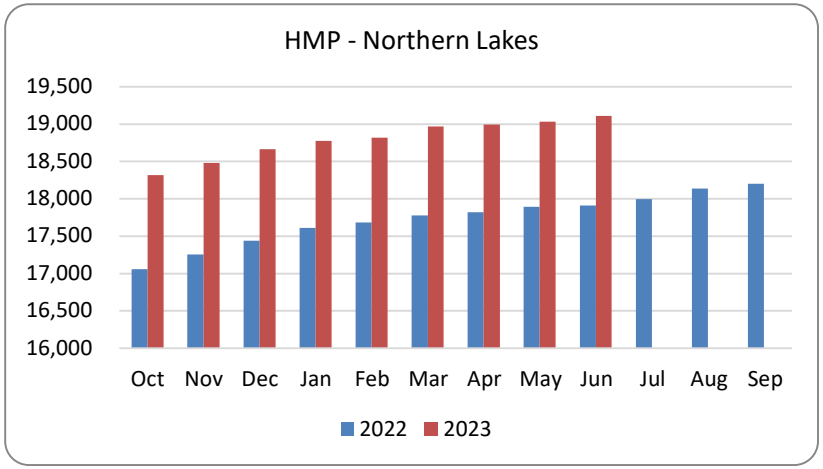
Narrative

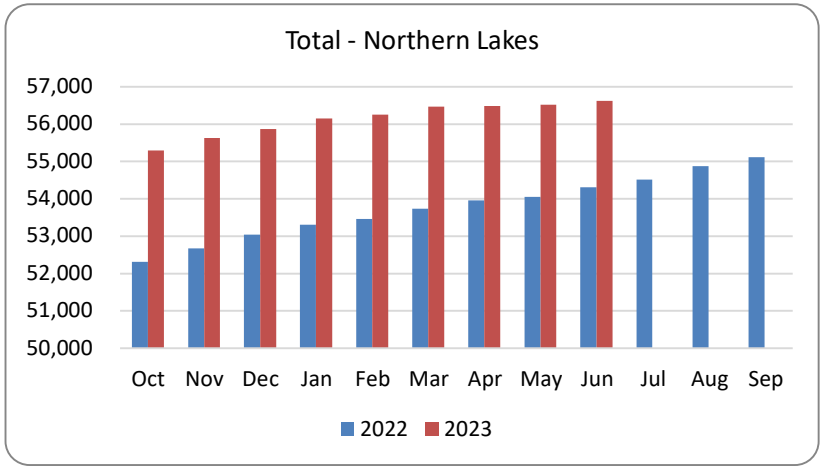
October 1, 2022 through June 30, 2023

Northern Lakes Eligible Members Trending - based on payment files







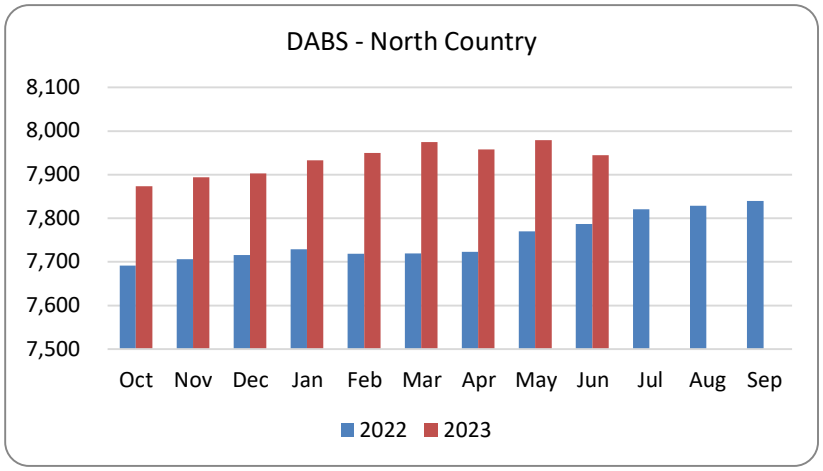


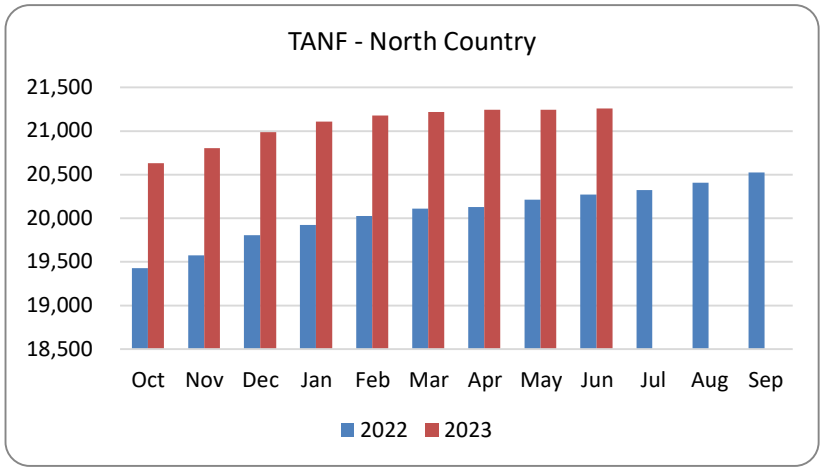
Northern Michigan Regional Entity

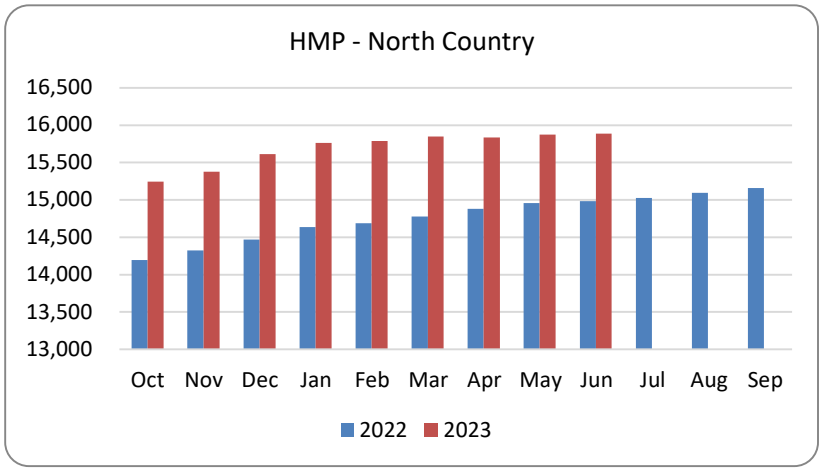
Narrative

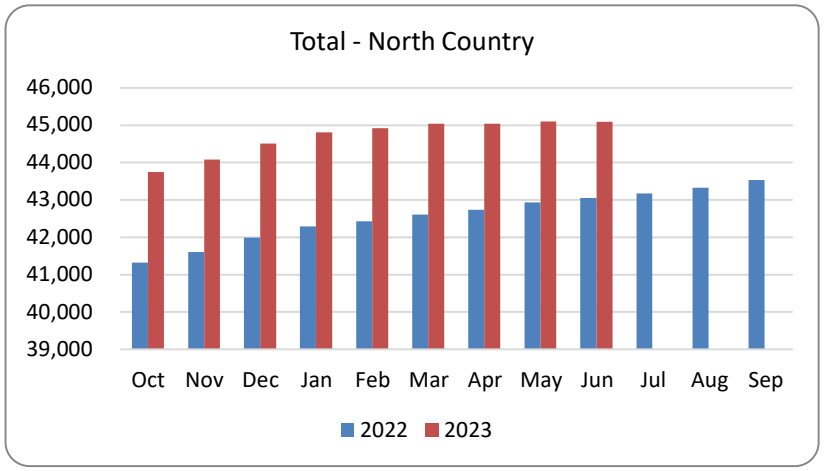
October 1, 2022 through June 30, 2023

North Country Eligible Members Trending - based on payment files







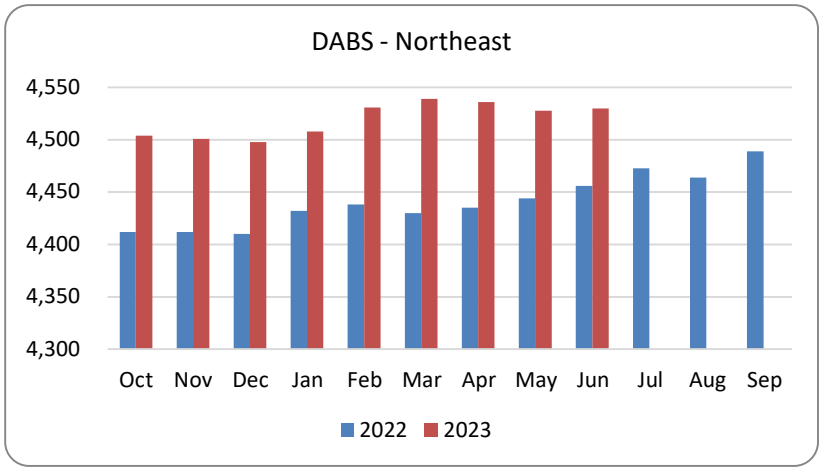


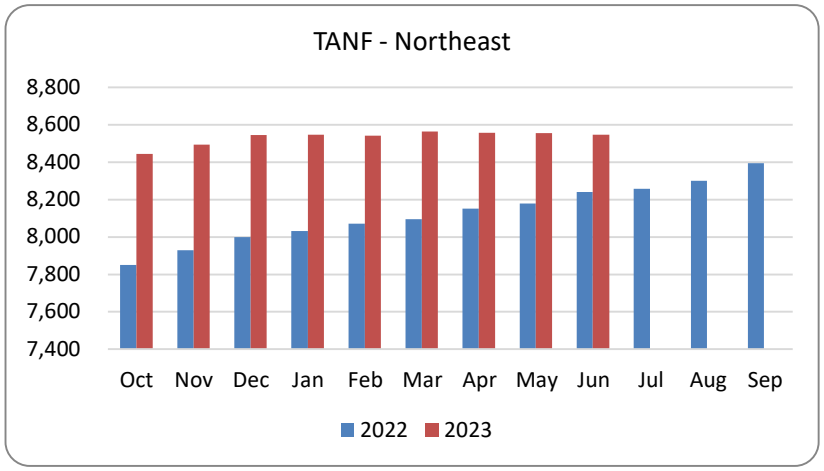
Northern Michigan Regional Entity

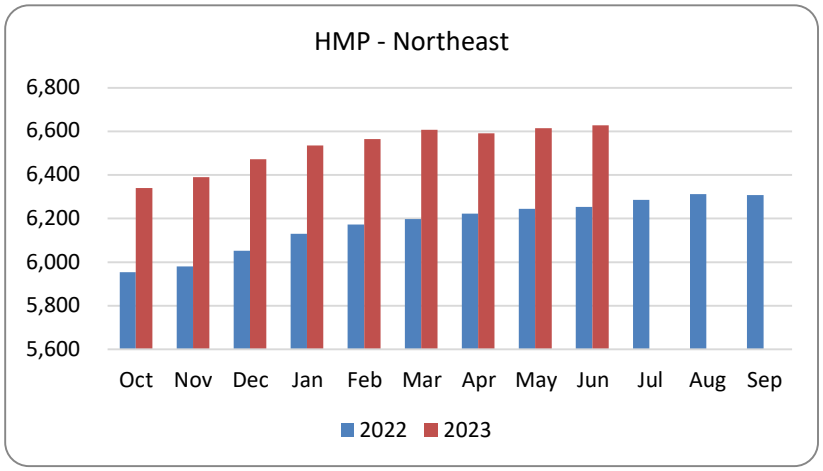
Narrative

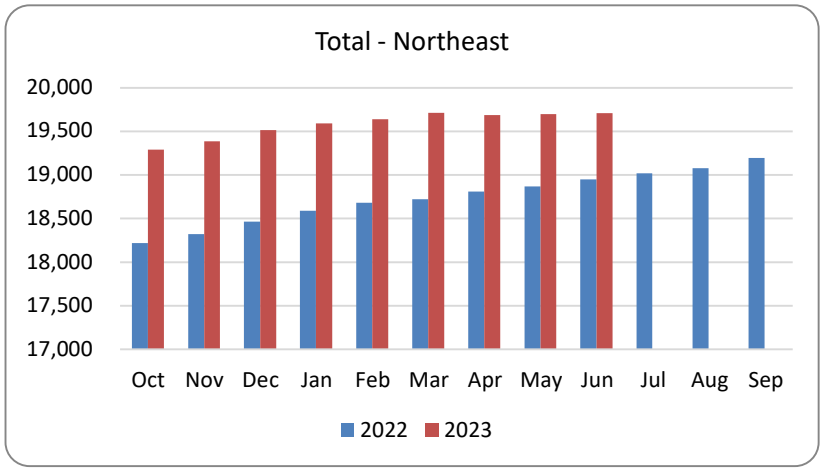
October 1, 2022 through June 30, 2023

Northeast Eligible Members Trending - based on payment files







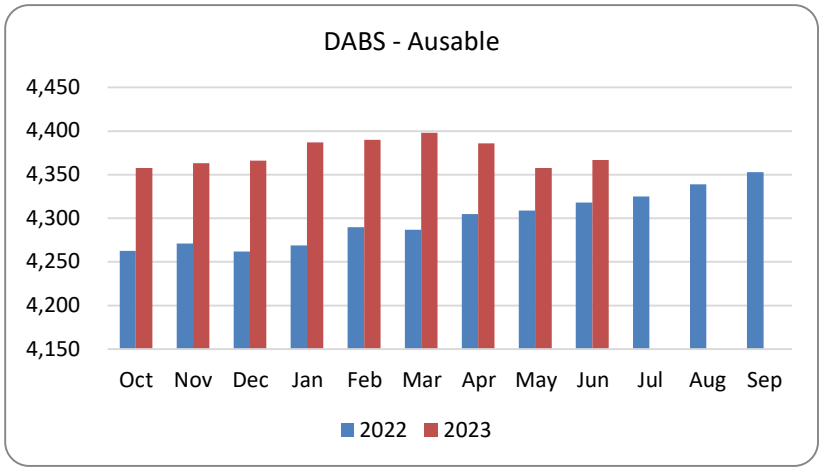


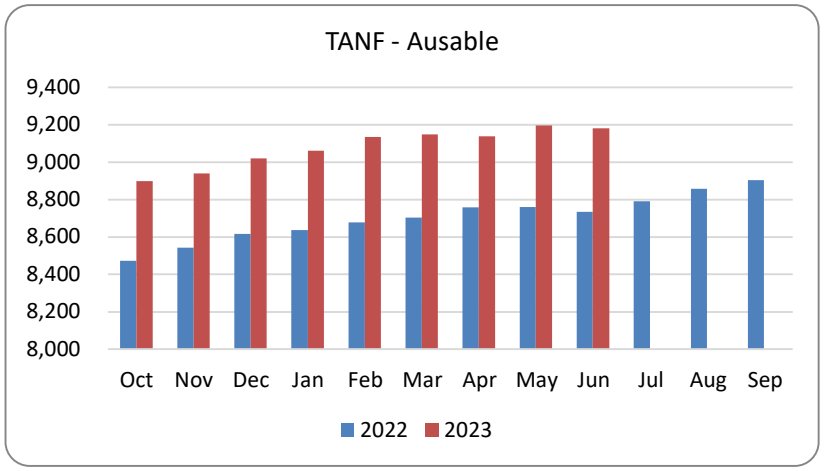
Northern Michigan Regional Entity

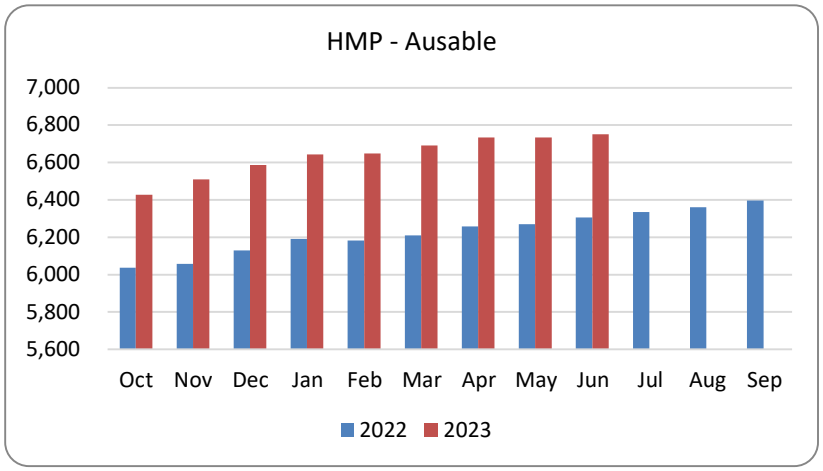
Narrative

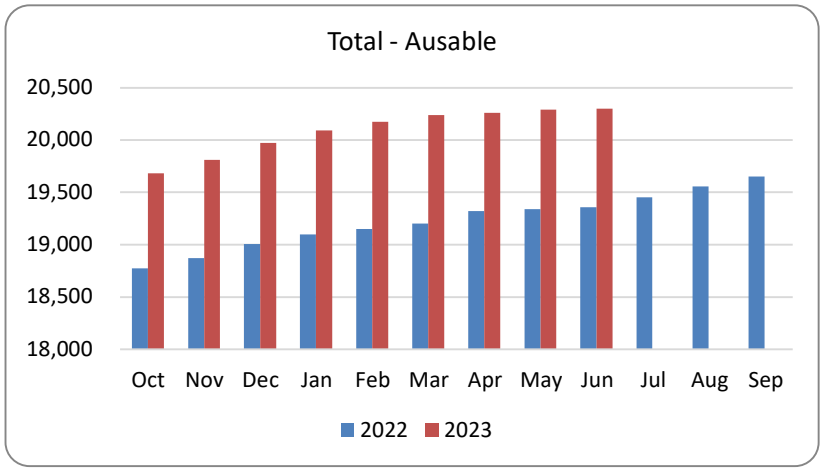
October 1, 2022 through June 30, 2023

Ausable Valley Eligible Members Trending - based on payment files







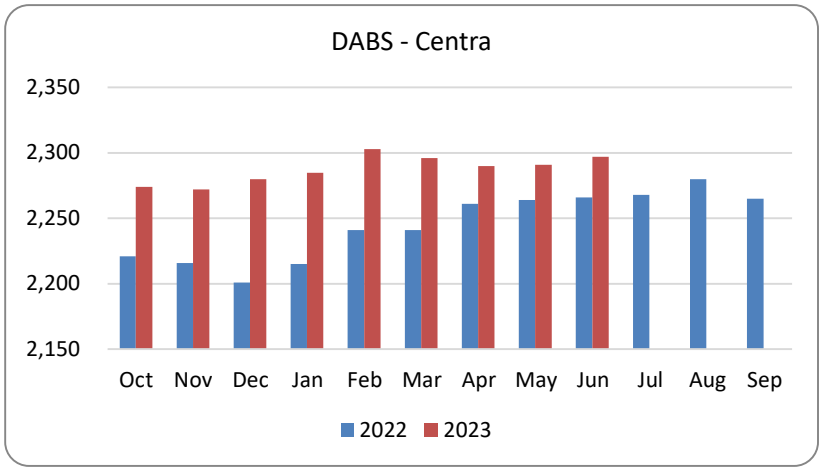


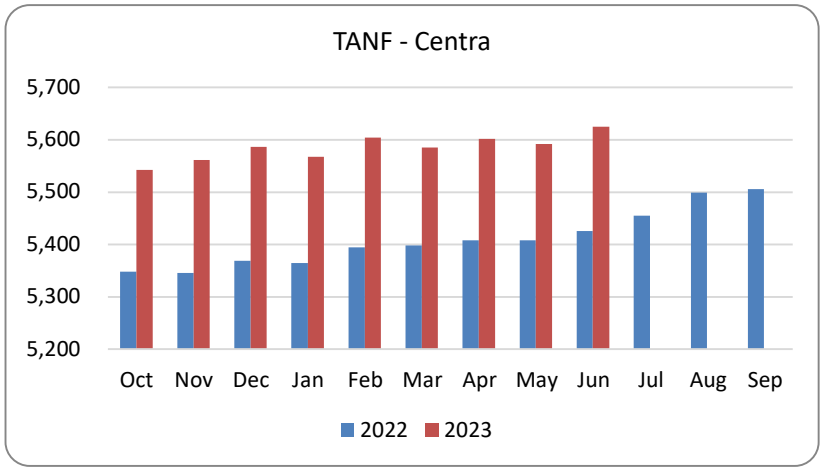
Northern Michigan Regional Entity

