

**NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM, JUNE 27, 2018
CROSS STREET CONFERENCE ROOM, GAYLORD**

BOARD MEMBERS IN ATTENDANCE:	Roger Frye, Ed Ginop, Randy Kamps, Gary Klacking, Terry Larson, Gary Nowak, Jay O’Farrell, Dennis Priess, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora
BOARD MEMBERS ABSENT:	Carol Crawford, Annie Hooghart
STAFF IN ATTENDANCE:	Christine Gebhard, Karl Kovacs, Eric Kurtz, Mary Marlatt-Dumas, Brian Martinus, Cathy Meske, Ron Meyer, Stewart Mills, Diane Pelts, Christy Pudvan, Rik Rambo, Brandon Rhue, Sara Sircely, Dee Whittaker, Deanna Yockey, Carol Balousek
PUBLIC IN ATTENDANCE:	Chip Cieslinski, Heather Diggs, Susan Pulaski, Sue Winter

CALL TO ORDER

Let the record show that Chairman Randy Kamps called the meeting to order at 10:01AM.

ROLL CALL

Let the record show that Carol Crawford and Annie Hooghart 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 May 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 MAY 23, 2018 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS, SECOND BY DENNIS PRIESS. MOTION CARRIED.

APPROVAL OF AGENDA

Mr. Kamps called for approval of the meeting agenda.

MOTION MADE BY GARY NOWAK TO APPROVE THE AGENDA FOR THE JUNE 27, 2018 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS, SECOND BY ED GINOP. MOTION CARRIED.

Mr. Kurtz requested Dale Howe Contract be added under “New Business” and Michigan Department of Corrections (MDOC) be added under “Old Business”.

Let the record show that Mr. Nowak amended his motion to include the additions; Mr. Ginop supported. The motion carried as Amended.

CORRESPONDENCE

- Michigan Psychiatric Admissions Denial (MiPAD) Initial Findings July – December 2017 Report dated May 29, 2018. Mr. Kurtz highlighted the MiPAD report shows a worsening trend for placing individuals in psychiatric hospitals.
- PIHP CEO meeting minutes for May 3, 2018. Mr. Stone asked about whether Oakland County has been attending the meetings; Mr. Kurtz responded yes, Diana Bundschuh (CIO) has been representing.
- GAIN Implementation Plan.
- 2019 Behavioral Health Budget Update.
- Memorandum to CMHSP and PIHP Executive Directors from Lynda Zeller regarding the 2017 Individual Placement and Support (IPS) Report.
- NMRE Spring 2018 Consumer Newsletter

Mr. Kamps added that he received correspondence from Ben Bledsoe of Consumer Direct Care Network (Missoula, Montana) about Electronic Visit Verification (EVV) implementation; he called the letter a “fishing expedition,” noting “word is out”.

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 Board Members.

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 June 2018 was included in the materials for the meeting on this date. Mr. Kurtz highlighted his attendance at the AuSable Valley CMH Board meeting on May 29th and the Northeast Michigan CMH Board meeting on June 14th, stating he appreciated the opportunity.

SUD Board Report

Prevention RFP

Let the record show that the NMRE SUD Policy Board met June 25th. Sara Sircely announced STR grants will continue for a second year. Rollover funds will move forward for different projects within the same parameters. MDHHS announced a grant opportunity for Prevention Gambling in the amount of \$200K; Ms. Sircely noted the parameters are highly prescriptive. Ms. Sircely was notified the State also received Opioid Response Grants. Larry Scott at the Office of Recovery Oriented Systems of Care is developing a group to discuss potential use.

Ms. Sircely reported on the RFP for prevention services in the counties of Antrim, Charlevoix, Cheboygan, Crawford, Emmet, Otsego, and Roscommon. Responses were received from Catholic Human Services (Cheboygan, Crawford, Otsego, and Roscommon) and the Health Department of Northwest Michigan (Antrim, Charlevoix, Emmet, and Otsego). After review, the recommendation was made to award Catholic Human Services the contract for Cheboygan, Crawford, Otsego, and Roscommon counties and the Health Department of Northwest Michigan for Antrim, Charlevoix, and Emmet Counties.

