

**NORTHERN MICHIGAN REGIONAL ENTITY  
BOARD OF DIRECTORS MEETING  
10:00, OCTOBER 25, 2017  
GAYLORD UNIVERSITY CENTER**

<b>BOARD MEMBERS IN ATTENDANCE:</b>	<b>Carol Crawford, Roger Frye, Ed Ginop, Annie Hooghart, Randy Kamps, Gary Klacking, Terry Larson, Gary Nowak, Jay O'Farrell, Dennis Priess, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora</b>
<b>STAFF IN ATTENDANCE:</b>	<b>Dave Beck, Richard Carpenter, Jessica Davis, Christine Gebhard, Eric Kurtz, Diane Pelts, Brandon Rhue, Sara Sircely, Nena Sork, Aaron Steppe, Becky Vincent, Dee Whittaker, Carol Balousek</b>
<b>PUBLIC IN ATTENDANCE:</b>	<b>Chip Cieslinski, Anita Lawnichak, Sue Winter,</b>

CALL TO ORDER

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

ROLL CALL

Let the record show that all NMRE Board Members were in attendance for the meeting on this date.

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 for any of the meeting agenda items.

APPROVAL OF PAST MINUTES

The minutes from the September meeting were included in the materials packet distributed last week.

**MOTION MADE BY JOE STONE TO APPROVE THE MINUTES OF THE SEPTEMBER 29, 2017 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS, SECOND BY ANNIE HOOGHART. MOTION APPROVED BY CONSENSUS.**

APPROVAL OF AGENDA

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

**MOTION MADE BY GARY NOWAK TO APPROVE THE AGENDA FOR THE OCTOBER 25, 2017 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS, SECOND BY ROGER FRYE. MOTION APPROVED BY CONSENSUS.**

CORRESPONDENCE

- The minutes from the September Directors' Forum
- A memorandum dated October 17, 2017 from Tom Renwick, Director of the Bureau of Community Based Services at MDHHS to PIHP and CMHSP CEOs and Home and Community Based Services Transition Leads stressing the direct involvement of individuals served in the HCBS survey process.
- A memorandum dated October 19, 2017 from Eric Kurtz to the Region 2 CMHSPs regarding the implementation process and related service codes for the \$0.50 direct care wage increase. Mr. Kurtz

Mr. Kurtz informed the board that he has heard through the rate setting committee that the allocated amounts per PIHP will be revisited by the actuary in six months to be sure the amount allotted per region was adequate.

#### ANNOUNCEMENTS

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

#### PUBLIC COMMENT

The staff and public present were introduced to the Board.

#### REPORTS

##### **Board Chair Report** (Executive Committee)

Mr. Kamps indicated there had not been a meeting of the Executive Committee. He did, however, want to discuss his experience at the Fall Board Conference and requested that other Board Members also weigh in. Mr. Kamps had a conversation with Lou Burdi (Macomb County Board) regarding the current condition in the legislature; because of term limits, much institutional knowledge has been lost, which is probably also true of the Department. Mr. Kamps expressed that it behooves other Board Members to share their experiences.

Mr. Kamps asked whether the rural health initiative would require any legislative change to move forward. Mr. Kurtz responded that it depends on which way the rural health initiative goes. Mr. Kurtz had a very long conversation with Nick Lyon during the conference. A Federal waiver would require legislative changes (full risk arrangement requires non-governmental arrangement). A PIHP would need insurance commission, if not legislative change (particularly in rural area). Mr. Lyon indicated he was open to more than the "rigid" pilots outlined. Don Tanner asked "what change would be needed to the insurance law?" Mr. Kurtz clarified, since the 1990s governmental entities have not been included in shared risk arrangements and are not licensed as insurance carriers. Joe Stone described his impression from the plenary sessions (Lynda Zeller, Jay Rosen was that PIHPs need to adapt to what is indicated by 298 and find a way to work with health plans, but that Mr. Lyon appeared open to other options. Christine Gebhard added that Mr. Lyon was receptive to State Plan Amendment (SPA) expansion. Dave Beck noted that Jay Rosen spoke about the difference between fiscal integration and clinical integration (with Health Plans); we work with them and not for them. If we go to work for the health plans, counties would be on the line for risk; counties need to be educated on 298. Mr. Stone asked who was responsible for bringing 298 forward. Mr. Kurtz responded his understanding is Sen. Mike Shirkey (16<sup>th</sup> District) was the point person in the Health and Humans Subcommittee (of the Senate Appropriations Committee).

