

**NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM, DECEMBER 27, 2017
CROSS STREET CONFERENCE ROOM, GAYLORD**

Board Members in Attendance:	Roger Frye, Ed Ginop, Annie Hooghart, Randy Kamps, Terry Larson, Gary Nowak, Jay O'Farrell, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora
Board Members Absent:	Carol Crawford, Gary Klacking, Dennis Priess, Richard Schmidt
Staff in Attendance:	Carol Balousek, Christine Gebhard, Sandy Kintz, Karl Kovacs, Eric Kurtz, Mary Marlatt-Dumas, Brian Martinus, Diane Pelts, Sara Sircely, Dee Whittaker, Deanna Yockey
Public in Attendance:	Heather Diggs, Scott Smith

CALL TO ORDER

At 10:04AM, Mr. Kamps acknowledged that a quorum was not present. He provided additional time for Board Members to arrive considering the poor driving conditions. A quorum was present and Mr. Kamps called the meeting to order at 10:11AM.

ROLL CALL

Let the record show that Carol Crawford, Gary Klacking, Dennis Priess, and Richard Schmidt were absent with notice for the meeting on this date. All other NMRE Board Members were in attendance.

PLEDGE OF ALLEGIANCE

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

ACKNOWLEDGMENT 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 from the November Board meeting were included in the materials for the meeting on this date.

**MOTION MADE BY GARY NOWAK TO APPROVE THE MINUTES OF THE NOVEMBER 22, 2017 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS, SECOND BY JOE STONE.
MOTION CARRIED.**

APPROVAL OF AGENDA

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

**MOTION MADE BY ROGER FRYE TO APPROVE THE AGENDA FOR THE DECEMBER 27, 2017 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS, SECOND BY GARY NOWAK.
MOTION CARRIED.**

CORRESPONDENCE

- The minutes of the December 7, 2017 PIHP CEOs meeting.
- A memorandum dated December 14, 2017 from Tom Renwick, Bureau of Community Based Services, Michigan Department of Health and Human Services (MDHHS), regarding the \$0.50 Direct Care Wage increase.
- A letter dated December 20, 2017 to Eric Kurtz from Jeffery Wieferrich (MDHHS) approving the application for Child Crisis Residential Services (SafeHaus) from AuSable Valley Community Mental Health.
- An email from Bob Sheehan Community Mental Health Association of Michigan (CMHAM) listing core elements that the Association is urging be included in the RFI for 298 pilots.

Mr. Kurtz said he will discuss the correspondence in more detail under his CEO Report.

ANNOUNCEMENTS

Mr. Kamps thanked Board Members for braving the severe weather conditions.

PUBLIC COMMENTS

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

REPORTS

Board Chair Report/Executive Committee

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

CEO's Report

The NMRE CEO's report for December was included in the materials for the meeting on this date. Mr. Kurtz expressed he consulted with Region 1 (NorthCare Network) about bolstering psychiatric inpatient hospital capacity. A lot of time was put into the MiPAD Committees formed to address the bed shortage. During discussion at the recent Directors Forum, the responsibility was directed back to the PIHPs. Mr. Kurtz and NorthCare CEO, Bill Slavin, met December 18th to consider options. A meeting with War Memorial was scheduled for December 29th to discuss the willingness of providers to expand services.

Mr. Kurtz had a teleconference December 20th with MDHHS Autism staff regarding lack the of quality providers. Some ideas were bought forward. Information will follow as it becomes available. Ms. Sherman asked to quantify how much we're lacking. Mr. Kurtz expressed he was not sure off hand, but likely 100 or so. He noted there is a gap everywhere in the state but bigger in the rural counties. Mr. Kovacs noted the waiting list due to a lack of providers and the inability to establish a "Center" like they can downstate. Ms. Gebhard added that Centria has not delivered as promised. Mr. Kamps asked what the obstacle is. Ms. Gebhard answered talent and training, adding the CMHSPs could be open to all providers. The state rolled out the benefit without the workforce in place. It was recognized that the model has a very rigid approach.

Mr. Kurtz discussed the memorandum from Tom Renwick on the \$0.50/hour increase for direct care workers. The NMRE will be gathering the attestations due to the Department February 1, 2018. Mr.

Tanner noted not all providers are participating. Mr. Kurtz stated he has instructed staff to thoroughly document efforts to comply.

