

**NORTHERN MICHIGAN REGIONAL ENTITY  
BOARD OF DIRECTORS MEETING  
10:00AM, OCTOBER 23, 2019  
GAYLORD CONFERENCE ROOM**

<b>BOARD MEMBERS IN ATTENDANCE:</b>	<b>Roger Frye, Ed Ginop, Annie Hooghart, Randy Kamps, Terry Larson, Mary Marois, Gary Nowak, Jay O'Farrell, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora</b>
<b>BOARD MEMBERS ABSENT:</b>	<b>Gary Klacking, Christian Marcus</b>
<b>CEOs IN ATTENDANCE:</b>	<b>Christine Gebhard, Karl Kovacs, Nena Sork</b>
<b>STAFF IN ATTENDANCE:</b>	<b>Eric Kurtz, Brandon Rhue, Sara Sircely, Deanna Yockey, 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 Gary Klacking and Christian Marcus were excused from 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.

ACKNOWLEDGEMENT OF CONFLICT OF INTEREST

Let the record show that no conflicts of interest were expressed with any of the agenda items.

APPROVAL OF PAST MINUTES

The minutes of the September 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 SEPTEMBER 25, 2019 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SECOND BY JOE STONE. MOTION CARRIED.**

APPROVAL OF AGENDA

Mr. Kamps called for approval of the meeting agenda.

**MOTION MADE BY ROGER FRYE TO APPROVE THE AGENDA FOR THE OCTOBER 23, 2019 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SECOND BY GARY NOWAK. MOTION CARRIED.**

CORRESPONDENCE

- 1) The FY20 NMRE Board Meeting Schedule.
- 2) The NMRE Q3 FY19 Performance Indicator Report.
- 3) The NMRE FY19 Performance Improvement Project Report dated September 2019.

- 4) A letter dated October 11, 2019 to Eric Kurtz from Larry Scott, Director of the Office of Recovery Oriented Systems of Care regarding the Management Decision for Single Audit Findings for the year Ended September 30, 2018 and summary of findings.
- 5) An invitation from Gail Daumit, MD, MHS and Amy Kilbourne, PhD, MPH for CMHSPs to participate in a study of cardiovascular disease in individuals with serious mental illness.
- 6) Email correspondence from Jeff Wieferich listing dates, places, and times of stakeholder meeting to review the new work requirements for Healthy Michigan Plan beneficiaries.
- 7) Email correspondence from Robert Sheehan and Alan Bolter regarding “the power of well-organized advocacy – the 298 veto and sound revenues.”
- 8) A report from the Center for Healthcare Integration & Innovation titled, “The perfect storm for fiscal distress in Michigan’s mental health system: the convergence of revenue and demand factors leading to the current fiscal stress in Michigan’s public mental health system” dated September 2019.
- 9) Slides from a presentation from CMHAM on Michigan’s Mental Health and Substance Use Disorders System.
- 10) A report by James Haveman, Jr. to the Michigan House of Representatives MDHHS Subcommittee on Appropriations dated October 2, 2019.
- 11) Slides from a presentation from Kevin Koonstra, Deputy Director, House Fiscal Agency, Behavioral Health Administration and Organization dated October 2019.

Mr. Kurtz reviewed the missed Performance Indicators. Performance Indicators are changing January 1<sup>st</sup>; new versions will not allow for exclusions. Compliance standards will be modified in exchange. Mr. Kamps expressed interest in knowing what is being done to improve access to ongoing services. Utilizing telemed/telehealth is one measure being implemented; it was acknowledged that initial assessments are done face-to-face.

The Haveman document was discussed. Mr. Haveman expressed support of physical and behavioral healthcare integration, reducing the number of PIHPs to one, and allowing Medicaid Health Plans to take over CMHSP funding. He encouraged the introduction of new models of integrated care in Michigan; it was noted that the NMRE’s Behavioral Health Home is such a model.

Mr. Stone asked for feedback on Director Gordon’s talk at the Fall Conference. The focus of the talk was stated as, “work together to do better.” Mr. Kurtz noted he has heard there are already documents floating around touting alternatives to the 298 pilot projects; some of them worse. Consensus was reached that with 298 gone, now is the time to move forward with the “good” changes.

Christine Gebhard suggested leveraging legislators, rather than relying on the Department to spearhead new models on its own. The Behavioral Health Home expansion model was discussed as a means of both care integration and cost savings. Mr. Kamps suggested keeping Director Gordon updated on its progress.