MOTION MADE BY ROGER FRYE TO AWARD PREVENTION SERVICES CONTRACTS TO CATHOLIC HUMAN SERVICES FOR THE COUNTIES OF CHEBOYGAN, CRAWFORD, OTSEGO, AND ROSCOMMON, AND TO THE HEALTH DEPARTMENT OF NORTHWEST MICHIGAN FOR THE COUNTIES OF ANTRIM, CHARLEVOIX, AND EMMET, SECOND BY TERRY LARSON.

Discussion: Mr. Stone asked why the RFP was only for the seven stated counties. Ms. Sircely clarified that procurement for prevention services is done on a three-year, staggered cycle.

Voting took place on Mr. Frye's Motion. MOTION CARRIED.

Financial Reports

The NMRE Monthly Financial Report for April 2018 was included in the materials for the meeting on this date. Deanna Yockey reported Traditional Medicaid shows a surplus of \$2.6M, savings of \$4.2M, and ISF of \$6.6M. Healthy Michigan shows a deficit of just under \$700K. Ms. Yockey noted DAB, TANF, and HMP eligible have dropped slightly with revenue following. A discussion of Q4 FY18 rate changes will follow as the next Agenda item.

MOTION MADE BY NINA ZAMORA TO RECEIVE AND FILE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR APRIL 2018, SECOND BY KARLA SHERMAN. MOTION CARRIED.

NEW BUSINESS

Capitation Rate Adjustment

Mr. Kurtz expressed the SFY 2018 Rate Setting Capitation Rate Amendment dated June 12, 2018 that was included in the meeting packet is no longer relevant. He directed the Board to disregard and distributed a SFY 2018 Revenue Projection on this date. Mr. Kurtz explained Oakland and Southeast Michigan PIHPs received a cut in the first proposal even though \$20M in additional Medicaid was rolled out for Q4 FY18. A second meeting was held to dissect the methodology, facilitated by CMHAM. The rationale for the cut points to data and the transition to using a 100% morbidity factor. Mr. Kurtz noted that FY17 data was used, although the current contract only acknowledges FY16 data usage for Milliman. A collective email was sent to Milliman with questions.

The reason(s) why the three PIHPs were hit negatively could easily have to do with geographic factor and Milliman no longer look at spending. Diagnostic trends may potentially move individuals to lower cost categories. Mr. Kurtz assured the Board that NMRE is on top of researching this issue to make sure this doesn't happen in our region. Christine Gebhard added that chronic medical conditions also need to be recorded to get the morbidity factor. Mr. Kurtz agreed, noting it is essential that primary diagnoses (presumably higher rate) are not lost. Ms. Yockey added NMRE FY17 data was tested with NMRE coming out favorably, increasing Q4 FY18 increase by \$100K to \$3.9M. Brandon Rhue is working with PCE to address any needed corrections and developing data study and report to monitor. Karl Kovacs commented on the importance of staying on top of the various "buckets." A follow-up rate setting meeting is scheduled for July 2nd.

FY19 MDHHS/PIHP Contract

A memorandum dated June 12, 2018 from John Duvendek, Program Development, Consultation, and Contracts Division at MDHHS to PIHP Directors introducing the FY19 Contract was included in the materials for the meeting on this date. There were no additional changes to the Contract from Amendment No.2 to FY18 contract. The signature page is due to MDHHS by June 30, 2018.

MOTION MADE BY JOE STONE TO APPROVE THE CONTRACT BETWEEN THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES AND THE NORTHERN MICHIGAN REGIONAL ENTITY FOR FISCAL YEAR 2019, SECOND BY DON TANNER. MOTION CARRIED.

CMHA Contract

An Independent Contractor Agreement from Michigan Association of Community Mental Health Boards was included in the materials for the meeting on this date. The Agreement provides the NMRE with start-up funds for the Opioid Health Home for staff time and travel expenses.

MOTION MADE BY KARLA SHERMAN TO APPROVE THE INDEPENDENT CONTRACTOR AGREEMENT BETWEEN THE MICHIGAN ASSOCIATION OF COMMUNITY MENTAL HEALTH BOARDS AND THE NORTHERN MICHIGAN REGIONAL ENTITY TO PROVIDE FUNDS UP TO TWENTY-THOUSAND DOLLARS FOR STAFF TIME AND UP TO TEN THOUSAND DOLLARS FOR STAFF TRAVEL RELATED TO THE OPIOID HEALTH HOME PILOT PROJECT, SECOND BY DON TANNER. MOTION CARRIED.