Mr. Kurtz stated that confirmation was received from Jeffery Wiefierich approving the Child Crisis Residential Program (SafeHaus) submitted by AuSable Valley CMH.

Mr. Kovacs referenced the December 7th PIHP CEO meeting minutes regarding the DAB/TANF issue. Milliman has maintained that the rates remained actuarially sound. The aggregate impact to PIHPs was reported as \$21M for FY16 and \$71 for FY17. MDHHS will continue to involve Milliman evaluate the issue to determine whether it continues to grow.

Mr. Kamps asked for an update on the 1115 Waiver and the status of 298. Mr. Kurtz clarified that the delay in approving the 1115 waiver is also delaying the 298 process. The start date for the pilots has been pushed to July 1, 2018, and may be pushed again to October 1st. MDHHS is working to move the 76 policy recommendations from the 298 workgroups forward.

Financial Reports

Mr. Kurtz reported there is no report this month; October and November will be reviewed in January. Mr. Kurtz introduced Deanna Yockey to the Board. Ms. Yockey returned to the NMRE in December as Chief Financial Officer. The relationship with Rehmann will continue through the fiscal year.

NEW BUSINESS

NMRE/NCCMH Lease

Mr. Kurtz stated the agreement for FY18 is being brought forward for transparency. Action is needed on this date to move forward. Mr. Kurtz requested approval for one year, as the Operations Committee has requested NMRE do its due diligence regarding space and hiring.

MOTION MADE BY KARLA SHERMAN TO APPROVE THE EMPLOYEE, SPACE, AND SUPPORT SERVICES LEASE AGREEMENT BETWEEN THE NORTHERN MICHIGAN REGIONAL ENTITY AND NORTH COUNTRY COMMUNITY MENTAL HEALTH FOR FISCAL YEAR 2018, AS REVIEWED ON THIS DATE; SECOND BY ANNIE HOOGHART.

Discussion: Don Tanner asked about the open positions indicated on Attachment A; Mr. Kurtz responded that several have been filled. Gary Nowak asked about the total amount of the lease last year. Ms. Gebhard responded she recalled it being around \$2.5M. The agreement for the current year is slightly more than last year but not more than is budgeted.

ROLL CALL VOTING TOOK PLACE ON MS. SHERMAN'S MOTION TOOK PLACE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Afia Data Warehouse Proposal

Mr. Kurtz explained the proposal to jumpstart the data warehouse. The need for consistent, reliable, data was loud and clear from June Planning Session. Mr. Kurtz has a standing relationship with Jeremy Nelson, Afia Founder and Managing Partner. Afia is also working with Northern Lakes CMH on another matter, and is performing this same function for other PIHPs that use PCE. Payment, encounter data, and eligibility data will all be in one place to enable data mining. The cost is a one-time expenditure with no carry over. Mr. Kurtz noted that this would delay the hiring of 1 FTE in the IT Department that was included in the FY18 budget.

MOTION MADE BY JOE STONE TO APPROVE THE PROPOSAL FROM AFIA FOR THE CREATION OF A DATA WAREHOUSE MODEL FOR THE NORTHERN MICHIGAN REGIONAL ENTITY AT A COST NOT TO EXCEED FORTY THOUSAND DOLLARS (\$40,000.00); SECOND BY DON TANNER.

Mr. Kamps noted that North Country CMH indicated it intends to develop a warehouse as well and asked whether it makes sense to make this a collaborative effort. Mr. Kurtz noted SUD data is a different category. With this, the NMRE can combine, physical health, mental health, and SUD data to perform analytics. Ms. Gebhard noted the five CMHSPs will benefit from the PIHP effort.

ROLL CALL VOTING TOOK PLACE ON MR. STONE'S MOTION TOOK PLACE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Third Level

Mr. Kurtz discussed the potential of securing a different provider for after-hours phone answering services. The (Bachelors level) staff at Third Level Crisis Services/Child & Family Services of Northwestern Michigan is not performing crisis interventions. NMRE holds the Third Level contract for North Country CMH, Northeast Michigan CMH, AuSable Valley CMH, and a portion of Northern Lakes CMH. Rik Rambo has spoken with Third Level staff regarding their requested rate increase. NMRE will approve the increase and contract on a month-to-month while putting out an RFP. Mr. Kovacs asked how after hours calls for SUD services are handled. Ms. Sircely clarified that SUD calls are also directed to Third Level (typically referred to detox or the emergency department). Ms. Gebhard asked about the timeline for the RFP. Mr. Kurtz responded he is hopes to get it underway in January.

