

**NORTHERN MICHIGAN REGIONAL ENTITY
BOARD MEETING
10:00AM, FEBRUARY 28, 2018
CROSS STREET CONFERENCE ROOM, GAYLORD**

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| BOARD MEMBERS IN ATTENDANCE: | Carol Crawford, Roger Frye, Ed Ginop, Annie Hooghart, Randy Kamps, Terry Larson, Gary Nowak, Jay O’Farrell, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora |
| BOARD MEMBERS ABSENT: | Gary Klacking, Dennis Priess |
| STAFF IN ATTENDANCE: | Jodie Balhorn, Eugene Branigan, Christine Gebhard, Carrie Harrison, Chip Johnston, Karl Kovacs, Eric Kurtz, Mary Marlatt-Dumas, Cathy Meske, Dee Whittaker, Deanna Yockey, Carol Balousek |
| PUBLIC IN ATTENDANCE: | Misty Ackley, Chip Cieslinski, Sue Winter |

CALL TO ORDER

Let the record show that Chairman Randy Kamps called the meeting to order at 10:00AM.

ROLL CALL

Let the record show that Gary Klacking, Dennis Priess, and Karla Sherman were absent with notice for the meeting on this date. All other Board Members were present.

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 were expressed with any of the meeting agenda items.

APPROVAL OF PAST MINUTES

The minutes of the January meeting of the Northern Michigan Regional Entity Governing Board were included in the materials for the meeting on this date.

MOTION MADE BY JOE STONE TO APPROVE THE MINUTES OF THE JANUARY 24, 2018 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS, SECOND BY ANNIE HOOGHART.

MOTION CARRIED.

APPROVAL OF AGENDA

No additions or changes were proposed to the agenda for the meeting on this date.

MOTION MADE BY CAROL CRAWFORD TO APPROVE THE AGENDA FOR THE FEBRUARY 28, 2018 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS, SECOND BY ANNIE HOOGHART.

MOTION CARRIED.

CORRESPONDENCE (list)

- An email from Robert Sheehan, CEO of the Community Mental Health Association of Michigan (CMHAM) dated February 2nd addressing concerns with the 298 RFI.

- A press release dated February 13th from Lynn Sutfin at MDHHS titled “MDHHS to begin implementing recommendations to improve access to inpatient psychiatric services,” introducing the MiPAD Workgroup report.
- The Final Report of the Michigan Inpatient Psychiatric Admission Discussion (MiPAD) from MDHHS dated February 13, 2018.
- Slides from a PowerPoint presentation to the Appropriations Subcommittee on Health & Human Services from MDHHS Behavioral Health and Developmental Disabilities Administration (BHDDA) on the FY19 budget (Opioid health home noted on slide 26).

Eric Kurtz indicated the MiPAD workgroup will be meeting to standardize rates and contracts; next step is to meet with the hospital association.

ANNOUNCEMENTS

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

PUBLIC COMMENTS

Let the record show that no comments were made from the public during the meeting on this date.

REPORTS

Board Chair/Executive Committee Report

Let the record show that no meetings have occurred, and no report was given on this date.

CEO Report

The CEO Report for February 2018 was included in the materials for the meeting on this date.

Mr. Kurtz discussed the January 29th Legislative Meeting. Senator Jim Marleau from Michigan’s 12th District (Oakland County) was an additional attendee. Expanding the Behavioral Health Home throughout Region 2 was discussed, as were general issues related to behavioral health.

Mr. Kurtz next provided an overview of the February 8th meeting to discuss long-term services and supports. Karl Kovacs added that he attended study group from CMHAM On February 27th to look at models for integrating care in other states. There has been movement to transition long-term services to MHPs. A summary report will be developed. Mr. Kovacs noted Northern Lakes is the only CMH in the state that is a MI Choice Waiver agent, which makes him particularly concerned about the future of long-term services. Clarification was made that MI Choice is an alternative to nursing home placement, facilitating living in the community, both as individuals transition out of nursing facilities and as a diversion from nursing home placements.

Other areas of note were the Opioid Health Home planning meeting on February 21st with key providers, including FQHCs, and a meeting with the Northern Lakes CMH Executive Team on February 26th.

SUD Board Report

The next meeting of the NMRE Substance Use Disorder Oversight Board is scheduled for 10:00AM, Monday, March 5, 2018 in the Cross Street Conference Room in Gaylord.

Finance Report

The NMRE Monthly Financial Report for December 2017 was included in the materials for the meeting on this date. Mr. Kurtz noted that Richard Carpenter could not attend the meeting as he was struggling to

meet the MUNC reporting deadline. He noted the NMRE may get a performance incentive hit. He intends to follow-up with CEOs and CFOs to develop a process to ensure timely reporting.

Mr. Kurtz went the report. He noted it's unclear how much of the direct care wage (DCW) increase was claimed. The report shows a healthy surplus in Autism and mental health funds. A deficit of \$168K was shown for HMP. Health Home shows a deficit of \$3800, which may be somewhat attributed to the process of reporting services. SUD prevention and treatment \$593K to the good. The Statement of Net Position is healthy, with \$27M in unspent funds. "Mr. Kurtz noted he will dig in to what is included in the "Other" category in the "Budget to Actual – Mental Health Administration," currently showing 46% unfavorable.