Rehmann Change Order

A change order from Rehmann to the NMRE dated June 13, 2018 was included in the materials for the meeting on this date. Effective July 1st, Richard Carpenter (Rehmann) will no longer be acting CFO for the NMRE. A consultation agreement with Rehmann will remain in place through the end of FY18.

MOTION MADE BY DON TANNER TO APPROVE THE CHANGE ORDER DATED JUNE 13, 2018 TO THE ORIGINAL AGREEMENT DATED JULY 21, 2016 BETWEEN REHMANN ROBSON AND THE NORTHERN MICHIGAN REGIONAL ENTITY, SECOND BY KARLA SHERMAN. MOTION CARRIED.

Class Action Complaint

A Class Action Complaint prepared by Mantese Honigman, PC, Michigan Protection and Advocacy Service, and John J. Conway, PC was included in the materials for the meeting on this date. The complaint alleges that medically necessary services were not provided as allowed under the Medicaid benefit. The NMRE is named (page 30); two individuals from Northern Lakes CMH (Roscommon) are involved. Other plaintiffs are joining; it may include all 10 PIHPs in the end. Mr. Kovacs stressed the need to treat individuals with challenging behaviors in appropriate settings. Cathy Meske agreed, adding that staffing issues at recommended capacity is a considerable factor, particularly with individuals under six years old and over 21 years old.

Afia SOW

A Statement of Work from Afia was included in the materials for the meeting on this date. The SOW broadens the scope of the original agreement with Afia for development of a data warehouse.

MOTION MADE BY JOE STONE TO APPROVE THE STATEMENT OF WORK FROM AFIA DATED JUNE 20, 2018 TO AMEND THE SCOPE OF THE MASTER SERVICES AGREEMENT DATED JANUARY 11, 2018, SECOND BY GARY NOWAK.

Discussion: Mr. Tanner asked whether this has any factor on the rate setting. Mr. Kurtz responded that good data helps but NMRE had already been complying.

Voting took place on Mr. Stone's motion. MOTION CARRIED.

DKHowe

Due to the development of the data warehouse, NMRE will be able to run data reports previously supplied by Mr. Howe. Mr. Kurtz called for action to discontinue this contract (\$16K x 4 quarters), nothing CMHSP have option of contracting directly if they chose.

MOTION MADE BY JOE STONE TO RECOMMEND THE NORTHERN MICHIGAN REGIONAL ENTITY DISCONTINUE ITS CONTRACT WITH DKHOWE, SECOND BY KARLA SHERMAN. MOTION CARRIED.

OLD BUSINESS

A Benefit Stabilization Reinvestment – Board Updates

This topic will be a standing agenda item at the request of the Request of the Board Chair.

AuSable Valley CMH

Diane Pelts reported the initial amount of \$525K was revised as some items are no longer being pursued. Lack of workforce has been a big factor as expanded positions are not being filled. Program expansions include Telehealth/telepsychiatry, staff training, family program, IT upgrades, and reevaluating and redesigning programs. Also pursuing Relias for training vs. myLearningPointe, implementing new general ledger software, and funding the “I’m In” program to help individuals build relationships through community participation.

Centra Wellness Network

Let the record show that Chip Johnston was not in attendance to provide an update.

North Country CMH

Christine Gebhard reported \$1M was budgeted to core services, North Country CMH is currently \$1.1M over for residential through April. Other planned expenses include staffing increases (\$36K to date), and one-time costs (equipment upgrades, IT, property improvement) at \$500K anticipated (\$108K to date). ProtoCall after-hours crisis services and myStrength digital platform are being pursued.

Northeast Michigan CMH

Cathy Meske reported funds are being used for rural practice development. A child psychiatrist has been hired. A mobile crisis unit for children is being developed. ProtoCall after-hours crisis services is being pursued. Contracts with Prevention partners for trainings on suicide and substance use is moving forward. Increased residential costs continue (\$800K). Training is being expanded for autism services in an effort to “grow from within”. A psychiatrist is being recruited. MyStrength digital platform has been purchased. Staff is receiving a one-time ancillary payment.

