

**NORTHERN MICHIGAN REGIONAL ENTITY  
BOARD OF DIRECTORS MEETING  
10:00AM, JANUARY 22, 2020  
NMRE GAYLORD CONFERENCE ROOM**

<b>BOARD MEMBERS IN ATTENDANCE:</b>	Roger Frye, Ed Ginop, Annie Hooghart, Randy Kamps, Gary Klacking, Terry Larson, Mary Marois (on phone), Gary Nowak, Jay O'Farrell, Richard Schmidt, Karla Sherman, Joe Stone, Don Tanner, Nina Zamora
<b>BOARD MEMBERS ABSENT:</b>	Christian Marcus
<b>CEOs IN ATTENDANCE:</b>	Stacey Chipman (for Christine Gebhard), Chip Johnston, Teresa Tokarczyk (for Diane Pelts)
<b>STAFF IN ATTENDANCE:</b>	Isaac Gogolin, Eric Kurtz, Brandon Rhue, Sara Sircely, Deanna Yockey, Carol Balousek
<b>PUBLIC IN ATTENDANCE:</b>	Chip Cieslinski, Lauri Fischer, Kassondra Glenister, Misty Smith, Sue Winter, Jackie Wurst

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 Christian Marcus was 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 December meeting of the NMRE Governing Board were included in the materials for the meeting on this date.

**MOTION MADE BY ROGER FRYE TO APPROVE THE MINUTES OF THE DECEMBER 11, 2020 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS CORRECTED AS INDICATED; SECOND BY KARLA SHERMAN. MOTION CARRIED. ROGER/KARLA**

APPROVAL OF AGENDA

Mr. Kamps called for approval of the meeting agenda.

**MOTION MADE BY JOE STONE TO APPROVE THE AGENDA FOR THE JANUARY 22, 2020 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY BOARD OF DIRECTORS; SECOND BY JAY O'FARRELL. MOTION CARRIED.**

CORRESPONDENCE

1) The NMRE CEO December 5, 2019 meeting minutes.

- 2) A flyer for a “discussion with NFL legend Herman Moore on how addiction affects us all” scheduled for Saturday, January 25<sup>th</sup> at 11:00AM at Northern Michigan Community College (NCCMC).
- 3) Report from Health Services Advisory Group (HSAG) on the NMRE’s 2017-2018 External Quality Review.
- 4) Report from Health Services Advisory Group (HSAG) on the NMRE’s 2018-2019 External Quality Review Compliance Monitoring Report.
- 5) Quarter 4 FY19 NMRE Performance Indicator Report.
- 6) Summary of the system transformation vision by MDHHS.
- 7) A list of MDHHS public forums and talking points regarding the future of behavioral health in Michigan.
- 8) A letter dated January 2<sup>nd</sup> from Eric Kurtz to Jeff Wieferich commenting on the lack any public forums within the NMRE’s 21 county region.
- 9) A letter dated January 7<sup>th</sup> from Robert Gordon to the Community Mental Health Association of Michigan (CMHAM) following up on his presentation to the House and Senate Health and Human Services Subcommittees.
- 10) Statements of Advocacy Principles Adopted as of January 8<sup>th</sup>
- 11) Recommendations related to MDHHS proposal for the structure and operation of Michigan’s public mental health system prepared by CMHAM dated January 12<sup>th</sup>.
- 12) CMHAM Core system integrity principles and design elements passed unanimously by the CMHA Executive Board December 6, 2019.
- 13) The draft minutes of the January 8<sup>th</sup> regional Finance Committee meeting.
- 14) The draft minutes of the January 15<sup>th</sup> Operations Committee meeting.

Mr. Kurtz drew attention to the System Redesign documents. Mr. Kurtz expressed that his understanding is that the proposal is being reworked based on feedback. Further discussion of the topic was delayed to the “Presentation” portion of the Agenda.

In response to Mr. Kurtz’s letter to Jeff Wieferich (Correspondence item #8), Mr. Kurtz reported that a Community Forum is being planned in the region for February.

### ANNOUNCEMENTS

Let the record show that the 2020 IRS mileage rate was announced as \$0.575/per mile.

