

**NORTHERN MICHIGAN REGIONAL ENTITY
BOARD OF DIRECTORS MEETING
10:00AM, DECEMBER 12, 2018
OTSEGO CLUB, GAYLORD**

BOARD MEMBERS IN ATTENDANCE:	Carol Crawford, 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:	Annie Hooghart
STAFF IN ATTENDANCE:	Jodie Balhorn, Christine Gebhard, Chip Johnston, Eric Kurtz, Brian Martinus, Tom Melnik, Cathy Meske, Brandon Rhue, Sara Sircely, Tricia Wurn, Deanna Yockey, Carol Balousek
PUBLIC:	Chip Cieslinski, Heather Diggs, Chris Frasz, Mickie Jannazzo, 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 Annie Hooghart was absent 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 October meeting of the NMRE Governing Board were included in the materials for the meeting on this date.

MOTION MADE BY GARY NOWAK TO APPROVE THE MINUTES OF THE OCTOBER 24, 2018 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SECOND BY RICHARD SCHMIDT. MOTION CARRIED.

APPROVAL OF AGENDA

Mr. Kamps called for approval of the meeting agenda.

MOTION MADE BY JOE STONE TO APPROVE THE AGENDA FOR THE DECEMBER 12, 2018 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SECOND BY DON TANNER. MOTION CARRIED.

CORRESPONDENCE

- The minutes of the November 1st PIHP CEO meeting.
- A summary of the November 28th – 28th CMHAM Directors Forum.
- MDHHS Network Adequacy Standards: Medicaid Specialty Behavioral Health Services plan request and guidelines from Jon Villasurda.

- Email correspondence dated October 26th from Monique Francis at CMHAM on behalf of Bob Sheehan about the Association dialogue with health systems, health plans, IT/data analytics, and other firms within Michigan.
- Memorandum dated November 7th from Dickinson Wright Municipal Group to the Marihuana Consortium Members regarding municipal ordinances for recreational marihuana facilities.
- Information regarding Marihuana Issues in Employment Law from Dickinson Wright.
- Michigan Protection Data System report for FY17.
- A memorandum dated December 5th from Jeff Wieferrich to Executive Directors/CEOs of PIHPs and CMHSPs about Proposed New/Revised Services and Provider Qualifications for New Waivers.
- “A Brief History of Michigan’s Public Mental Health System” from the Michigan Mental Health Commission from 2004.
- Michigan Department of Community Health “Revised Plan for Procurement of Medicaid Specialty Prepaid Health Plans” from September 2000.
- The NMRE Regional Finance Committee draft meeting minutes for November 14, 2018.
- The NMRE Operations Committee draft meeting minutes from December 4, 2018.

Mr. Kurtz offered to take questions on any of the correspondence. He drew attention to handout from the Michigan Mental Health Commission “A Brief History of Michigan’s Public Mental Health System,” the MDCH “Revised Plan for Procurement of Medicaid Specialty Prepaid Health Plans,” and the “Proposed New/Revised Services and Provider Qualifications for New Waivers” as items of particular interest.

ANNOUNCEMENTS

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

PUBLIC COMMENTS

Mickie Jannazzo announced a Child & Family Services of Northwest Michigan event coming up on January 16th. She also thanked the region for years of partnership with Third Level and wished everyone well with the new provider. Brandon Rhue introduced Tom Melnik, a new Business Intelligence Analyst for NMRE; Tom is also a licensed clinician. Karl Kovacs mentioned the city commission for Traverse City will meet on Monday, Dec. 17th to discuss opt in/opt out of recreational marijuana.

REPORTS

Board Chair Report/Executive Committee

The NMRE Executive Committee met prior to the meeting on this date at 9:00AM. The Executive Committee reviewed the CEO evaluation survey report and recommended that 1) Eric Kurtz be retained as the NMRE CEO, and 2) Eric Kurtz be given a 5% salary increase effective October 1, 2018. Mr. Kamps offered the CEO Evaluation Report to Board members upon request.

MOTION MADE BY ROGER FRYE TO APPROVE A FIVE PERCENT (5%) INCREASE TO THE NORTHERN MICHIGAN REGIONAL ENTITY CHIEF EXECUTIVE OFFICER’S ANNUAL COMPENSATION EFFECTIVE OCTOBER 1, 2018; SECOND BY DENNIS PRIESS. MOTION CARRIED.

