

**NORTHERN MICHIGAN REGIONAL ENTITY  
BOARD OF DIRECTORS MEETING  
10:00AM, APRIL 25, 2018  
CROSS STREET CONFERENCE ROOM, GAYLORD**

<b>BOARD MEMBERS IN ATTENDANCE:</b>	<b>Carol Crawford, Roger Frye, Ed Ginop, Randy Kamps, Gary Klacking, Terry Larson, Gary Nowak, Jay O’Farrell, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora</b>
<b>BOARD MEMBERS ABSENT:</b>	<b>Annie Hooghart, Dennis Priess</b>
<b>STAFF IN ATTENDANCE:</b>	<b>Christine Gebhard, Chip Johnston, Karl Kovacs, Eric Kurtz, Cathy Meske, Diane Pelts, Carol Balousek</b>
<b>PUBLIC IN ATTENDANCE:</b>	<b>Chip Cieslinski, Sue Winter</b>

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 Annie Hooghart and Dennis Priess were absent with notice for the meeting on this date. All other Board Members were in attendance.

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 March meeting of the NMRE Governing Board were included in the materials for the meeting on this date.

**MOTION MADE BY JOE STONE TO APPROVE THE MINUTES OF THE MARCH 28, 2018 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS, SECOND BY NINA ZAMORA. MOTION CARRIED.**

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 APRIL 25, 2018 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS, SECOND BY DON TANNER. MOTION CARRIED.**

CORRESPONDENCE

- The Flyer for the Regional Day of Recovery Education at Treetops Resort on May 11th from 10:00AM-3:00PM.
- Article from Kevin Essebaggers of 9&10 News about the community forum held on April 19<sup>th</sup> to discuss the opioid epidemic in Northern Michigan.
- Email from Alan Bolter from CMHAM regarding 298 pilot developments, particularly expressing disapproval with Section 2(e).

- Section 298 Delegated Functions document from the Michigan Association of Health Plans. Eric Kurtz noted this will be discussed under “The Challenge” under “New Business on the meeting Agenda.

#### 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. NMRE staff and public in attendance were introduced to the Board.

#### REPORTS

##### **Board Chair Report/Executive Committee**

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

##### **CEO’s Report**

The NMRE CEO Report for April 2018 was included in the materials for the meeting on this date. Mr. Kurtz referenced the Community Benefit discussion that took place on April 11<sup>th</sup>. Joe Stone asked whether there has been any update on the Michigan Consortium of Healthcare Excellence (MCHE); Mr. Kurtz responded the NMRE has withdrawn. Don Tanner asked about the April 6<sup>th</sup> Contract Negotiations meeting and whether the Medicaid savings issue was discussed. Mr. Kurtz responded it has been referenced indirectly via boilerplate language discussion. Expenditures into the Internal Service Fund are not counted in rates. So far, the language in question remains in the boilerplate; this is not a popular position among the PIHPs.

##### **SUD Board Report**

The next meeting of the NMRE Substance Use Disorder Oversight Board is scheduled for 10:00AM on May 7, 2018 in the Cross Street Conference Room in Gaylord.

##### **Financial Reports**

The NMRE Monthly Financial Report for February 2018 was included in the materials for the meeting on this date. Deanna Yockey reported the eligibles as of February remain consistent with prior months. The revenue is following eligible as expected. Traditional Medicaid (including Autism) shows a \$3.5M surplus, which is offset by a \$300K deficit in Healthy Michigan. The NMRE and its five Member CMHPS are working collaboratively on a community benefit spending plan.

Karl Kovacs commented that expanding the Health Home pilot to the NMRE’s 21 counties via State Plan Amendment requires only a simple change. He requested Board Members continue to contact legislators and the Senate Appropriations Committee (Sen. Dave Hildenbrand, Chair).

Randy Kamps asked Ms. Yockey if there was anything surprising in the February 2018 Financial Report; she indicated there was not. The region currently has surplus to spend and continues to add to it. Effort is being made by the Boards to spend their PMPM. Planful spending will target gaps in services and staff retention. Mr. Stone commented, “I struggle with spending money to spend money.” Chip Johnston expressed that he’s realized other regions had funding to a level that allowed services that our region never contemplated. Now, Region 2 is getting equity and getting what they’ve been getting all along. Mr. Johnston asked whether the region could deploy some funding to prevention. Ms. Yockey said that is possible. The NMRE is in a unique position in the State as rates are improving, and spending has been done conservatively.

**MOTION MADE BY ED GINOP TO RECEIVE AND FILE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR FEBRUARY 2018, SECOND BY RICHARD SCHMIDT. MOTION CARRIED.**

**Board Policy Committee Report**

Let the record show that the NMRE Board Policy Committee met at 9:30AM on this date. The Board Policy Committee recommended approval of all policies presented, with noted corrections.

**MOTION MADE BY JOE STONE TO APPROVAL THE POLICIES RECOMMENDED BY THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD POLICY COMMITTEE, SECOND BY KARLA SHERMAN. MOTION CARRIED.**

Let the record show that the Policy and Procedure Development and approval Policy, Pre-delegation Assessment Policy, Monitoring of Delegated Functions Policy, Medicaid Service Verification Policy, Governing Board Annual Compliance Education Policy, Standards of Conduct were approved on this date.