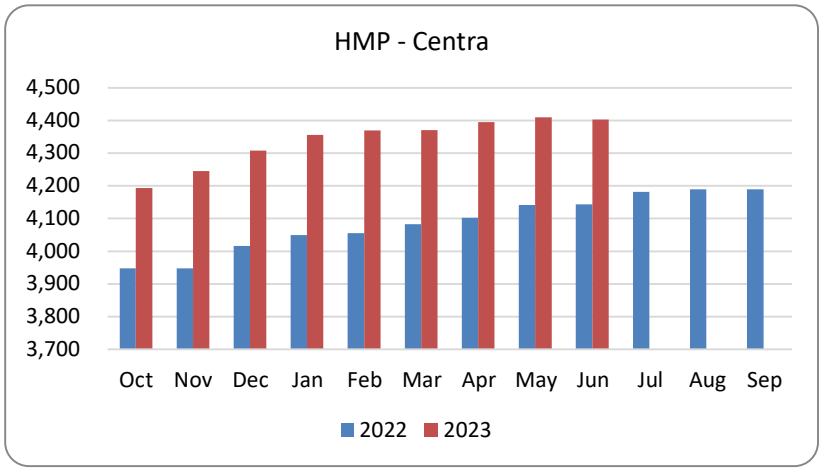
Narrative

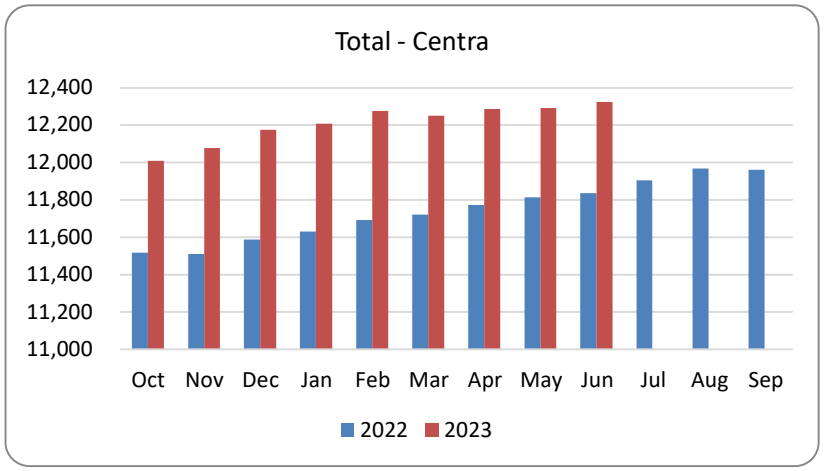
October 1, 2022 through June 30, 2023

Centra Wellness Eligible Members Trending - based on payment files







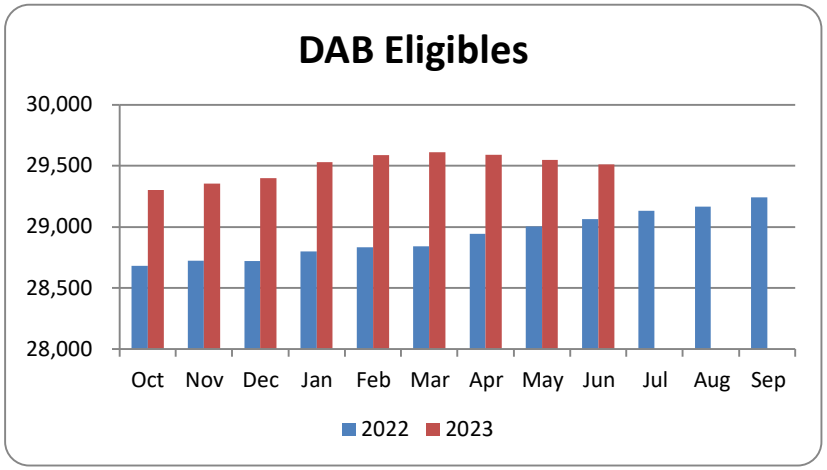


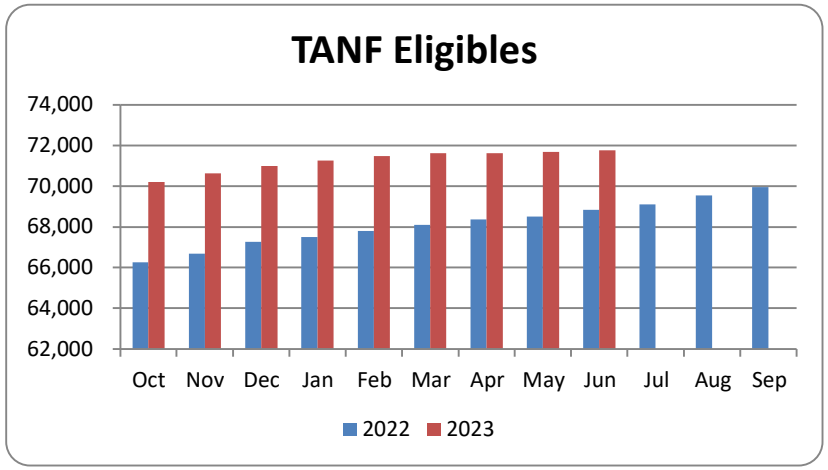
Northern Michigan Regional Entity

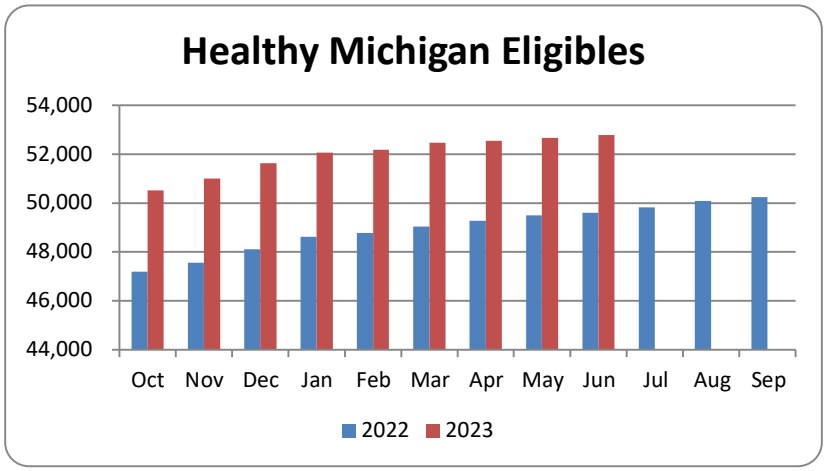
Narrative

October 1, 2022 through June 30, 2023

Regional Eligible Trending





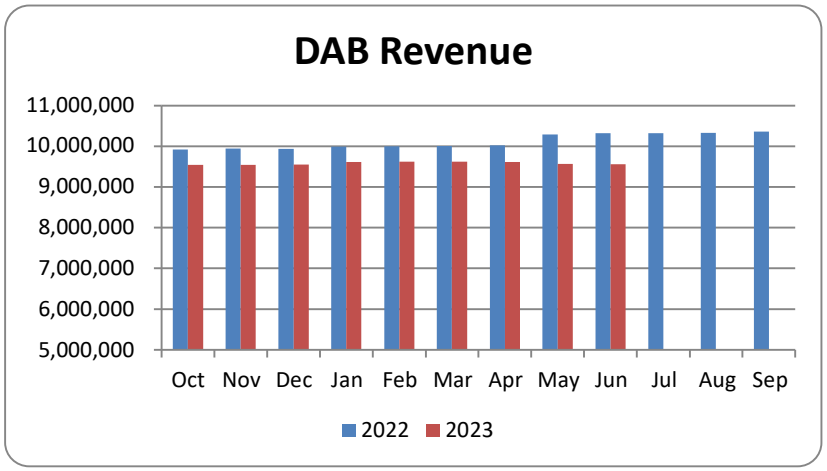


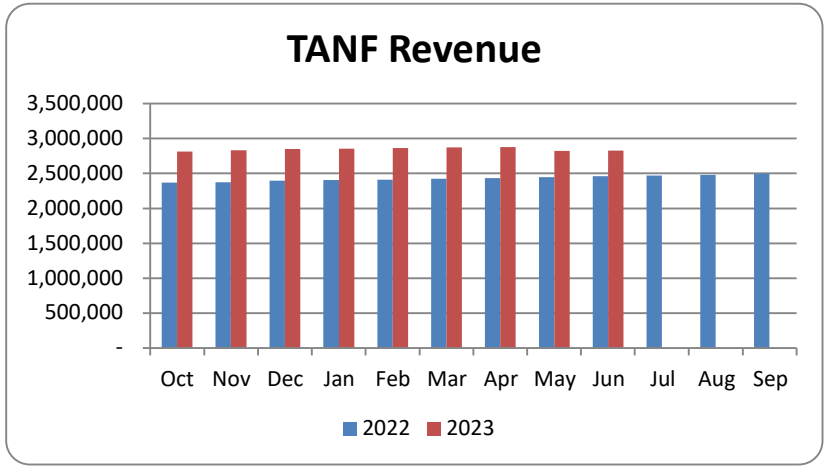
Northern Michigan Regional Entity

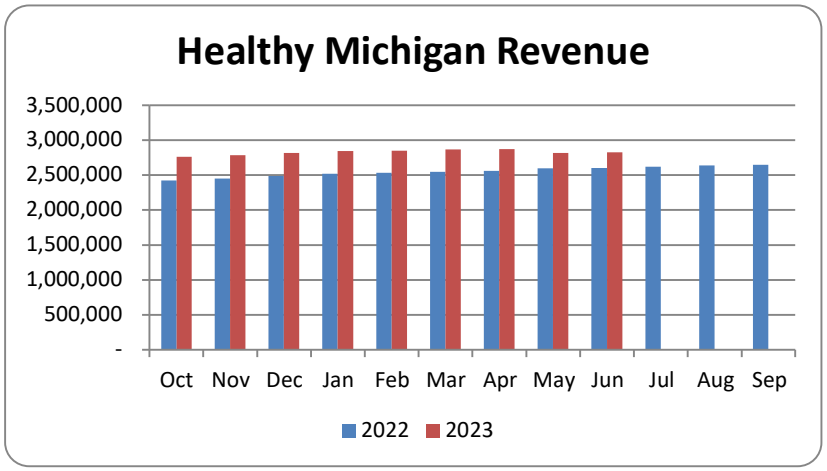
Narrative

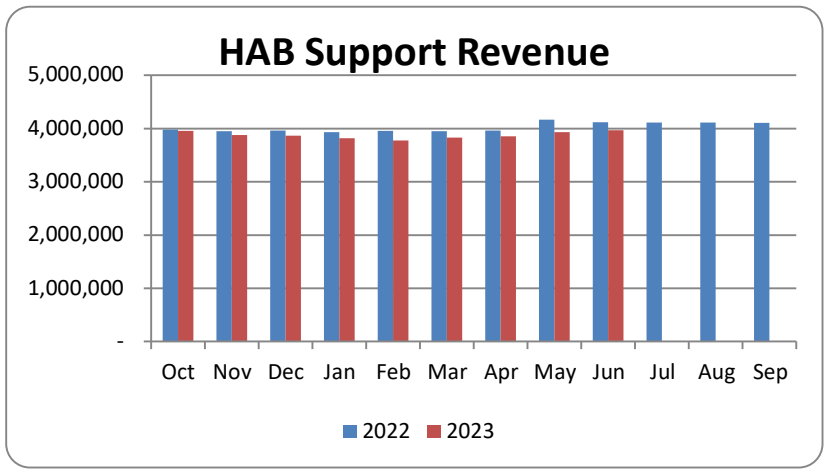
October 1, 2022 through June 30, 2023

Regional Revenue Trending









NORTHERN MICHIGAN REGIONAL ENTITY
OPERATIONS COMMITTEE MEETING
9:30AM – AUGUST 15, 2023
GAYLORD CONFERENCE ROOM

ATTENDEES:	**Brian Babbitt, Chip Johnston, Eric Kurtz, Diane Pelts, Brandon Rhue, Nena Sork, Carol Balousek**
ABSENT:	**Brian Martinus**

REVIEW OF AGENDA AND ADDITIONS

Mr. Johnston asked to have discussions about the statewide Ability to Pay workgroup and Public Act 423 of 1980 added to the meeting agenda if time permits. Ms. Pelts requested a debrief on the Standish Correctional Facility walkthrough.

APPROVAL OF PREVIOUS MINUTES