Joe Stone asked for details on who at this point in time had submitted their financial reports. Mr. Kurtz indicated that was Centra Wellness Network and Northern Lakes CMH did have their reports submitted on time. Mr. Kovacs acknowledged, as a region, "We've come a long way financially." Don Tanner emphasized this needs to be closely monitored given the current environment.

NEW BUSINES

Cost Reimbursement and Managed Care

Documentation was included in the materials packet for the meeting on this date. Mr. Kurtz provided an historical perspective of the current issue. A group of select CMHSPs and PIHP directors were approached over the last several months by Janis Meija (attorney, formally with the Attorney General's Office) regarding ongoing discrepancies related to the Michigan's PIHP's managed care contract pertaining the requirement to adherence to A-87 and cost reimbursement guidelines under a managed care arrangement. Currently both the 1915(b) waiver and state law prohibits the recoupment of managed care payments, which contradicts current contract language. Mr. Kurtz expressed he would like to see the language cleaned up in the MDHHS/PIHP Contract to allow PIHPs to retain savings that converts from Medicaid to non-Medicaid funds. In this scenario and certain savings and/or internal service funds (ISF) could then be used for risk and performance and performance bonus's that could be used for other non-Medicaid costs. Don Tanner expressed he feels PIHP Directors, generally, do not grasp the gravity of the situation. It was noted that a tremendous amount of Medicaid is turned back to the state. In the environment of 289, PIHP restrictions vs. MHPs creates an uneven playing field. Mr. Kurtz noted that PIHPs have to have partial risk arrangements, but that doesn't have to be for the entire contract (could be for inpatient); other aspects could be full risk.

Mr. Kurtz expressed there will be more to come on this issue. He noted his may have benefited the PIHP/CMHSP system in the past but, at a minimum, should be addressed moving forward. A group is forming to further review. Bob Sheehan plans to consult with Peter Cole at Cole, Stoker & Toskey.

Waiver Update

Mr. Kurtz reported he has heard unconfirmed reports there is trouble with the waiver. If true, the end result is no the 1115 would not move forward as intended in favor of five or six different arrangements. CMS found trouble with issues surrounding housing assistance and permanent supportive housing. Those issues as well as loose interpretations of b3 supports created the concern by CMS. Mr. Kurtz advised the issued needs to be watched closely. One possibility is that I/DD services would move to long-term services and supports; mild to moderate services would move to the MHPs. It was noted that multiple waivers would be costlier and involve multiple layers of admin. Mr. Kurtz indicated a State Waiver update is anticipated during the PIHP CEO meeting on March 1st; he will provide an update next month.

MDOC Proposal for SUD

Mr. Kurtz reported the conversation reignited that MDOC soul source with PIHPs to manage contracts for substance use disorder services delivered to individuals transitioning from prison. One entity/one contracting mechanism would be used by all PIHPs. Mr. Kurtz noted it's too early in the discussion process to know where it's heading. More information will come forward as it is made available.

Reestablish NMRE Board Policy Committee

A member list as of June 2016 was included in the materials for the meeting on this date. NMRE staff is in the process of reviewing/revising all policies. Gary Nowak noted the Board Policy Committee was never disbanded by motion. Chairman Kamps read through the names and asked whether the previous members were willing to continue to serve in the same role. Annie Hooghart, Gary Nowak, Jay O'Farrell, and Nina Zamora each agreed. Karla Sherman was absent but will be contacted. A Committee meeting will be scheduled soon.

Board Member Terms

A list of the five Board Members whose terms are due to expire on April 1, 2018 was included in the materials for the meeting on this date. The CMSPs will notify the NMRE of reappointments.

OLD BUSINESS

SUD Health Home Update

Mr. Kurtz reported the Opioid Health Home (OHH) is moving forward. Jon Villasurda and Jeff Wieferrich attended the February 21st kick-off meeting. The PowerPoint presentation and concept paper were shared in the meeting materials. The State has met with CMS twice, preliminary indications show no objections with the concept paper. To start, the NMRE will enroll people it has currently identified. Chip Johnston stated that Centra Wellness Network is looking to expand its liquor tax prevention/outreach program, and utilizing telemed services. The project has the support of the Federally Qualified Health Centers (FQHC). Mr. Kurtz underscored that a new budget/new funding stream will be utilized (from marijuana dispensary licensing).

PRESENTATION

NMRE Draft Strategic Plan

The NMRE's Strategic Plan for 2018-2019 was included in the materials for the meeting on this date in draft form. Mr. Kurtz said the plan builds on the meeting in June 2017 and discussions with the CMHSPs about "where we're going and how we want to get there." Operational issues were not included in the Plan but included to inform the Board on the NMRE's internal goals. Mr. Kurtz would like the Board to discuss the NMRE's Mission & Vision statements and strategic goals during a future Board meeting. Mr. Kurtz moved through the Plan. Board Members were asked to review for the March 28th Board Meeting.

COMMENTS

Board

Mr. Stone commented that he was offended that in times of tragedy in our country (Parkland, Florida), mental health takes the hit, calling it "misdirected blame."

Staff/CEOs

Mr. Kovacs spoke about a February 27th meeting of the Wexford/Missaukee collaborative, that included an excellent presentation on trauma informed interventions and impact of trauma on child/adolescent brain.

NEXT MEETING

The next meeting of the Northern Michigan Regional Entity Governing Board is scheduled for 10:00AM on March 28, 2018 in the Cross Street Conference Room in Gaylord.

ADJOURN

Let the record show that Mr. Frye adjourned the meeting at 11:54AM.

DRAFT