### 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 December Board Meeting.

#### **CEO’s Report**

The NMRE CEO Monthly Report for January 2020 was included in the materials for the meeting on this date. Much of Mr. Kurtz’s activities were focused on meetings regarding the System Redesign concept.

Mr. Kamps asked what the most meaningful or intuitive question was asked during CWN’s seminar. Mr. Johnston responded that numerous county officials were in attendance. He walked through the responsibilities of a CMH, which many had not been aware of previously. Mr. Kurtz presented Director Gordon’s plan to the group. He led a lengthy discussion of what is wrong with

the plan and suggested alternatives. A clear takeaway was that individuals learned more about the system than they ever had before. Commitment was given from Sen. Curt VanderWall that he will not support privatization of the behavioral health system. Overall it was a very productive session. Mr. Kamps requested that the PowerPoint from the CWN session be distributed to the Board which will be done.

### **SUD Board Report**

The minutes of the January 6, 2020 meeting of the NMRE SUD Oversight Board were included in the materials for the meeting on this date. Mr. Frye reported that liquor tax requests will be disused under a later Agenda item.

### **Financial Report**

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

- Traditional Medicaid showed \$26,513,092 in revenue, and \$26,894,990 in expenses, resulting in a net deficit of \$481,898. Medicaid ISF was reported as \$2,964,048 based in the Interim FSR. Medicaid Savings was reported as \$1,408,261.
- Healthy Michigan Plan showed \$3,449,116 in revenue, and \$3,211,737 in expenses, resulting in a net surplus of \$237,379. HMP ISF was reported as \$2,973,781 based on the Interim FSR. HMP savings was reported as \$0.
- Net Position showed Medicaid and HMP ISF combined net deficit of \$462,233. Medicaid and HMP combined ISF was reported as \$5,937,829. The Total Medicaid and HMP Net surplus, including carry forward and ISF was reported as \$5,475,596.
- Behavioral Health Home showed \$23,871 in revenue, and \$17,503 in expenses, resulting in a net surplus of \$6,368.
- SUD showed all funding source revenue of \$2,729,999, and \$2,401,586 in expenses, resulting in a net surplus of 328,413. Total PA2 funds were reported as \$6,150,921.
- The total October and November HSW Receivable was reported at \$1,124,488.
- The total Medicaid and HMP due to the Boards was reported as \$579,318.

Ms. Yockey clarified that the HMP due has been received by the NMRE. Revenue is tracking with projections. Mr. Kamps asked whether NMRE will be able to add to its reserves in FY20. Ms. Yockey responded that revenue is coming in at projections, however some spending issues remain. Mr. Kurtz noted that he intends to meet with regional CFOs about maintaining spending within PM/PM. Additions to the ISF were not included in the FY20 budget. If Boards spend at PM/PM, we should end the year flat. Mr. Stone stressed that having a fully funded risk reserve, given the system transformation initiative, may prove to be important.

Favorable rates have greatly helped SUD net position.

Regarding the \$6M liquor tax fund balance, Mr. Kamps asked whether the scope of what PA2 can be expended for can be expanded. Clarification was made that PA2 can be used for treatment and prevention services. Mr. Larson expressed concern that \$6M is just "sitting there" when there are so many in need. Mr. Stone noted that PA2 money was a well-kept secret until recently. Mr. Nowak suggested the SUD Oversight Board create a report to send to the 21 County Boards of Commissioners. Mr. Larson remarked that the same issues pertaining to spending liquor tax funds existed when NMSAS was the Coordinating Agency for SUD services.

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

## **Unpaid HSW Slots**

A summary report was included in the materials for the meeting on this date. Of the NMRE's 680 slots, it was not paid of 33 (4.85%) in October, 38 (5.59%) in November, 41 (6.03%) in December, and 47 (6.91%) in January. MDHHS is strictly monitoring HSW enrollees for habilitative criteria. Ms. Yockey reported that HSW is a large revenue source for the region, over \$40M annually. The NMRE maintains enrollment packets on "standby" to quickly fill vacant slots.