#### ANNOUNCEMENTS

Mr. Stone announced that CMHAM Spring Conference will be held at Grand Traverse Resort. Ms. Hooghart announced that “People Helping People” is a new no-cost support group in the Manistee area.

#### PUBLIC COMMENT

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

## REPORTS

### **Executive Committee Report**

Let the record show that the NMRE Executive Committee met at 9:15AM on this date to discuss the NMRE CEO's contract and compensation for FY20. The Executive Committee reviewed the CEO Evaluation Report and the summary of PIHP CEO salaries.

The Executive Committee voted to modify the "Compensation" section of the NMRE CEO's Contract to provide a merit-based and/or cost of living increase of 2.5% for FY20. The Contract will be reviewed annually for additional modifications. It was noted that NMRE staff received a 2.5% cola for FY20; some staff also receive step increases based on performance.

**MOTION MADE BY GARY NOWAK TO AUTHORIZE A TWO AND A HALF PERCENT (2.5%) INCREASE TO THE NORTHERN MICHIGAN REGIONAL ENTITY CHIEF EXECUTIVE OFFICER'S SALARY FOR FISCAL YEAR 2020; SECOND BY ED GINOP. MOTION CARRIED.**

### **CEO's Report**

The NMRE CEO Monthly Report for October 2019 was included in the materials for the meeting on this date. Mr. Kurtz reported that he completed all the CEO 1:1 visits and is compiling the information. Some changes are already in place, others will be reviewed with staff. He spoke about his interview with CARF during North Country's accreditation process and his presentation on liquor tax to the Benzie County Board of Commissioners.

### **SUD Board Report**

Let the record show that the next meeting of the NMRE Substance Use Disorder Oversight Board is scheduled for 10:00AM on November 4, 2019 in the NMRE Board Room in Gaylord.

### **Financial Report**

The NMRE Monthly Financial Report for August 2019 was included in the meeting materials.

- Traditional Medicaid showed \$145,431,655 in revenue, and \$150,563,080 in expenses, resulting in a net deficit of \$5,131,425. Medicaid ISF was reported as \$6,611,541. Medicaid Savings was reported as \$1,408,261.
- Healthy Michigan Plan showed \$17,198,030 in revenue, and \$19,124,147 in expenses, resulting in a net deficit of \$1,926,117. Healthy Michigan ISF was reported as \$5,408,357. HMP carry forward \$0.
- Net Position showed Medicaid and HMP combined net deficit of \$7,057,542. Medicaid carry forward in the amount of \$1,408,261 and Medicaid and HMP ISF in the amount of \$12,019,898. The total Medicaid and HMP net surplus was reported as \$6,370,617.
- Behavioral Health Home showed \$108,929 in revenue and \$59,959 in expenses, resulting in a surplus of \$48,970.
- SUD showed all funding source revenue of \$12,591,295 and \$13,494,297 in expenses, resulting in a net deficit of \$903,002. Total PA2 funds were reported as \$5,730,769.

**MOTION MADE BY JOE STONE TO APPROVE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR AUGUST 2019; SECOND BY JAY O'FARRELL. MOTION CARRIED.**

Mr. Stone asked how much of the Traditional Medicaid deficit is due to autism. Deanna Yockey replied the amount is significant for AuSable Valley and North Country. Ms. Gebhard requested a report separating autism expenditures by CMHSP which Ms. Yockey agreed to provide. It was

noted that autism is a politically charged issue. Mr. Stone expressed he is pleased that all Boards are in a deficit position at the end of the year; it shows that funds were flowing to consumers.

Karl Kovacs commented that, upon doing some quick math, the region is overspending Traditional Medicaid by 3.5% and HMP by 11%. Mr. Kamps expressed disappointment about the (promised) \$49M supplemental; clarification was made that these funds were built into FY20 rates.

Mr. Kurtz noted that the health home payment and recoupment issues has been “conceptually” fixed; the target date for payments to resume is likely January.

It was noted that SUD is systemically underfunded, though a good increase was noted for FY20. SOR Grants are available but their use is very prescriptive. The impact of legalized marijuana will be revealed down the road.

### NEW BUSINESS

#### **MDHHS-PIHP FY20 Contract Amendment No.1**

The edited version of Amendment No.1 to the MDHHS-PIHP Contract was included in the materials for the meeting on this date.