The minutes from June 29th were included in the meeting materials. There was no Operations Committee meeting in July.

MOTION BY DIANE PELTS TO APPROVE THE JUNE 20, 2023 MINUTES OF THE NORTHERN MICHIGAN REGIONAL ENTITY OPERATIONS COMMITTEE; SUPPORT BY BRIAN BABBITT. MOTION CARRIED.

FINANCE COMMITTEE AND RELATED

June 2023

- Net Position showed net surplus Medicaid and HMP of $3,953,501. Budget stabilization was reported as $16,369,542. The total Medicaid and HMP Current Year Surplus was reported as $20,323,043. Medicaid and HMP combined ISF was reported as $16,369,542; the total Medicaid and HMP net surplus, including carry forward and ISF was reported as $36,692,585.
- Traditional Medicaid showed $148,604,892 in revenue, and $147,284,975 in expenses, resulting in a net surplus of $1,319,917. Medicaid ISF was reported as $9,306,578 based on the current FSR. Medicaid Savings was reported as $7,742,649.
- Healthy Michigan Plan showed $26,426,138 in revenue, and $23,792,554 in expenses, resulting in a net surplus of $2,633,584. HMP ISF was reported as $7,062,964 based on the current FSR. HMP savings was reported as $8,626,893.
- Health Home showed $1,738,486 in revenue, and $1,510,609 in expenses, resulting in a net surplus of $227,877.
