

**NORTHERN MICHIGAN REGIONAL ENTITY  
BOARD OF DIRECTORS MEETING  
10:00AM, DECEMBER 11, 2019  
NMRE GAYLORD CONFERENCE ROOM**

<b>BOARD MEMBERS IN ATTENDANCE:</b>	<b>Roger Frye, Ed Ginop, Randy Kamps, Terry Larson, Christian Marcus, Mary Marois, Gary Nowak, Jay O'Farrell, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora</b>
<b>BOARD MEMBERS ABSENT:</b>	<b>Annie Hooghart, Gary Klacking</b>
<b>CEOs IN ATTENDANCE:</b>	<b>Chip Johnston, Christine Gebhard, Karl Kovacs, Diane Pelts, Nena Sork</b>
<b>STAFF IN ATTENDANCE:</b>	<b>Eric Kurtz, Sara Sircely, Deanna Yockey, Carol Balousek</b>
<b>PUBLIC IN ATTENDANCE:</b>	<b>Chris Frasz, Susan Latuszek</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 Gary Klacking 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 October 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 OCTOBER 23, 2019 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SECOND BY DON TANNER. 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 DECEMBER 11, 2019 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SECOND BY RICHARD SCHMIDT. MOTION CARRIED.**

CORRESPONDENCE

- 1) The minutes from the November 7, 2019 PIHP CEOs meeting.
- 2) The Community Mental Health Association's November 2019 School-Based Mental Health Newsletter.

- 3) The Community Mental Health Association's November 2019 Newsletter.
- 4) A Press Release from MDHHS dated November 14, 2019 Governor Witmer, Michigan Opioids Task Force announce efforts to combat opioid epidemic, cut opioid deaths in half.
- 5) Bullet Points from MDHHS Director Robert Gordon's keynote presentation to the Community Mental Health Association of Michigan dated October 22, 2019. This topic will be discussed in greater detail under the "Presentation" portion of the Agenda.

### ANNOUNCEMENTS

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

### 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 no meetings of the NMRE Executive Committee have occurred since the June Board Meeting.

#### **CEO's Report**

The NMRE CEO Monthly Report for November and December 2019 was included in the materials for the meeting on this date. Mr. Kurtz referred to his attendance at the North Country Board Retreat as a highlight. Mr. Kurtz made note of his meeting with Sara Esty on November 25<sup>th</sup>, which will be discussed further under the "Presentation" portion of the meeting Agenda.

#### **SUD Board Report**

The minutes of the November 4, 2019 meeting of the NMRE SUD Oversight Board were included in the materials for the meeting on this date. Mr. Frye reported that he was not in attendance for the meeting. Ms. Sircely stated that liquor tax requests will be disused under a later Agenda item.

#### **Financial Report**

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

- Traditional Medicaid showed \$158,408,195 in revenue, and \$163,819,475 in expenses, resulting in a net deficit of \$5,411,280. Medicaid ISF was reported as \$6,611,541. Medicaid Savings was reported as \$1,408,261.
- Healthy Michigan Plan showed \$18,647,282 in revenue, and \$21,210,824 in expenses, resulting in a net deficit of \$2,563,542. Healthy Michigan ISF was reported as \$5,408,357. HMP carry forward \$0.
- Net Position showed Medicaid and HMP combined net deficit of \$7,974,822. 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 \$5,453,337.
- Behavioral Health Home showed \$120,590 in revenue and \$146,994 in expenses, resulting in a net deficit of \$26,404.
- SUD showed all funding source revenue of \$114,326,492 and \$14,663,860 in expenses, resulting in a net deficit of \$337,368. Total PA2 funds were reported as \$6,338,074.

Ms. Yockey indicated that final expenditures for some of the CMHSPs may be projected high.

MDHHS has acknowledged issues with payments received by the PIHPs, citing a problem in CHAMPS. The necessary adjustments needed to correct the issue may take up to nine months to sort out. It was also noted that MDHHS did not provide any revenue projections to the PIHPs.

In October, Medicaid was \$1M higher than September which was in line with projections. Additionally, the NMRE was paid for only 571 of its 689 HSW slots. It was noted that the NMRE's positive financial position is uncommon among PIHPs.