NEW BUSINESS

**The Challenge**

The Section 298 Concept Paper “The Challenge” was included in the materials for the meeting on this date. Mr. Kurtz explained that, the state is planning to issue an RFP based on the document. He continued by apprising the Board of the direction the State is going. Approximately 25% of the Medicaid population is not enrolled in a Medicaid Health Plan for the management of physical health and cannot be forced in. Medicaid specialty behavioral services costs to this population are 40% of total funding. It is not possible, under the current structure, for the funding for this population to be fully integrated, as required for the pilots. After the State reviewed the issue, the decision was made to segregate funding for the pilot CMHSPs into a single bucket and have PIHPs bid to manage the funding under a different contract, different risk arrangement, and a match delegated functions arrangement. The NMRE is one of the PIHPs currently eligible to bid (as stated).

Mr. Johnston commented that several CMHSPs in the south are seeking a legal opinion. A change would be needed from County Commissions to take on risk outside of their geographic area. Mr. Kurtz noted no public comment period associated with the issuance of the RFP. A discussion of whether the MHPs must contract with the CMHSP pilot sites followed. If this moves forward, there is need for advocates to weigh in. Mr. Kovacs asked whether any of the pilot CMHSPs have signed the contract. Mr. Kurtz responded they have not. Ms. Sherman suggested advocates be brought into the discussion right away. Mr. Kurtz indicated others are reaching out. Mr. Kurtz drew attention to the Section 298 Pilot Delegated Functions document from the Michigan Association of health Plans (MAHP) included in the correspondence, citing the number of “non-negotiable” delegation areas.

Mr. Kovacs expressed he has been in communication with individuals close to Long Term Services and Supports (LTSS) in the state as MHPs continuing to try to usurp the public mental health system and the State moves to put LTSS in Medicaid Managed care model (nursing home, MIChoice Waiver Program). Randy emphasized need to keep operations sharp and nimble.

**Community Reinvestment**

The notes from the regional discussion on April 11<sup>th</sup> were included in the materials for the meeting on this date. Mr. Kurtz summarized, noting dollar amounts are approximate. Mr. Stone asked whether the staff retention payments are for one time or ongoing. Mr. Kurtz responded some were one-time costs and others were for performance incentives, paid time off, and increases to direct care workers staff. Mr. Kovacs mentioned it was a great regional discussion. Options for critical placement issues that require specialized residential placements were discussed. Another recommendation was to expand the data

warehouse from Afia; a dollar amount will be brought forward next month for Board approval (currently under the \$40K budgeted for the current project).

### **External Quality Review/Performance Indicators**

Performance Indicators for FY17 and Q1 FY18 were included in the materials for the meeting on this date. The on-site portion of the NMRE's External Quality Review (federal requirement) is scheduled for June 19<sup>th</sup> and 20<sup>th</sup>. Mr. Kurtz brought the report to the Board for informational purposes. It was noted that software changes and staff turnover are somewhat to blame for missed indicators. Diane Pelts noted the low "n" in some categories. Christine Gebhard commented that North Country CMH has historically met the standards; the Emergency Services system is being reworked to address missed indicators. Mr. Kurtz emphasized the importance of outperforming the Medicaid Health Plans on these and other health care indicators.

### OLD BUSINESS

#### **Cohl, Stoker & Toskey Engagement**

During the March meeting of the NMRE Governing Board, Mr. Kurtz discussed the need for the NMRE to retain a law firm for needed legal services. A Contract between the NMRE and Cohl, Stoke & Toskey, PC was included in the materials for the meeting on this date.

**MOTION MADE BY JOE STONE TO APPROVE THE LEGAL SERVICES CONTRACT BETWEEN THE NORTHERN MICHIGAN REGIONAL ENTITY AND COHL, STOKER & TOSKEY, P.C. AS PRESENTED AND REVIEWED ON THIS DATE, SECOND BY DON TANNER. MOTION CARRIED.**

#### **The Bulletproof Mind**

Veteran Navigator, Brian Martinus, spoke about the "Bulletproof Mind" training on June 4<sup>th</sup>. Board Members may attend if they wish. Lt. Col. David Grossman, a leading speaker on school shootings is the presenter. Registration may be done online. Mr. Kurtz suggested sending a press release, not necessarily as an invitation, but to inform the public of NMRE's initiatives. Information will also be posted on the [nmre.org](http://nmre.org) website.

### PRESENTATION

#### **NMRE Draft Strategic Plan**

The NMRE's Strategic Plan was first presented to the Board in February 2018 for review. Staff continues to add baseline data or note that baseline is needed. The Plan, along with the NMRE's Mission and Vision will provide the foundation for a future Board Planning Session. Mr. Kurtz voiced a primary goal of beating the Medicaid Health Plans in HEDIS measures. Federal indicators will be used for the Opioid Health Home. Mr. Kamps expressed there may be areas within the plan to direct some of the NMRE's surplus funds.

**MOTION MADE BY DON TANNER TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY 2018-2019 STRATEGIC PLAN, SECOND BY JOE STONE. MOTION CARRIED.**

### COMMENTS

Mr. Stone asked who might be willing to be a voting delegate representing the NMRE at the Spring CMHAM Conference. Mr. Schmidt volunteered, and Mr. Stone offered to be a second delegate.

Mr. Kamps thanked the Board for the kind thoughts and condolences extended to him in March.

### MEETING DATES

The next meeting of the NMRE Board of Directors is scheduled for 10:00AM on May 23<sup>rd</sup> in the Cross Street Conference Room in Gaylord.

### ADJOURN

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