- 1) HCBS compliance has been delayed until March 2022.
- 2) Standard Consent policy will state that written consent is not needed in all situations.
- 3) PIHP Trauma Policy requirement and guidelines.
- 4) MDHHS funding was revised to show the 1115 waiver, the 1915(1) Waiver, the 1915(c) Children’s waivers, the payment distribution methodology, and FY20 rate calculations.
- 5) Contract withholds are being tied to HEDIS measures.
- 6) PIHP reporting to include new MUNC reporting dates, removal of DD Proxy Measures, new Performance Indicators (effective January 1, 2020), removal of recovery Policy and Practice report due dates, adding Veteran Services Navigator data collection, and Performance Based Improvement narrative reporting due dates.
- 7) P8.0.1 MDHHS Funding – Milliman Rate Certification.

**MOTION MADE BY DON TANNER TO APPROVE AMENDMENT NUMBER ONE (NO.1) TO THE NORTHERN MICHIGAN REGIONAL ENTITY’S CONTRACT WITH THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES FOR FISCAL YEAR 2020; SUPPORT BY GARY NOWAK. MOTION CARRIED.**

### OLD BUSINESS

#### **298 Update**

October 17<sup>th</sup>, the Michigan Department of Health and Human Services (MDHHS) announced the end of the Section 298 pilots following the governor’s veto and the pilot participants’ inability to reach an agreement on a path forward. As stated previously, alternative plans are popping up. Mr. Kurtz agreed to keep Board Members informed.

#### **CMHAM Fall Conference Highlights**

- Mr. Kamps spoke about “Project ECHO: Expanding Substance Use Disorder Treatment in Rural Primary Care.” Project ECHO is a hub offered through Saginaw Valley State University to address gaps in SUD treatment.
- Ms. Gebhard discussed “Beyond Emergency Departments: Innovations in Efficient, Person-entered, Cost-Effective Emergency Psychiatric Care,” a session on managing healthcare crises.

- Mr. Tanner attended the session on the “Michigan Mortality Study.” The study will examine the causes for premature death and risk of premature mortality.
- Nena Sork and Diane Pelts attended the “Social Determinants of Health” session, which they felt was very informative.
- Mr. Stone noted that the “Board Chairperson Roundtable” focused on recruiting and retaining staff; some very interesting and innovative approaches were discussed.
- Mr. Kovacs attended “Certified Community Behavioral Health Clinics: Our Journey to Integrated Care,” during which the presenter announced that \$3.6M for expansion has been made available; barriers still exists in terms of sustainability.
- Mary Marois attended two sessions focused on millages: 1) “Michigan’s Mental Health Millages – An Update” and 2) “Mental Health and Public Safety Preservation Millage – A Creative Approach to Addressing Mental Health and Public Safety in Washtenaw County.” Millage funds carry over from year-to-year. It was noted that Leelanau County is going after a millage for children’s programs with a focus on early intervention (1-mill tax).

### **BHH Update**

The Behavioral Health Home expansion is moving forward. A conference call was held with Jon Villasurda from MDHHS during the October Operations Committee. Some of the \$500K Health Endowment Fund dollars will be distributed to use for start-up costs and training.

### PRESENTATION

#### **Opioid Health Home**

Ms. Sircely reported on the NMRE’s pilot Opioid Health Home (OHH) project that began on October 1, 2018. The NMRE was the first PIHP in the State to adopt the program. Ms. Sircely clarified that the “health home” is not a physical building, but model of care that treats the “whole person” in one setting. The NMRE currently has eight OHH providers; one an Opioid Treatment provider (NMSAS Recovery Center), and seven that are Office-based Opioid Treatment Providers. Additional providers have expressed interest in signing on. Over 300 individuals are currently enrolled (61% females/39% males). The Michigan Department of Health and Human Services has launched a marketing campaign promoting the OHH. Ms. Sircely and Mr. Kurtz were given awards for their work in implanting the innovative treatment model. Three other PIHPs are looking to implement similar care models. The suggestion was made to coordinate with the Primary Care Association.

### COMMENTS

#### **Board**

- Ms. Hooghart said that she heard a report ranking the top 10 zip codes for millennial millionaires; eight were in California and one in Maryland, but the top spot was Traverse City (49685).
- It was noted that Medicaid Health Plans are not providing appropriate coverage for mental health services.

#### **CMHSP CEOs and Staff**

The Board was reminded that there is no meeting in November.

### MEETING DATES

The next meeting of the NMRE Board of Directors will take place on December 11, 2019 at 10:00AM at the NMRE office in Gaylord.

### ADJOURN

Let the record show that Mr. Kamps adjourned the meeting at 11:53AM.