Mr. Frye commented on the deficit for SUD services. He asked whether SUD will ever show a positive net position. Ms. Yockey responded that a significant rate increase for FY20 plus community grant funds will have a substantial effect.

Mr. Tanner remarked on a news story about a 50% reduction in liquor tax for those distillers who produce liquor in the state that utilize local materials. Mr. Kurtz responded that he had not heard about it. Mr. Stone asked whether any tax dollars are available from the sale of recreational marijuana. Mr. Kurtz answered that he's not seen any movement on that to date.

**MOTION MADE BY JOE STONE TO RECEIVE AND FILE THE NORTHERN MICHIGAN REGIONAL ENTITY MONTHLY FINANCIAL REPORT FOR SEPTEMBER 2019; SECOND BY GARY NOWAK. MOTION CARRIED.**

#### NEW BUSINESS

##### **NMRE Medical Director Contract**

The agreement to contract with Curtis Cummins, MD as the NMRE Medical Director was included in the meeting materials in draft form. Clarification was made that Northern Lakes also contracts with Dr. Cummins.

**MOTION MADE BY DON TANNER TO APPROVE THE CONTRACT BETWEEN THE NORTHERN MICHIGAN REGIONAL ENTITY AND CURTIS CUMMINS, MD FOR HIS SERVICES AS MEDICAL DIRECTOR; SUPPORT BY KARLA SHERMAN. MOTION CARRIED.**

##### **SUD Planning Session**

A planning session was held November 14<sup>th</sup> with NMRE staff and SUD CEOs and facilitated by Jane Sundmacher. The Practical Vision end product document was included in the materials for the meeting on this date. Ms. Sundmacher proposed the question, "What do we want to see in the Substance Use Disorder system by 2023 as a result of our actions?" Working through the exercise, eight items were identified:

- 1) Dynamically expanded robust continuum of care
- 2) Strategically improved care
- 3) Meaningfully recognized in the health care system
- 4) Collectively embraced regional priorities
- 5) Adequately allocated flexible funding
- 6) Expertly developed workforce competencies
- 7) Purposefully increased access to care
- 8) Easily accessed timely client data

These guidelines will be used to direct funds and identify gaps in services in the region. Mr. Kurtz noted that the planning session was a first step in the process. The next step will be to identify barriers. A final product will be brought to the Board.

### **Liquor Tax Requests**

- 1) Catholic Human Services – Iosco County \$56,380.
- 2) District Health Department #10 – Wexford County \$18,267 and Missaukee County \$8,233.
- 3) Catholic Human Services – Kalkaska County \$41,800 (FY20 = \$38,317; FY21 = \$10,449).
- 4) Centra Wellness Network – Manistee County \$40,390 and Benzie County \$29,057.
- 5) Catholic Human Services – Grand Traverse County \$50,000 (FY20 = \$45,833; FY21 = \$4,167).
- 6) Catholic Human Services – Leelanau County \$38,126 (FY20 = \$28,595; FY21 = \$9,531).
- 7) Catholic Human Services – Alpena County \$28,635, Alcona County \$10,414, Montmorency County \$9,306, and Presque Isle County \$12,869.
- 8) Catholic Human Services – Montmorency County \$42,639.
- 9) Catholic Human Services/Traverse City Downtown Development Authority – Grand Traverse County \$100,000.

Ms. Marois asked that the last request be sent to the Board. Ms. Zamora questioned how monitoring the “drinking culture” would be achieved. Mr. Kamps provided some insight on the culture in Traverse City, particularly regarding one establishment. Mr. Kovacs noted that Police Chief Jeff O’Brien has been a tremendous asset to the Traverse City area.

**MOTION MADE BY JOE STONE TO APPROVE THE LIQUOR TAX REQUESTS PRESENTED FOR APPROVAL ON THIS DATE AND AS RECOMMENDED BY THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT COMMITTEE ON NOVEMBER 4, 2019; SECOND BY KARLA SHERMAN. MOTION CARRIED.**

### OLD BUSINESS

Let the record show that there was no “Old Business” placed on the agenda for the meeting on this date.