CEO’s Report

The NMRE CEO Report for November and the first part of December 2018 was included in the materials for the meeting on this date. Mr. Kurtz highlighted the Veteran Navigators summit on October 26th. NMRE Veteran Navigator, Brian Martinus, will present to the Board at an upcoming meeting. Mr. Kurtz also noted attending the North Country CMH Board Planning Session on November 30th and the MDHHS-PIHP Contract Negotiations meeting on November 15th.

SUD Board Report

Let the record show that the next meeting of the NMRE SUD Oversight Policy Board is scheduled for 10:00AM on January 7, 2018 in the Cross Street conference room in Gaylord.

September Financial Report

The NMRE Monthly Financial Report for September 2018 was included in the materials for the meeting on this date.

- Traditional Medicaid showed \$151,555,873 mental health revenue, plus \$3,389,866 for SUD, and \$155,941,709 in expenses, resulting in a net surplus of \$672,581.
- Healthy Michigan Plan showed \$10,973,837 mental health revenue, plus \$5,018,741 for SUD, and \$18,838,768 in expenses, resulting in a net deficit of \$2,846,190, which may be offset by Medicaid savings. Statewide issue.
- Behavioral Health Home showed \$172,859 revenue and expenses of \$132,986, resulting in a surplus of \$39,873.
- SUD showed all funding source revenue of \$14,147,293 and expenses of \$13,876,469, resulting in a surplus of \$270,824.

Regional data shows DAB, TANF, and HMP trends. Mr. Kamps asked about the status of the FY18 spending plans. Mr. Kurtz responded the efforts were effective. NMRE anticipates a \$1.1M carry forward into FY19.

NEW BUSINESS

PM/PM Revenue and Projected FY18 Expenditures

The projected Expenditure Analysis shows a regional deficit of \$286K for traditional Medicaid and a \$969K deficit for Health Michigan. CMHSP budget projections include spending plans implemented in FY18. Revenue includes an assumed 1.5% increase. CMHSP budgets show a significant increase in inpatient hospitalization costs, mainly for the (new) HMP population.

SUD Services RFI Results

Sara Sircely provided a review of responses to the NMRE's Request for Information. Several providers have added locations and billing codes. Ortele has requested acceptance on the provider panel. Ms. Sherman questioned the per unit cost of Peer Recovery Coach services. Ms. Sircely responded it is an added cost that had not been Medicaid reimbursable until last year. Mr. Stone asked about the impact to the budget. Ms. Sircely responded the impact is somewhat unknown (billed fee-for-service). Mr. Rhue noted the NMRE plans to monitor the impact of Peer Recovery Coach services on recidivism rates. Mr. Kurtz added that increasing the use of peer supports is tied to the OHH performance bonus incentive payment. The hope is that peer supports can be used in lieu of other, costlier, services. Mr. Kamps asked whether the SUD Oversight Board has reviewed the report. Mr. Kurtz responded it has not though it would be informational as it pertains to Medicaid services. Mr. Tanner indicated he would like to see a recommendation from the SUD Oversight Board. Mr. Kurtz agreed to share the findings with the SUD Oversight Board during the January meeting. It was noted volunteer peer supports will continue to be used. Mr. Kovacs expressed confidence in the management of SUD services under the current NMRE CEO. Mr. Kurtz noted the need to continue to advocate for more SUD revenue, particularly HMP.

MCG Parity Software

The Agreement with MCG was included in the materials packet for the meeting on this date with the recommendation for approval from the Operations Committee. Although the NMRE is no longer part of the Michigan Consortium for Healthcare Excellence (MCHE), it still needs to be compliant. There must be an authorization process that is not less restrictive than physical health for certain services. MCG is national standards group. The term of the Agreement is three years. The total three-year cost was given as \$39,821.78.

MOTION MADE BY JOE STONE TO APPROVE THE MASTER LICENSE AGREEMENT WITH MCG HEALTH, LLC FOR PARITY SOFTWARE FOR A THREE-YEAR TERM; SECOND BY RICHARD SCHMIDT. MOTION CARRIED.

NMRE-CMHAM Agreement

The Agreement with CMHAM was included in the materials packet for the meeting on this date with the recommendation for approval from the Operations Committee. The funds will cover software needs up to \$100K and enhancements to OHH Providers' infrastructures up to \$200K.

MOTION MADE BY DON TANNER TO APPROVE THE INDEPENDENT CONTRACTOR AGREEMENT WITH THE COMMUNITY MENTAL HEALTH ASSOCIATION OF MICHIGAN DATED NOVEMBER 1, 2018 FOR PAYMENT UP TO THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) TO IMPLEMENT THE OPIOID HEALTH HOME; SECOND BY CAROL CRAWFORD. MOTION CARRIED.