Mr. Kamps expressed that he brought up the topic to highlight the opportunity to go rogue while they (the legislature) are in disarray. He encouraged more talk among Boards, Committees, etc. Mr. Kamps continued, "We need to show we can achieve what 298 wants to achieve though and easier path. It will show the legislature that 298 was a good idea." Nina Zamora requested simplification of 298 (What is it? Where is it going? Why do we want or don't want it?). Mr. Kurtz agreed to supply a one-page synopsis/reference document together and distribute to the Board.

Richard Commented that a meeting of the Michigan Association of Counties (MAC) will be held on Monday (October 30<sup>th</sup>). He offered, as a member of the MAC Board, to convey information regarding 298 if needed.

Mr. Tanner acknowledged a misconception that, by turning dollars over to the private sector, the State is off the hook for risk; this is not necessarily so.

## **CEO's Report**

The NMRE CEO Report for October 2017 was included in the materials for the meeting on this date. Mr. Kurtz highlighted the MiPAD committee meeting on October 13<sup>th</sup>. He indicated the "Finance & Reimbursement" portion of the business is concluding. He is advocating for incentive payments through the PIHP for hospitals based on timely admissions.

## **Financial Report**

The NMRE Financial Report for August 2017 was included in the materials for the meeting on this date. Richard Carpenter indicated DAB eligible are still lower than the previous year. TANF and HMP enrollment is above; that revenue is helping to offset the reduction in DABs. Current status shows Traditional Medicaid with a surplus of \$4.7M. Autism shows a deficit of \$2.1M and Healthy Michigan Plan (HMP) shows a deficit of just over \$1M. If this remains consistent for the rest of the year, the NMRE will likely have \$1M to put toward risk reserve or savings. The Auguste Report does not show year end spending efforts; these will be reflected in the September Report. Mr. Carpenter noted the interim FSR is due in November; after compiling the FSR, he should have good numbers for FY17.

## NEW BUSINESS

### **Current Year-end Spending Efforts**

Agreement reached to spend up to the PMPM that is passed to the CMHSPs. Additional spending will be above those amounts, not for ongoing costs. Percentage out the spending per CMHSP revenue. Reports will show planned spending, not deficits. Randy reminded that carry forward is 1<sup>st</sup> dollars spent.

### **FY18 PIHP Contract Amendment No.1**

The summary of changes to MDHHS-PIHP Contract per Amendment No. 1 was included in the materials for the meeting on this date. The signature page is due back to the Department by November 6, 2017.

**MOTION MADE BY DENNIS PRIESS TO AUTHORIZE THE NORTHERN MICHIGAN CHIEF EXECUTIVE OFFICER TO SIGN AMENDMENT NUMBER ONE (NO. 1) TO THE CONTRACT WITH THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES FOR FISCAL YEAR 2018, SECOND BY KARLA SHERMAN. MOTION APPROVED BY CONSENSUS.**

### **MACMHB Conference Highlights**

Mr. Kamps asked whether anyone would like to share any feedback from the Fall Conference (other than what was stated previously under Board Chair report). Mr. Stone commented that 756 individuals attended. The Association is looking for venues other than Dearborn to hold the Spring Conference. Dr. Beck expressed he doesn't think that three conferences per year are necessary, two (Spring/Fall) would be ample. He noted that training opportunities abound. A modest increase in dues could be applied to offset lost revenue for the Association. Mr. Stone indicated there is no support within the association to go to two conferences. The topic is on the agenda for the next Member Services Committee meeting.