- SUD showed all funding source revenue of $23,407,402, and $19,612,791 in expenses, resulting in a net surplus of $3,794,611. Total PA2 funds were reported as $4,836,119.

Mr. Kurtz reported that the NMRE expects to lapse about $4M and retain approximately $20M at year end. North Country and Centra Wellness both indicated that they expect to reduce their current underspends by half.

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MOTION BY CHIP JOHNSTON TO RECOMMEND APPROVAL OF THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR JUNE 2023; SUPPORT BY DIANE PELTS. MOTION APPROVED.

FY24 Budget Stabilization/Staff Retention

Mr. Kurtz indicated that he is considering giving NMRE staff a one-time retention payment for FY23 per budget and a COLA in FY24 (to keep up with the inflation rate). The FY24 COLA will be included in the FY24 NMRE Budget presented in September. He asked the Boards what they have planned for staff retention and/or COLAs. Ms. Pelts responded that AuSable Valley staff received two appreciation payments to coincide with Memorial Day and the 4th of July. North Country staff were given a 4% COLA in January. Centra Wellness conducted a salary survey and staff were reclassified based on those findings in FY23.

FY24 Revenue Discussion

Mr. Kurtz informed Members that the Rate Setting meeting has been moved to August 28th. The biggest unknown factor is the impact of redeterminations on HMP, which could be reduced by half (the rate was also reduced by $10). There has been a composite factor increase of 2.5%; and dependent on the yet to be known geographic factor, which is usually in the negative range, revenue budgeting for FY24 should remain flat. The FY23 carry forward may be utilized if Boards overspend PM/PM. Mr. Kurtz does not expect to dip into the ISF in FY24.

<u>BUSINESS INTELLIGENCE & TECHNOLOGY (BIT) COMMITTEE</u>

At the request of the Operations Committee, the BIT committee has been meeting monthly since May 2023. Per the Committee Charter, the group was established "to coordinate regional PCE systems projects, collaborate on regional data and business intelligence reporting needs, provide a platform for members to work together on problem-solving issues related to system needs, data, and report development, and to address regional regulatory needs related to Michigan Department of Health and Human Services (MDHHS) contractual and audit requirements." The committee membership was developed to include members from each of the five Member CMHSPs and the NMRE to represent information technology, finance, and clinical disciplines.

Mr. Babbit indicated that the committee is currently going into too much detail. He suggested that the committee restructure to allow for high-level discussion at the beginning of the meeting, followed by a more detailed, technical discussion; this would allow some staff to drop off after the first portion. Ms. Pelts clarified that the committee was convened to bring continuity and consistency to the region. Because each of the CMHSPs and the NMRE all have different PCE developers, the systems are currently very fragmented. A basic level of "sameness" should be created. At present, the committee is more of a "Help Desk."

Mr. Kurtz stressed that the first step is to share information; NMRE requested a list of each CMHSPs PCE Modules and enhancement requests/ITR queue items. Mr. Johnston noted that PCE is the HUB and questioned why PCE can't collect this information from the various project developers. The suggestion was made to request a regional lead developer from PCE. Having access to management reports was identified as a critical need.

NMRE Chief Information Officer/Operations Director, Brandon Rhue, noted that the biggest obstacle to "sameness" is the customizations made in PCE by each entity; these can make sharing between the entities problematic.