RFP for IMD

This topic arose out of a discussion with the Operations Committee. The Michigan Inpatient Psychiatric Admission Discussion (MiPAD) workgroups formed several months ago to improve access to inpatient psychiatric services. The findings turned the issue back on the PIHPs. NMRE Operations Committee proposed issuing an RFP or RFI to open an Institute for Mental Disease (essentially an inpatient mental health facility without an attached emergency department) in the northern region. The State would have to issue a certificate of need for the beds. Pine Rest has expressed interest. The beds would be exclusive to Region 2, with the option of opening to Region 1 (NorthCare Network). This would be a significant effort and would likely require the support of the community, law enforcement, etc. Mr. Tanner expressed there might be an opportunity to partner with tribes. Mr. Kurtz will keep the Board updated on the process.

RFI for Managed Care Plan/Partner

Given the current state of 298, and as NMRE moves forward with its Health Home initiatives and SUD Health Home, we should prepare ourselves for the future. There will be a day when the state is going to want to push risk; PIHPs will need a partner unless the insurance law is changed. In some rural states, Accountable Care Organizations are being formed. We could do an RFI as a provider sponsored health plan. Ideally, we would partner with another entity with risk reserves to get ourselves in a position to bid or take on the physical health care for the people we serve. There is a need for back-up plans A, B, and C. Another approach is that the money would stay with the governmental entity. Money needs to stay in the governmental entity's pocket. Mr. Kovacs noted that integration is taking different forms/different experiments. The focus needs to remain on what is best for the consumer. NMRE can

position itself to "control our own destiny," to be ready to be the premier provider for our specialty population. Mr. Kurtz emphasized this conversation is in the exploratory stage at this time.

OLD BUSINESS

SUD Health Home Update

"Michigan's Opioid Health Home Policy Draft – Consultation draft" document was included in the materials for the meeting on this date. The policy calls for the creation of Opioid Health Home services under the Opioid Health home benefit. Mr. Kurtz emphasized this is a unique opportunity for Region 2 PIHP (NMRE). The pilot will require the hiring of a Health Home Director and additional administrative support staff. The target date is July 1, 2018.

PRESENTATION

SUD RFI Results

Ms. Sircely presented on the recent RFI conducted for Substance Use Disorder treatment services. Ms. Sircely explained the goal was to set rates at the PIHP, rather than the current open panel policy. Twenty responses were received. Ms. Sircely distributed a list of recommended rates by service codes. Ms. Sircely expressed NMRE is looking at expanding services, normalizing rates; expectation is to come in close to budget utilizing the new rates. Mr. Kurtz noted one wild card is the SUD Health Home (up to \$8M), and another is the expansion of codes and how much they'll be used. Some utilization management is needed with some of the codes. Projecting to be under budget with the caveat of the two areas noted. Mr. Kamps asked whether it is reasonable to assume the rate array will be accepted by providers and we won't lose any. Ms. Sircely responded that she doesn't anticipate too much of an issue. It was noted that NMRE would like to have providers in the future that can deliver the full-service array.

MOTION MADE BY JOE STONE TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER TREATMENT SERVICES RECOMMENDATIONS FROM THE REQUEST FOR INFORMATION AS PRESENTED AND REVIEWED ON THIS DATE; SECOND BY GARY NOWAK. MOTION CARRIED.

COMMENTS

Board

Mr. Stone wished everyone a Merry Christmas and Happy New Year.

Mr. Kamps asked Diane Pelts to pass along the Board's best wishes to Dr. Beck upon his retirement.

Mr. Frye noted he will be in Florida for the February 2018 Board meeting.

Public

Scott Smith from Pine Rest offered to present to the Board in the future.

MEETING DATES

Mr. Kamps suggested the Board not meet in January. Mr. Kurtz will review agenda items and decide if action is needed. Immediate issues could be addressed by the Executive Committee. Mr. Larson suggested the Board begin meeting every other month. Discussion will be placed on the next meeting Agenda. The suggestion was also made to meet via Skype.

ADJOURN

Let the record show that Mr. Kamps adjourned the meeting at 11:37AM.