Paychex Resolution

The NMRE's Human Resources and Payroll vendor requires a Board Resolution to show that NMRE staff is being provided medical insurance benefits. The Blue Care Network plan summary was distributed on this date.

MOTION MADE BY DENNIS PRIEST TO EXECUTE AN ADOPTION AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF MEDICAL BENEFITS TO NMRE EMPLOYEES AND FAMILY MEMBERS AND NAMING ERIC KURTZ AS THE PLAN'S TRUSTEE; SECOND BY KARLA SHERMAN. MOTION CARRIED.

OLD BUSINESS

NMRE Transition and Relocation

Progress being made with modifications to the new building. Carpet installation should wrap up by the end of the month. Brandon Rhue and his team are working on the IT framework. The target for the move is mid-January. As of December 17th, NMRE is its own employer' a training/event is planned for that afternoon. Mr. Kamps asked whether employees will have access to the building for limited hours or 24-hours. Brandon Rhue discussed the security system. There will be a key card entry which will log staff entering and exiting the building but will place no restrictions on times. Set business hours are 8:30AM-5:00PM. Charter will be used for Internet, with Merit fiber going in once permits have been obtained from Otsego County.

Opioid Health Home

Approximately 150 individuals have been enrolled. Start-up was slow but gaining momentum. Mr. Kurtz acknowledged the work of NMSAS. Work is ongoing to address the east side of the State (Alcona, Thunder Bay). Brandon Rhue ran through the enrollment process. Three additional organizations have expressed interest in becoming OBOTs. The OHH is open to individuals with an opioid use diagnosis and either a diagnosed chronic health condition, or at risk of developing a chronic health condition, and have Medicaid or HMP. NMRE has two full-time OHH Coordinators. Karla Sherman asked what the most prevalent health condition is. Sara Sircely responded she doesn't have that data but likely similar to the general public (diabetes, hypertension, obesity, heart disease, etc.). NMRE is pursuing relationships with Medicaid Health Plans to coordinate care. Mr. Kovacs suggested communicating with Northern Health Alliance and Northern Michigan CHIR to spread the word. Mr. Kamps suggested utilizing liquor tax funds for media outreach.

PRESENTATION

State of the State PIHP/CMHSP

Mr. Kurtz provided an update on current "chatter" being heard throughout the state. Information was included in the meeting packet relating to funding for failing regions. Mr. Kurtz noted that as Governor Snyder's administration winds down, some key appointments are being made. Some speculation regarding whether middle management within BHDDS is supportive of the PIHP and CMHSP system. Efforts are being pushed to the 298 projects, while at the same time, up to three additional regions are in the same predicament as Lakeshore. The unstable regions have spoken of using the Administrative Law process to

sue the Department. The Department's response has been inconsistent. A letter of Contract Termination has been sent to Lakeshore while others are working with the department collectively regarding their funding issues. New rates were expected in November, effective January 1st. No new rates will roll out this fiscal year. The Departments current rate setting process is reviewing all these issues together because of failing boards which could negatively impact healthy regions. Mr. Kurtz expressed the need to treat the issues separately. Healthy Michigan rates are not covering expenses throughout the state.

Mr. Kamps acknowledged the "very turbulent waters." The state is not rebasing rates as they should be. The timing appears tied to 298. Mr. Kurtz will continue advocacy efforts.

Mr. Kamps voiced the need to keep working and pushing quietly (through back channels).

COMMENTS

Board

- Joe Stone thanked CMHSPs for their efforts during the recent difficult situation experienced in West Branch.
- Carol Crawford announced her time as a Grand Traverse County Commissioner is ending. As such, she may not remain on the Northern Lakes CMH Board or NMRE Board. She has asked for consideration to remain which Mr. Kovacs supports. She stated it has been her pleasure to serve.
- Randy Kamps asked everyone present to spread word to reduce stigma and increase the visibility of the work we do and why we do it within our communities.

CMHSP CEO

Mr. Kovacs commended Carol Crawford on the work she has done to shepherd a Contract to place a licensed professional and peer support full-time in the Grand Traverse County jail.

Public

Heather Diggs asked the NMRE Board to revisit Great Lakes Recovery Center's request to expand to Harbor Springs and Gaylord made in June.

MEETING DATES

The next meeting of the NMRE Board of Directors is scheduled for 10:00AM on January 23, 2019, possibly at the 1999 Walden Drive location.

ADJOURN

Let the record show that Mr. Kamps adjourned the meeting at 11:40AM.