Jeff Change has agreed to attend a face-to-face meeting of BIT on October 5th at the University Center; the CEOs will meet with him prior to that on the same date.

Mr. Rhue said that he intends to develop BIT subgroups once tasks have been identified.

ALPINE CRU

Mr. Babbitt spoke with Dr. Ibrahim and Jill LeBourdais in July during which the North Shores team presented a funding proposal. To keep things simple, the NMRE agreed to pay 1/12th of the facilities operating costs (budget) per month beginning in September for a period of one year. The CMHSPs will issue zero cost contracts with the facility.

Mr. Johnston questioned how the facility can be used for General Funds clients. Mr. Kurtz proposed that the NMRE bill the CMHSPs for the General Funds.

The question of how rates are assigned to encounters was raised. Mr. Kurtz, Brandon Rhue, Deanna Yockey, Donna Nieman, and Connie Cadarette will meet to discuss mechanics.

MOTION BY DIANE PELTS TO APPROVE THE CONTRACT BETWEEN THE NORTHERN MICHIGAN REGIONAL ENTITY AND NORTH SHORES CENTER FOR A ONE-TWELFTH (1/12TH) MONTHLY PAYMENT ARRANGEMENT WITH ALPINE CRU FOR THE PERIOD OF SEPTEMBER 1, 2023 THROUGH AUGUST 31, 2024; SUPPORT BY NENA SORK. MOTION CARRIED.

PEDIATRIC BEHAVIORAL HEALTH SUMMIT

A Pediatric Behavioral Health Summit is scheduled for October 4th at Treetops Resort in Gaylord. Ms. Pelts shared the list of planned speakers with the group. The targeted audience is CMHSPs, physicians and nurses, EMS, and FQHCs. A $25 ticket price was discussed with the option of providing a promotional code to CMHSP staff to reduce the cost to zero. After discussing the process of accounting for the ticket revenue, the decision was made to offer tickets for the summit at no charge.

CONFLICT-FREE ACCESS & PLANNING (CFAP)

MDHHS agreed to hold two listening sessions (August 1 and 9) to obtain the views of persons served regarding the MDHHS CFAP proposals. Many persons served tried to register for the listening sessions but were turned away from participating by MDHHS.

The Community Mental Health Association of Michigan (CMHAM) has asked that, if CMHSPs/PIHPs hear from persons served who were prohibited from participating in the listening sessions, they urge the persons served to express their concerns by contacting Meghan Groan and/or Belinda Hawks at MDHHS.

DRAFT

MDHHS has remained silent on the issue. It was noted that CMS should be made aware of this situation. Mr. Kurtz intends to speak with Robb Kennedy from Capital Affairs, Inc. for recommendations about pursuing a rural exemption for CFAP.

PIHP CONTRACT – CHANGE NOTICE NO. 9

Change Notice No. 9 to the current PIHP Contract was included in the meeting materials. The Change Notice amends the current contract to adjust the Direct Care Wage increase and update the MDHHS contact to Meghan Groen.

A new contract will be issued for FY24. Mr. Kurtz noted that the proposed template is not suitable for a PIHP. A special Contract Negotiations meeting was scheduled for August 9th to review the template. During the meeting PIHPs were informed that the template would not be discussed; instead, the meeting focused on the proposed MOIG contract language.

MOTION BY CHIP JOHNSTON TO RECOMMEND THAT THE NORTHERN MICHIGAN REGIONAL ENTITY CHIEF EXECUTIVE OFFICER SIGN AND APPROVE CHANGE ORDER NUMBER NINE (NO. 9) TO THE PREPAID INPATIENT HEALTH PLAN'S SPECIALTY SUPPORTS AND SERVICES CONTRACT WITH THE STATE OF MICHIGAN, SUPPORT BY DIANE PELTS. MOTION CARRIED.

GRAND TRAVERSE COUNTY AND NORTHERN LAKES

Mr. Kurtz reported that Rehmann is preparing to begin the contractual oversight process later this month.

GUARDIANSHIP

A draft bill to amend the Mental Health Code to support Supported Decision Making (SDM) as an alternative to guardianship for individuals with intellectual/developmental disabilities was included in the meeting materials, as was a letter in support of the change from a person served and numerous stakeholders. Mr. Kurtz noted that this information was shared strictly for informational purposes.

HOSPITAL RATE REQUESTS

NMRE Provider Network Manager, Chris VanWagoner, supplied the following FY24 hospital rate requests for consideration.

Munson

	FY23 Rate	Proposed FY24 Rate	% Increase
Adult All Inclusive	$1, 103.00	$1, 136.09	3%
Partial Hospitalization	$442.00	$455.68	3%

Forest View

	FY23 Rate	Proposed FY24 Rate	% Increase
Adult & Child All Inclusive	$1,027.00	$1,078.35	4.9%
Partial Hospitalization	$458.35	$481.27	4.9%

DRAFT

MyMichigan

	FY23 Rate	Proposed FY24 Rate	% Increase
Adult All Inclusive	$1032.00	$1,073.00	4%
Partial Hospitalization	$590.00	$614.00	4%

BCA Stonecrest

	FY23 Rate	Proposed FY24 Rate	% Increase
Adult Psychiatric Inpatient	$762.00	$785.00	3%
Enhanced 1:1 Staffing	$1,040.00	$1,040.00	0%

McLaren

	FY23 Rate	Proposed FY24 Rate	% Increase
Adult Psychiatric Inpatient	$978.00	$1,007.00	3%
Partial Hospitalization	$489.00	$504.00	3%

Cedar Creek

	FY23 Rate	Proposed FY24 Rate	% Increase
Adult Psychiatric Inpatient	$1,024.00	$1,075.00	4.9%
Child/Adolescent Psychiatric Inpatient	$1,024.00	$1,075.00	4.9%
Partial Hospitalization	$440.00	$440.00	0%

MOTION BY CHIP JOHNSTON TO APPROVE THE RATE INCREASE REQUESTS FROM MUNSON, FOREST VIEW, MYMICHIGAN, BCA STONECREST, MCLAREN, AND CEDAR CREEK HOSPITALS FOR FISCAL YEAR 2024 AS PRESENTED AND REVIEWED ON THIS DATE; SUPPORT BY BRIAN BABBITT. MOTION CARRIED.