### PRESENTATION

#### **System Transformation**

The slides from Director Gordon’s December 4<sup>th</sup> presentation to Health and Human Services Joint House and Senate Committees and his October 22<sup>nd</sup> keynote to CMHAM were included in the materials for the meeting. Mr. Kurtz distributed his “Early Analysis of MDHHS Proposed System Redesign” to the Board on this date.

Mr. Stone commented that at the most recent CMHAM Executive Committee it was discussed that the Association’s position should be neither for nor against the MDHHS proposal; a position to keep in mind the needs of all involved was supported. Input from PIHPs and CMHSPs is needed. Mr. Stone assured the Board that input sent to Bob Sheehan will get to the Department. Mr. Johnston voiced the numerous regulatory changes that would be required to implement the plan as stated, including amending the Michigan Constitution. Mr. Stone emphasized that information must be conveyed to “the people that matter.” Mr. Kurtz expressed that he has met with numerous individuals and the message doesn’t get through. Mr. Johnston added that the current system is fine except for Lakeshore, which needs to be cleaned up.

Mr. Kurtz summarized his early analysis document for discussion purposes. Ms. Gebhard noted that much could be done right now to achieve the stated goals. Mr. Johnston added that almost all the Department’s talking points are “false.” Mr. Kovacs cited expansion of the Behavioral Health Home as a brilliant alternative to 298. He also noted that Director Gordon and Sara Esty have little to no expertise on this topic.

Mr. Stone offered to schedule a meeting with the four CMHAM Officers to go over the issues point by point with Bob Sheehan. Discussions will continue with like-minded partners. Ms. Gebhard suggested meeting with legislators (they don't know what they don't know) once the comprehensive, specific talking points are developed to present better alternatives. Mr. Nowak added that the counties need to be educated too regarding what could happen. Mr. Schmidt commented that during meetings of the Michigan Association of Counties (MAC) the views of rural counties are often overshadowed by more urban areas.

**MOTION MADE BY KARLA SHERMAN TO ALLOW THE NORTHERN MICHIGAN REGIONAL ENTITY CHIEF EXECUTIVE OFFICER TO SPEND THE AMOUNT NEEDED TO ALLOW HIM TO WORK WITH NECESSARY PARTIES TO DEVELOP A RESPONSE TO MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES' SYSTEM TRANSFORMATION PLAN; SUPPORT BY GARY NOWAK.**

Discussion: Mr. Tanner asked if the region is still pursuing a rural exemption. Mr. Kurtz responded, "It's still on the table."

Mr. Kamps expressed discomfort with approving carte blanche funding for this. After discussion, the Board agreed to an amount not to exceed \$25K.

**MS. SHERMAN AMENDED HER MOTION TO APPROVE AN AMOUNT NOT TO EXCEED TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00); MR. NOWAK SUPPORTED. MOTION CARRIED BY UNANIMOUS VOTE.**

COMMENTS

**Board**

- Mr. Stone requested that a response to the system transformation documents go out to the Board as soon as possible which Mr. Kurtz agreed to do.
- Mr. Tanner asked whether there is a time during the (system transformation) process to educate someone in the media. He noted that the general public/voters don't know what's going on. Mr. Kamps suggested inviting media to the meeting with Legislators. Mr. Frye suggested informing and notifying county commissioners. Mr. Larson urged the Board to give Mr. Kurtz the authority to develop talking points or a newsletter (or both) for distribution.
- Mr. Frye announced that he was reappointed to the Northeast Michigan Board for another three-year term. He noted that a Commissioner was not familiar with Northeast Michigan CMH or its Board and asked what they do.
- Mr. Kamps shared a personal story related to the opioid epidemic.
- Mr. Nowak wished everyone a happy holiday.

**CMHSP CEOs and Staff**

- The documentary "Ernie and Joe" on HBO about San Antonio's 10-person mental health unit was recommended by Ms. Marois and enjoyed by staff.

MEETING DATES

The next meeting of the NMRE Board of Directors will take place on January 22, 2020 at 10:00AM at the NMRE office in Gaylord.

ADJOURN

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