## **Performance Bonus Incentive Payment**

The distribution amounts for the earned performance bonus incentive payment was included in the materials. The \$1,296,812 will be paid in February based on PMPM as follows:

- AuSable Valley will receive \$172,401
- Centra Wellness will receive \$108,286
- North Country will receive \$349,229
- Northeast Michigan will receive \$203,814
- Northern Lakes will receive \$395,919
- NMRE will retain \$67,163

## NEW BUSINESS

### **MDHHS-PIHP FY20 Contract Amendment No.2**

Amendment No.2 to the MDHHS-PIHP Contract is due to the Department was issued in December.

- 1) Section 18.1.15 Electronic Visit Verification (EVV) was added.
- 2) Section 7.7.3 Supports Intensity Scale language was added to require that newly eligible individuals receive a SIS assessment within their first year of services. Language pertaining to the three-year timeframe to conduct initial assessments was removed as the timeframe concluded on September 30, 2019.
- 3) Sections 8.4 through 8.4.15 were amended to remove the services requirements for HSW and CWP payments.
- 4) Section 2.10.1 was added to reflect the arrangement between MDOC and MDHHS that the PIHP is responsible for medically necessary SUD services to individuals under the supervision of MDOC after they are no longer incarcerated.
- 5) Attachment P7.7.1.1 PIHP Reporting Requirements removes an exception for CWP on the MUNC, and updates waiver references from 1915(b)(3) to 1115, 1915(i).
- 6) Attachment P39.0.1 PIHP Compliance Examinations was revised to remove Administration Cost Report and add Medical Loss Ratio.

Clarification was made that the PIHP is responsible for SUD services to individual under MDOC supervision exclusively for the Medicaid-only population. This group has also been added as a priority services population.

**MOTION MADE BY JOE STONE TO APPROVE AMENDMENT NUMBER TWO (NO.2) TO THE CONTRACT BETWEEN THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES AND THE NORTHERN MICHIGAN REGIONAL ENTITY FOR THE MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES PROGRAM(S), THE HEALTHY MICHIGAN PROGRAM, AND SUBSTANCE USE DISORDER COMMUNITY GRANT PROGRAMS; SUPPORT BY ED GINOP.**

## **Request for Proposals for MAT Providers**

The NMRE issued a Request for Proposals for Medication Assisted Treatment (MAT) services in November 2019 to add Outpatient treatment to the array of services. A summary prepared by the NMRE Provider Network Manager was included in the materials for the meeting on this date. A "no" was previously recommended for DOT Caring Center, Inc.; NMRE has given it further thought

and recommends approving. The NMRE Substance Use Disorder Oversight Board supported NMRE's recommendation of issuing contracts with six providers.

**MOTION MADE BY TO ROGER FRYE APPROVE THAT THE NORTHERN MICHIGAN REGIONAL ISSUE CONTRACTS WITH BALDWIN FAMILY HEALTH CARE, INC., HOPE NETWORK CENTER FOR RECOVERY, RECOVERY PATHWAYS, LLC, SAMARITAN HEALTHCARE, PC, DOT CARING CENTERS, INC., AND SACRED HEART REHABILITATION CENTER, INC. FOR THE PROVISION OF MEDICATION ASSISTED TREATMENT; SECOND BY GARY NOWAK. MOTION CARRIED.**

#### **Liquor Tax Requests**

- 1) Bear River Health – Otsego County – \$84,398
- 2) Catholic Human Services – Otsego County – \$10,340
- 3) Health Department of Northwest Michigan – All 21 Counties – \$333,500

Mr. Frye explained that the SUD oversight Board recommended approval of the Bear River Health and Catholic Human Services requests.

Regarding the request from the Health Department of Northwest Michigan for a vaping campaign and educational curriculum and vape detectors to be used in the school systems in the 21-county service area, the SUD Oversight Board was not comfortable with the original ask of \$672,500, given the lack of specific information. Mr. O'Farrell agreed, adding that the request and presentation were very disorganized. He would like more information regarding the specific schools participating in the anti-vaping initiatives. He also suggested more involvement from the community. The SUD Oversight Board only recommended approving the media campaign and educational curriculum at a total cost of \$333,500.