STATEWIDE ABILITY TO PAY WORKGROUP

Mr. Johnston spoke about the proposal unveiled by the State's Ability-to-Pay (ATP) Workgroup for non-Medicaid recipients. The workgroup has recommended that an ATP be issued every time that certain codes are billed (CLS, Respite, Skill Building, Clubhouse), rather than monthly. Mr. Johnston expressed that this is overcomplicated and will likely overwhelm SUD providers. Mr. Kurtz noted that it is possibly being pursued to determine whether clients meet the criteria for SAMHSA federal block grant funding.

PA 423 of 1980

The State's Coordination of Benefit (COB) Workgroup is working on 1st and 3rd party interactions. Mr. Johnston emphasized that General Funds cannot be used to supplement Medicaid. Mr. Johnston referenced section 330.1226a of the Mental Health code, which details the requirements for special fund accounts for third party reimbursements. The GF line item in the fiscal appropriations is for "NON-MEDICAID" individuals only.

STANDISH CORRECTIONAL FACILITY WALKTHROUGH

Mr. Kurtz and Ms. Pelts participated in a walkthrough of the Standish Correctional Facility (built to house 604 inmates) on August 7th. Michigan Rep. Mike Hoadley (99th District) has proposed revamping the facility into a behavioral health campus/other. Although it was viewed to be a viable facility, major renovations would be needed, which would be extremely costly.

OTHER

Ms. Sork asked whether there has been any follow-up with attorney Chris Cooke on the discussion that took place during the June Operations Committee meeting. The NMRE intends to work with Mr. Cooke to create a legal letter on behalf of the region stating concern over the numerous psychiatric inpatient denials for child/adolescents, which are putting both the youth and their communities at risk. Mr. Kurtz indicated that the NMRE is currently gathering data to share with Mr. Cooke.

Mr. Kurtz informed the CMHSPs that Choices, Inc., a CLS and home health agency out of Traverse City, was sanctioned on this date. Further use of Medicaid funds to pay for services to Choices Inc. is prohibited.

NEXT MEETING

The next meeting was scheduled for 9:30AM on September 19th in Gaylord.

DRAFT

STATE OF MICHIGAN PROCUREMENT

Department of Health and Human Services
235 South Grand Ave., Suite 1201, Lansing, MI 48933
Grand Tower Building, Suite 1201, P.O. Box 30037, Lansing, MI 48909

CONTRACT CHANGE NOTICE

Change Notice Number **9**
to
Contract Number **MA 200000002100**

CONTRACTOR	
	Northern Michigan Regional Entity
	1999 Walden Drive
	Gaylord, MI 49735
	Eric Kurtz
	231-487-9144
	ekurtz@nmre.org
	CV0055311

STATE			
	Program Manager	Meghan Groen	MDHHS
		517-241-4072	
		groenm2@michigan.gov	
	Contract Administrator	Danielle Walsh	MDHHS
		517-248-0183	
		Walshd4@michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: Prepaid Inpatient Health Plan (PIHP)			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW**
October 1, 2020	September 30, 2021	Seven, one-year	September 30, 2023
PAYMENT TERMS		**DELIVERY TIMEFRAME**	
Net 45		As Needed	
ALTERNATE PAYMENT OPTIONS			**EXTENDED PURCHASING**
☐ P-card ☐ Payment Request (PRC) ☐ Other			☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
OPTION	**LENGTH OF OPTION**	**EXTENSION**	**LENGTH OF EXTENSION**	**REVISED EXP. DATE**
☐	N/A	☐	N/A	N/A
CURRENT VALUE	**VALUE OF CHANGE NOTICE**		**ESTIMATED AGGREGATE CONTRACT VALUE**	
$744,660,461.00	$0.00		$744,660,461.00	

DESCRIPTION: Effective October 1, 2022, this amendment revises Schedule H. The Program Manager for the State is changed to Meghan Groen.

FOR THE CONTRACTOR:

Northern Michigan Regional Entity
Company Name

Authorized Agent Signature

Eric Kurtz
Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Christine H. Sanches, Director,
Bureau of Grants and Purchasing
Name & Title

Michigan Department of Health and Human Services
Agency

Date

1. Standard Contract Terms, Section 4. Program Manager is hereby deleted and replaced with:

Program Manager. The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a "**Program Manager**"):

State:	Contractor:
Meghan Groen 320 South Walnut Street Lansing, MI 48913 groenm2@michigan.gov 517-241-4072	Eric Kurtz 1999 Walden Drive Gaylord, MI 49735 Ekurtz@nmre.org 231-487-9144

2. SFY 2023 Behavioral Health Capitation Rate Certification- Amendment is hereby added to Schedule H as follows. Schedule H narrative is hereby deleted and replaced in its entirety with the following.

SCHEDULE H
BEHAVIORAL HEALTH CAPITATION RATE CERTIFICATION

The Medicaid PEPM rates effective October 1 is included as follows. The actual number of Medicaid beneficiaries will be determined monthly, and the Contractor will be notified of the beneficiaries in their service area via the pre-payment process. In the attached, SFY 2022 Behavioral Health Capitation Rate Certification- Hazard Pay Amendment the Executive Summary section, outlines the PIHP Direct Care Worker (DCW) wage increase funding. DCW wage increase funding includes both the hourly wage increase ($2.35) and associated employer related expenses/ERE ($0.29). The $2.64 per hour amount is discussed on page 4 of the attached rate letter, under the Executive Summary section. This reflects the ERE gross up increasing from 7.65% to 12% of the $2.35/hour wage increase. This revised DCW wage increase funding aligns with current MDHHS policy for MI Choice Waiver, MI Health Link, and Behavioral Health providers receiving an additional $0.29 per hour for agencies to cover their additional costs associated with implementing the DCW wage increase.

Attachments to Schedule H: Behavioral Health Capitation Rate Certification include:

a. SFY2021 October 2020 to September 30, 2021, Behavioral Health Rate Certification
b. SFY2021 March 2021 to September 2021 Behavioral Health Rate Certification
c. SFY2022 Behavioral Health Capitated Rate Certification
d. May to September 2022 Behavioral Health Capitation Rate Methodology
e. SFY 2022 Behavioral Health Capitation Rate Certification – Hazard Pay Amendment
f. SFY 2023 Behavioral Health Capitation Rate Certification
g. SFY 2023 Behavioral Health Entity Specific Factor Development
h. SFY 2023 Behavioral Health Capitation Rate Certification- Amendment