Northern Lakes CMH

Karl Kovacs reported his Board approved a plan totaling \$919K for 19 initiatives (Board approved up to \$1M). Included in the plan: one-time performance incentive to staff, expanding service capability, developing crisis residential capacity, expanding supportive employment, upgrading IT capability, property modifications, continuing myStrength digital platform, expanding occupational therapy, expanding children’s services (2 additional staff), purchasing new general ledger software, and developing a curriculum for secondary trauma.

Mr. Kamps commented that the CMHSPs are thoughtfully going through the process. He noted it will be difficult to get it all done by September 30th. Mr. Kurtz acknowledged the NMRE will still lapse back funds (especially with the additional \$3.9 for Q4).

Mr. Stone asked if NMRE is giving one-time bonuses to staff. Mr. Kurtz responded no, but increasing staff is likely for providers and NMRE for the Opioid Health Home.

Opioid Health Home

A “kickoff” is scheduled for July 30th in Traverse City. Information will be sent to the Board. Public Comment has been received on the Opioid Health Home Pilot Program policy bulletin. The Opioid Health Home Handbook was sent from MDHHS on June 25th.

Autism Sanction Plan of Correction

A summary of ABA services for NMRE from the Michigan Autism Program was included in the materials for the meeting on this date. The NMRE had an on-site review by MDHHS on June 14th – 15th. AuSable Valley’s

use of case management services received recognition from the auditors; staff may be asked to conduct a regional training. Mr. Kurtz noted the sanction Plan of Correction timeline was delayed allowing for the pre-meeting in Lansing.

MDOC

A Notice of Intent to Negotiate and Contract with a Single Provider from the State of Michigan was distributed. Currently all 10 PIHPs are “at the table.” PIHPs are the only entities with statutory and contractual responsibility to manage publicly funded substance use disorder services. PIHPs are being asked to do Network Management for MDOC SUD treatment. Basically, PIHPs would do procurement of the provider network, Utilization Management, Quality Management, Care Coordination, Network Development, and Claims Processing. Mr. Kovacs asked if financial risk is shifted to PIHPs. Mr. Kurtz responded, “some gray areas remain.” Mr. Priess, Mr. Schmidt, and Mr. Tanner shared previous experiences. No indication to date of financing or how the funds would flow.

PRESENTATION

Marijuana Education

Christina Pudvan, SUD Prevention Coordinator, provided some information on marijuana effects and potency and reactions to marijuana legalization in Colorado and other states. The Michigan Marijuana Legalization Initiative is on the November 6th ballot in Michigan. The initiative was designed to allow adults age 21 or older to possess and use marijuana for recreational purposes. Individuals would be permitted to grow up to 12 marijuana plants in their residences. Municipalities would be allowed to ban or limit marijuana establishments within their boundaries, though it was noted would occur by an “opt out” process.

Liquor Tax Request

Susan Pulaski from the Health Department of Northwest Michigan discussed a liquor tax request to expand the SAFE in Northern Michigan coalition’s digital media campaign addressing marijuana use in adolescents to the entire twenty-one county NMRE region (already running in Antrim, Charlevoix, and Emmet counties.) at a cost of \$18K. This request received the recommendation of the NMRE SUD Policy Board. A summary of the Marijuana Campaign prepared by Ted Garber of McDonald Garber Broadcasting was distributed on this date. (McDonald Garber Broadcasting operates a local top 40 radio station, popular with teens.)

MOTION MADE BY JOE STONE TO APPROVE THE LIQUOR TAX REQUESTS RECOMMENDATION OF THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT BOARD ON JUNE 25, 2018, SECOND BY JAY O’FARRELL. MOTION CARRIED WITH ONE OPPOSITION VOTE RECORDED FROM MR. TANNER.

COMMENTS

Let the record show that there were no comments made at the close of the meeting on this date.

MEETING DATES

The next meeting of the NMRE Board of Directors is scheduled for 10:00AM on July 25th in the Cross Street Conference Room in Gaylord.

ADJOURN

Let the record show that Mr. Kamps adjourned the meeting at 12:27PM.