**MOTION MADE BY JAY O'FARRELL TO TABLE A RECOMMENDATION UNTIL SUCH TIME AS A MORE COMPREHENSIVE REQUEST IS RECEIVED FROM THE HEALTH DEPARTMENT OF NORTHWEST MICHIGAN; SECOND BY DON TANNER.**

Mr. O'Farrell withdrew his motion based on parliamentary procedure requirement that a specific time be included in a motion to table an agenda item. Mr. Tanner withdrew his second. The decision was made to approve the liquor tax requests individually.

**MOTION MADE BY DON TANNER TO APPROVE THE REQUEST FROM BEAR RIVER HEALTH FOR EIGHTY-FOUR THOUSAND THREE HUNDRED NINETY-EIGHT DOLLARS (\$84,398.00) OTSEGO COUNTY LIQUOR TAX DOLLARS TO PROVIDER SERVICES TO INMATES HOUSED IN THE COUNTY JAIL; SECOND BY ROGER FRYE. MOTION CARRIED.**

**MOTION MADE BY JOE STONE TO APPROVE THE REQUEST BY CATHOLIC HUMAN SERVICES FOR TEN THOUSAND THREE HUNDRED FORTY (\$10,340.00) OTSEGO COUNTY LIQUOR TAX DOLLARS TO IMPLEMENT A FAMILIES AGAINST NARCOTICS PROGRAM; SECOND BY ED GINOP. MOTION CARRIED.**

Let the record show that there was no motion to approve the liquor tax request from the Health Department of Northwest Michigan.

**MOTION MADE BY GARY NOWAK TO SEND THE LIQUOR TAX REQUEST FROM THE HEALTH DEPARTMENT OF NORTHWEST MICHIGAN BACK TO THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT BOARD FOR FURTHER**

**CONSIDERATION AFTER MORE SPECIFIC INFORMATION HAS BEEN OBTAINED. SECOND BY JAY O'FARRELL. MOTION CARRIED.**

OLD BUSINESS

**Disclosure of Ownership**

The NMRE Disclosure of Ownership Policy/Procedure was included in the materials for the meeting on this date. Federal regulations require Medicaid Providers, Fiscal Agents, and Managed Care entities to comply with all requirements to obtain, maintain, disclose, and furnish required information about ownership and control interests, business transactions, and criminal convictions. The NMRE is required to keep disclosure statements on file for:

- 1) Any Subcontractor who receives \$25,000 or more per year.
- 2) NMRE/CMHSP requires each applicable subcontractor to identify their "managing employee(s)" in policy or procedure. NMRE/CMHSP defines their managing employees as: Chief Executive Officer, Chief Financial Officer, and Chief Operating Officer, where applicable.
- 3) All applicable Disclosing Entities.
- 4) **NMRE/CMHSP Board Members.**

Disclosure statements were distributed to Board Members to complete on this date.

PRESENTATION

**Michigan's Proposed Behavioral Health Plan**

Mr. Johnston provided an overview of the CMHSP system: who it serves, what services it must provide, what services are provided beyond the requirements, and payment structure.

Mr. Kurtz presented on the State's "Future Plan," the goals of which are to: 1) broaden access to quality care; 2) improve coordination and cut red tape, and 3) increase behavioral health investment and financial stability. Numerous problems with the Plan were identified. Mr. Kurtz added that it is unclear whether any of it is even legal. At a minimum, numerous changes to policies, laws, regulations, would be necessary. Alternative plans were reviewed that would be far simpler to implement and would have the care integration outcome, the expansion of the Behavioral Health home for one.

Mr. Kurtz will keep Board Members informed as information becomes known. He is working closely with Tim Kangas from NorthCare Network to advocate for the rural north.

COMMENTS

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

MEETING DATES

The next meeting of the NMRE Board of Directors will take place on February 26, 2020 at 10:00AM at the NMRE office in Gaylord.

ADJOURN

Let the record show that Mr. Kamps adjourned the meeting at 12:05PM.