**MOTION MADE BY GARY NOWAK IN FAVOR OF ADVOCATING THAT THE MICHIGAN ASSOCIATION OF COMMUNITY MENTAL HEALTH BOARDS MOVE FROM THREE TO TWO CONFERENCES PER YEAR, SECOND BY ROGER FRYE.**

Terry Larson suggested amending the motion to have the five individual CMHSP Boards to do the same. Mr. Kamps responded that he is hesitant for the NMRE to direct what individual Boards do, though Board Members themselves may take the request to their CMHSP Boards.

**Voting took place on Mr. Nowak's motion. MOTION APPROVED BY CONSENSUS.**

## OLD BUSINESS

## **Behavioral Health Home Pilot Update**

Mr. Kurtz provided an update on the Behavioral Health Home pilot on this date. The Department has not provided CMH data or outcomes on the current Health Home pilot, creating a dilemma with expanding, since quality indicator reporting is a year behind. Jon Villasurda, who created the pilot FQHC health home for children, has been supportive. Mr. Kurtz acknowledged the Behavioral Health Home component is one piece of integrated care; we may need a bigger vision, take on more risk, partner with primary care. He spoke about the rural areas and special needs plan for individuals with our diagnostic category with Jay Rosen at the MACMHB Conference. Adding a physical health component is lofty, but partnering could move it forward. Mr. Kurtz will likely continue to reach out to Jay Rosen.

Mr. Kamps mentioned it's important to clarify that 298 is being driven by the Health Plan association as opposed to the Health Plans themselves. Health Plans may be anxious to partner on a non-fiscal basis. Mr. Kamps suggested amending the language to read "initiative" rather than "pilot"

## PRESENTATION

### **SUD Health Home Pilot Discussion**

Mr. Kurtz indicated he has been approached, and that grant funding is available through marijuana licensing, to pilot a health home model for SUD services. The Behavioral Health and Developmental Disabilities Administration (BHDDA) has been sternly instructed to use the licensing funds for prevention or treatment substance use disorders. The recent STR block grant funding was issued, supposedly based on need, though Region 2 has the highest per capita usage of opioids in the state. This would be a State Plan Amendment (SPA) specific for substance use disorders; comes with funding at a 90/10 match (potentially over \$10M).

From 1999 to 2015 opioid and heroin related deaths grew from 22% to 67% in Michigan. People with substance use disorders are at particularly high risk for developing other chronic conditions including, but not limited to, HIV/AIDS, Hepatitis, cardiovascular disease, comorbid substance use, and mental illnesses. Forty percent of those with an opioid use disorder have a comorbid psychiatric disorder, chiefly depression, anxiety, and bipolar disorder. Mr. Kurtz shared graphs showing opioid diagnoses, hospitalizations, and deaths per county in the NMRE region.

Discussions regarding the pilot will continue. A conference is scheduled with the FQHC Association. Mr. Kurtz acknowledged there are numerous administrative components to a Health Home. He agreed to keep the Board informed. This will be discussed during the SUD Policy Board meeting on November 6<sup>th</sup> as well. Dr. Beck asked whether staff can go into care connect 360 to identify the individuals hospitalized (though SUD not in CC360); ER usage should be documented in CC360 if Medicaid/HMP. Mr. Tanner commented that he likes where this is going. Mr. Kamps added that we need to leverage our connections (legislators).

## COMMENTS

### **Staff & CMHSP CEOs**

Dr. Beck commented that, as a region, Sen. Darwin Booher (35<sup>th</sup> District) was nominated for the "go to bat" award. Sen. Booher has taken a leadership role for the northern region.

## MEETING DATES

The next meeting of the NMRE Board of Directors is scheduled for November 22, 2017 at the University Center in Gaylord.

## ADJOURN

Let the record show that Mr. Kamps adjourned the meeting at 11:27AM.